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The report presents DCC's performance in meeting the SEC obligations for progression of SEC Modifications with specific reference to the SLA for impact assessments, over the last 12 months.

### Recommendations

SEC Change Sub-Committee (CSC) Members are invited to:

- **NOTE** the current performance metrics; and
- **PROVIDE** feedback on improvement proposals which will be incorporated in DCC's ongoing approach.

## Overview

DCC provided a performance update to SEC Panel in January 2021, summarising the time taken to complete Impact Assessments against the Service Level Agreement (SLA). The following tables show the previous 12 months from September 2020 through to September 2021, and last year's average durations from December 2019 through to December 2020.

Table 1 – Average durations for Preliminary Assessments

Preliminary Assessments Completed	Total	Average Duration
PAs Between Dec 2019 & Dec 2020	21	62 WD
PAs Between Sept 2020 & Sept 2021	13	30 WD

Table 2 – Average durations for Final Impact Assessments

Final Assessments Completed	Total	Average Duration
FIA Between Dec 2019 & Dec 2020	9	108WD
FIA Between Sept 2020 & Sept 2021	7	78WD

The improvements represent a reduction of 32WDs for the return of Preliminary Assessments (PA) and a reduction of 30WDs in Final Impact Assessment (FIA) turnaround times to that of the previous year.

This is due to the hard work undertaken by SECAS and DCC to implement improvement actions as documented in the last performance update. [Ref: SECP\_88\_1501\_15 – DCC SEC Modification Performance Update].

DCC and SECAS continue to review the refinement process and make improvements that benefit industry. Our focus remains the reduction of time taken to return the Impact Assessments within the existing SLA whilst retaining the quality of document received from DCC's Service Providers (SPs). There are several on-going actions which will be presented at the end of the paper that will further improve upon submission timescales over the next 6-12 months.

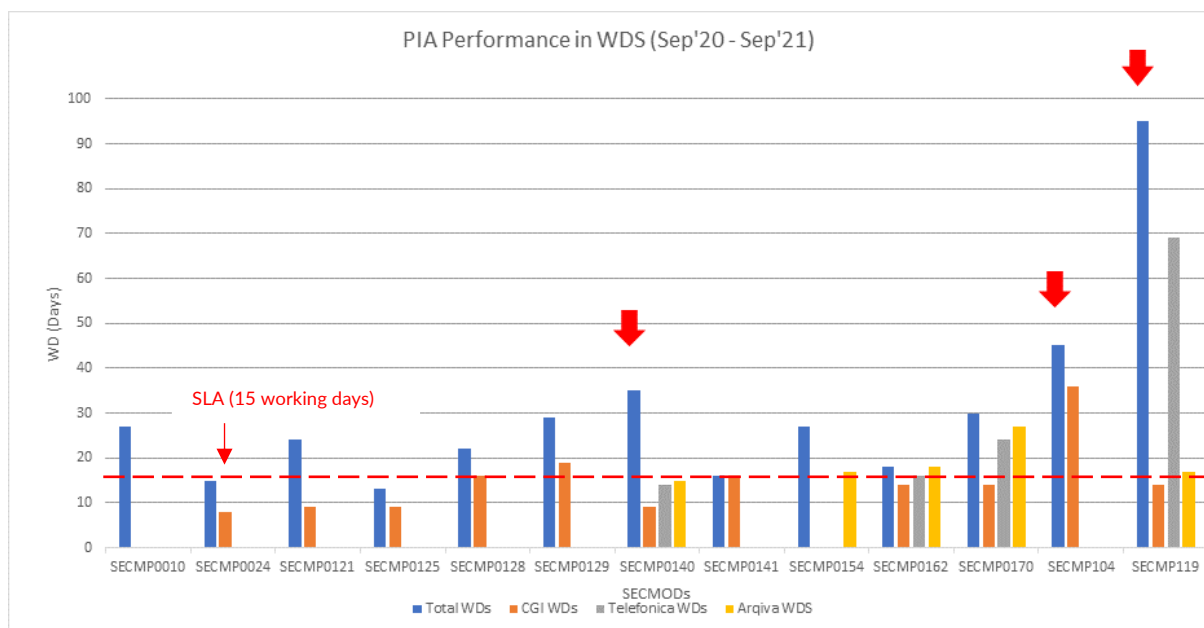
## Preliminary Impact Assessment Summary

The following table contains the total number of preliminary assessments (PAs) completed over the last 12 months: Sept 2020-Sept 2021. The target SLA for PAs is 15 WD.

