

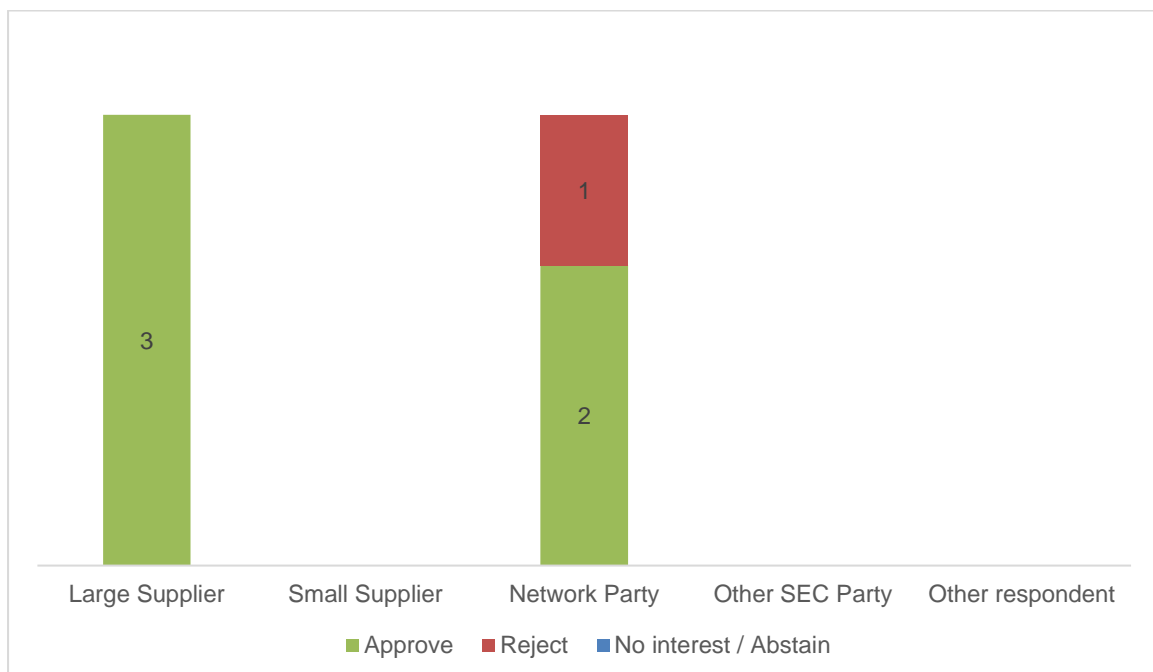
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MP186 ‘Section D Review (2020): further enhancements’ Modification Report Consultation responses

About this document

This document contains the full collated responses received to the MP186 Modification Report Consultation.

Summary of responses



Question 1: Do you believe that MP186 should be approved?

Question 1				
Respondent	Category	Response	Rationale	SECAS Response
Scottish and Southern Electricity Networks	Network Party	Approve	Changes to this modification will enable Parties to participate on the modification process by making it more efficient and simpler to navigate.	
OVO Energy	Large Supplier	Approve, however see below	<p>In the main we are happy with this proposal, however, we have some concerns regarding the service level agreement (SLA) for the DCC to complete a Preliminary Assessment being extended from 15 Working Days to 25 Working Days. We raised this at the refinement stage, but are not satisfied with the response that has been provided.</p> <p>If DCC are unable to be held to account if they do not meet this SLA and they are not being not penalised for not meeting the SLA, what reason do they have to meet it despite it being reported to the Panel and what is to stop them from pushing the boundaries due to this?</p> <p>If there is no consequence of not reaching this SLA, there is no incentive to meet it and there is every possibility that this will get pushed out even further.</p>	<p>The DCC has advised the following:</p> <p><i>DCC considers that the 25 day reference in the SEC is an achievable target that provides a proportionate and cost-effective solution for the mod process. The figure is based on evidence collated on PIA development to date, and builds on the actions DCC has taken to improve turnaround times for PIAs.</i></p> <p><i>The 15 day SLA target was incorporated into the SEC several years ago. At the time, we set out our concerns that the target date did not take into account the role of DCC is quality assuring its Service Providers' submissions, noting that the Service Providers' SLAs are 15 days. The 15 day target is based on contract clauses which are now 10 years old and do not</i></p>

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			It begs the question that if there is no consequence for DCC if they do not reach this SLA, why are we changing it in the first place?	<p><i>take into account the significantly increased complexity of DCC systems since they were signed; with no recognition of the requirements to assess impacts to SMETS1, ECoS and Switching capability alongside SMETS2.</i></p> <p><i>The 25 day target, by contrast, is evidence based, and a target we consider to be achievable and affordable. DCC sees benefit in not associating performance incentives to this target, recognising that PIAs can cover vastly different scope, and therefore require different levels of resource to complete. There is a risk that, by introducing penalties on a target in the SEC, DCC would need to back that risk off in SP contracts, which could lead to increased overall costs for mod assessment. This is absolutely not something we want to do.</i></p> <p><i>As a final point, we note that, as part of our continuous service improvement approach to our work, and given the improvements in service we've seen so far during the last 12 months, we will continue to seek to drive down the turnaround time for PIAs. If</i></p>