Modification	Date Returned	Actual Duration (WD)
SECMP0024	23/10/2020	16
SECMP0010	27/10/2020	27
MP119	27/11/2020	95
MP104	26/01/2021	45

Modification	Date Returned	Actual Duration (WD)
MP140	23/03/2021	34
MP141	09/04/2021	16
MP121	12/05/2021	23
MP154	28/07/2021	27
MP128	10/08/2021	22
MP129	25/08/2021	29
MP125	01/09/2021	13
MP162	17/09/2021	18
MP170	30/09/2021	30

DCC submitted 85% of PAs within 30WDs, there were three assessments that took significantly longer to complete, including MP104, MP119 and MP140. The graph below breaks out submissions by Service Provider and shows the late submission from CGI for MP104 and delay of Telefonica in submitting MP119. MP140 was delayed due to cost challenges with Arqiva.



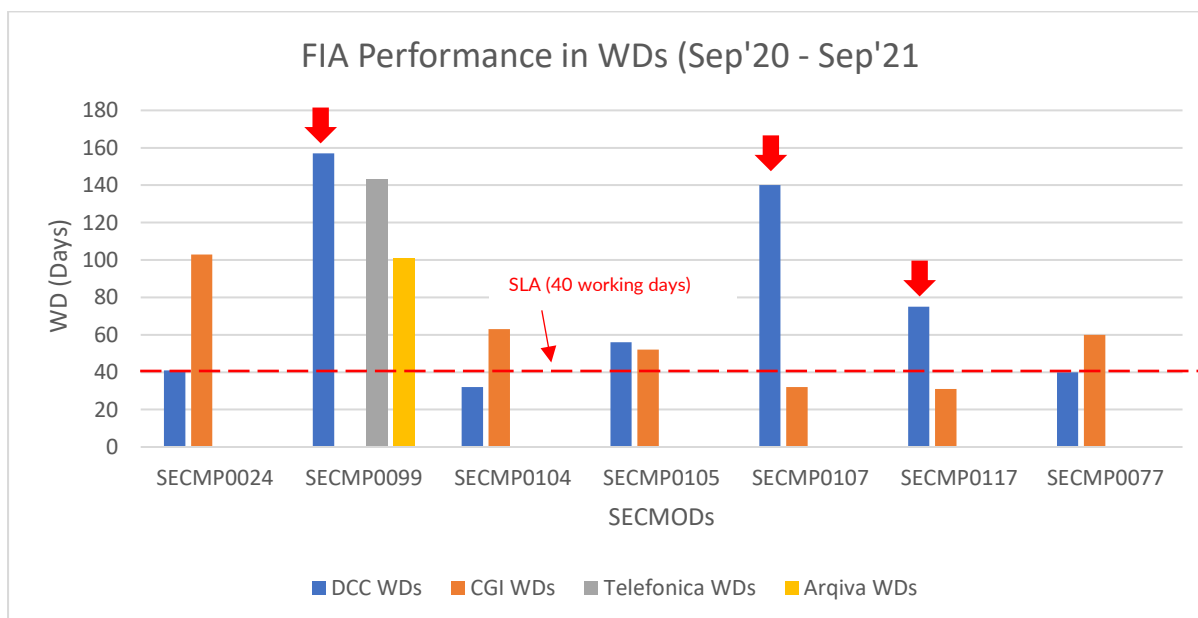
## Final Impact Assessments Summary

The following table contains the list of final impact assessments (FIAs) completed over the last 12 months: Sept 2020-Sept 2021. The target SLA for FIAs is 40 WDs.

Modification	Date Returned	Actual Duration (WD)
MP077	25/11/2020	40

Modification	Date Returned	Actual Duration (WD)
MP099	21/12/2020	165
MP105	13/01/2021	57
MP117	12/03/2021	74
SECMP0024	07/06/2021	41
MP107	14/06/2021	140
MP104	24/06/2021	32

The following graph breaks out the submissions by Service Provider for the FIAs submitted between Sept 2020 and Sept 2021:



There were three assessments that took significantly longer than the SLA to complete, including MP099, MP117 and MP107, but these delays all resulted in cost reductions.

It should also be noted that the impact assessments for these three modifications were initiated before the enhancements to the framework were put into place. (Collaborative Design Review and the Section D Review) Had these modifications been raised today, they would have benefitted from the enhancements such as the requirements workshop discussions prior to PA.

**MP099** – This was delayed due to resource constraints of the SPs and then further delayed due to cost challenges resulting in a £750k saving - final submitted costs of the FIA were £307k

**MP107** - This Modification impacted both SMETS1 and SMETS2 providers. Delays were because of a new process in engaging with the SMETS1 Service Providers (S1SPs) to complete SEC Modifications and solution challenges which resulted in circa. £150k savings against a final submitted cost of £209k

**MP117** – SPs' solution and costs were challenged by the DCC which resulted in this Modification being withdrawn due to lack of business case.

## Next Steps and Proposed Improvements

Currently the main reason for delays in submitting Impact Assessments is Service Provider resourcing constraints and challenges made to final costs. The on-going improvement actions address these issues and allow further savings to be made to the time taken to submit Impact Assessments within the SLA.

### 1. Governance RoadMap Review

SECAS continue to provide a governance roadmap which indicates when the refinement stages will commence and finish. DCC have started discussing these timelines with our SPs. This early view of when SECAS intend to issue assessments allows DCC to have discussions about resource planning by providing a manageable workload and identifying issues at the very start of the process. By keeping workloads within the manageable level, we can better ensure assessments are issued to Service Providers allowing for them to meet the expected timescales once requested. This will offer more certainty to the onward timetable and better planning over the whole portfolio of change.

### 2. Standard cost for Assessments

The SEC is the only Code that presents the charges of completing the FIA separately for decision, which Parties must accept before completion of the modification's assessment. As well as incurring cost simply to assess a potential solution, this can add up to an extra month to the process to scrutinise this cost and obtain the necessary approval to proceed. To alleviate this issue, the DCC is working with Service Providers to understand how we could fix the cost for completing assessments based upon a demand profile over the following financial year, whilst ensuring value for industry.

The DCC has baselined assessment cost utilising historic cost and volume data and is seeking validation from Service Providers before presentation to industry.

The benefits include:

- Reduction in time taken for the SPs to produce PAs as they will no longer need to produce the costs for completing the Final IAs
- Simpler decision making for Industry as they would no longer be required to consider the cost to proceed with an FIA
- Continuity and predictability of SP resources to complete assessments due to apportionment of income over the year and reducing the need for prioritisation activities.

### 3. 'Stop the Clock' Process

There are occasions when both DCC and/or SPs require more time to complete and turn around PAs and FIAs, for valid reasons such as changes to scope.

A 'Stop the Clock Process' would enable the DCC and Service Providers to formally request SECAS to put the completion of an assessment 'On-Hold'. This would be against a set of pre-agreed reasons and could be rejected if SECAS deem the case insufficient.

This mechanism was proposed as part of the DCC's Collaborative Design Review and subsequently highlighted to industry as part of SECAS's Section D Review, which was presented to Panel in April 2021. It has subsequently been incorporated for further development and review by industry under MP186.

#### 4. Extension of SLA for PAs from 15WD to 25WDs

The current SLA requires that the DCC submits the PA to SECAS within 15WD of accepting the request. This is extremely challenging for our SPs due to the complex nature of the SMART Meter Network and the need to fully assess the impact of implementing the Modifications. These timescales are even more challenging for CSPs when they need to seek input from their supply chain.

DCC proposed this change through the Section D review conducted by SECAS whilst promising industry a reduction to the current average duration of PAs which at the time was circa. 60-65WDs.

DCC are now operating at an average of 30WDs and believe we could achieve and maintain 25WDs, offering certainty to our customers rather than continuing to fail to deliver in accordance with the SLA as detailed in the SEC.

#### 5. Increase Resourcing

DCC have discussed the resourcing issues with Service Providers and although there is no plan to increase the resource profile there is a commitment that availability will improve. This is because several large programmes, such as FOC, ECOS and GBCS, which have incurred delays and re-work, are now in steady state delivery. It is assumed that there will be less conflicts with resourcing allocation, however we will continue to monitor this carefully.