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				<i>we can hit a target consistently below 25 days as we seek further improvements we'd be happy to update the SEC to reflect that.</i>
Electricity North West Limited	Network Party	Reject	<p>We are supportive of the majority of the changes proposed as they will allow for more efficiency in the SEC modification framework.</p> <p>However, we do not believe MP186 should be approved based on the following decisions made since the last consultation, which lead to the maintenance of inefficiencies which will ultimately slow downs the SEC modification framework:</p> <ol style="list-style-type: none"> 1) not delegating enduring powers from the SEC Panel to the CSC to oversee the modifications progression and timetables based on the SEC Panels views alone without any supporting rationale in the Modification report. This decision goes against the original proposal and views of all respondents. This decision goes against the objectives of the BEIS/Ofgem Energy Code Reform Significant Code Review for a simplified and more stream lined code governance framework. 2) not codifying the ability for the CSC/working group to delegate their powers to a party category 	<p>SECAS understand the respondent's views on making the CSC's delegated powers enduring. However, the BEIS/Ofgem Energy Code Reform is still under development with the detailed arrangements still to be confirmed.</p> <p>Furthermore, any changes proposed to the current arrangements need to demonstrate how they would work in the context of today's arrangements, rather than be made because it may become the process in the future.</p> <p>On point 2, SECAS is not averse to delegating solution development and/or legal text to a Party category as it did for MP096. However, this is not an arrangement that needs to be codified – the Code sets out that the legal text needs to be developed but is silent on how this is done. We consider this detail is something better referred to in the Working Group's Terms of Reference. We will be reviewing</p>

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			<p>to refine and endorse legal text whilst working with the Proposer and with oversight from SECAS. We proposed this modification which was also suggested by another SEC party.</p> <p>3) not codifying our proposed new obligation (f) to be placed upon the DCC under Section 5.8 'Analysis by the DCC' to ensure the DCC are obliged to address each of the concerns raised by a party in any impact assessment and give those SEC parties sufficient notice and time to review the impact assessments in order to better respond to draft legal text drafting or voting. Ofgem has specifically asked the DCCs to improve their stakeholder/user engagement as part of the annual Ofgem price control reviews. Examples, where the DCC could have significantly improved upon their SEC party feedback in the earlier stages is regarding issues raised by DNOs on the MP096 and MP162 modification refinement timescales and the impact of the proposed solutions on DNO systems. The lack of effective stakeholder engagement with the SEC Electricity Network Party category lead to unnecessary delays in implementing the solution for MP096. The response to our proposal was "... [if] the CSC</p>	<p>the Working Group's terms of reference following the outcome of this modification to ensure these remain up to date and will look to capture this approach within this document.</p> <p>On point 3, whilst we agree the DCC should strive to improve its stakeholder/ user engagement, upon consideration we did not think that is a level of detail that needed to be added to the SEC above the current provisions (which, other than the changes set out in the Modification Report, would remain unchanged from today).</p>

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			feels the DCC has not adequately addressed industry concerns, it can send the report back for further work in the Refinement Process.". We do not believe it should be the role of the CSC to remind the DCC (due to its role within the SEC and smart metering implementation programme) to address industry concerns and provide notice and adequate timescale for refinement.	
Western Power Distribution	Network Party	Approve	We agree the proposal will better facilitate General SEC Objective (g).	
British Gas	Large Supplier	Approve	Benefits the delivery of General SEC Objective 'G'.	
EDF	Large Supplier	Approve	EDF agrees that this change would better facilitate SEC Objective (g) by enhancing the efficiency of the SEC Section D Modification Process.	

Question 2: Please provide any further comments you may have

Question 2			
Respondent	Category	Comments	SECAS Response
Scottish and Southern Electricity Networks	Network Party	NA	
OVO Energy	Large Supplier	N/A	
Electricity North West Limited	Network Party	n/a	
Western Power Distribution	Network Party	<p>Whilst we agree with the proposal we would like further clarification that process of developing and considering the alternative solution will be done alongside the existing modification and solution.</p> <p>We feel that further information is needed to ensure that all parties are aware that the modification has progressed direct to Refinement stage and Modification Report has been omitted.</p> <p>We understand that you are not codifying delegation to particular party, but understand that it is a process that will be used as and when necessary, as it has been in the development of MP096.</p>	<p>SECAS will ensure that where a modification has an Alternative Solution as well as a Proposed Solution, that the two are not discussed in isolation and that the Proposers, or the representatives from the Proposers' organisations, are present for any meeting in which they are discussed. SECAS considers that the proposed legal text ensures that the Proposed Solution and any Alternative Solution(s) both form part of the overall Modification Proposal and so must be progressed and assessed in tandem.</p> <p>The delegation of solution development and/or legal text to a Party category will</p>

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Question 2			
Respondent	Category	Comments	SECAS Response
			not be codified but is something SECAS is open to using as it did with MP096.
British Gas	Large Supplier	None.	
EDF	Large Supplier	No	