

Ayena Gupta
Ofgem
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Canary Wharf
London
E14 4PU

Email to: DCCregulation@ofgem.gov.uk

17 February 2023

Dear Ayena,

Revised OPR Guidance Consultation January 2023

EDF is the UK's largest producer of low carbon electricity. We operate low carbon nuclear power stations and are building the first of a new generation of nuclear plants. We also have a large and growing portfolio of renewable generation, including onshore and offshore wind and solar generation, as well as coal and gas stations and energy storage. We have around five million electricity and gas customer accounts, including residential and business users.

EDF aims to help Britain achieve net zero by building a smarter energy future that will support delivery of net zero carbon emissions, including through digital innovations and new customer offerings that encourage the transition to low carbon electric transport and heating.

Failure by DCC to meet its operational targets, such as those within the scope of the revised Operational Performance Regime (OPR) scheme, have a direct impact on suppliers and the service they provide to their customers.

We agree with the underlying need to revise the regime which financially incentivises the Data Communication Company's (DCC) performance and have agreed with the preferred option set out in the consultation document.

Our full response is set out in the attachment to this letter.

Should you wish to discuss any of the issues raised in our response or have any queries, please contact myself or Nick Coombs.

I confirm that this letter may be published on Ofgem's website.

Yours sincerely,

Sam Draper
Smart Operations Lead - Customer Operations

Attachment

Q1. What are your views on the options we considered for the scoring framework? Do you agree with our preferred option? (option 3).

We agree with the underlying principle of increased granularity in scoring of DCC performance to allow for more nuanced feedback and ratings more closely aligned to DCC's actual performance.

Option 3 seems preferable from the options considered. It provides for greater detail in what constitutes the respective scoring grades being met, whilst keeping clearly defined attainment categories and adding an extra level of granularity to the scoring.

Option 1 lacks the level of guidance of Option 3, using vaguer generalities which provide auditors with more subjective scope in reaching their conclusions.

Option 2 lacks the level of scoring guidance whilst having poorly defined 'halfway house' scores (0.5, 1.5) which are not clearly defined in the scoring matrix and could leave auditors unsure as to whether the attainment level arrived at is warranted or not and fail to provide DCC with clear understanding of why/how score was derived.

Option 3 appears to provide greater clarity and granularity in the scoring at the same time and therefore is our preferred option from those considered.

Q2. Do you consider any further changes are required to the framework?

None at this time.

General Consultation Feedback:

1. Do you have any comments about the overall process of this consultation?

No

2. Do you have any comments about its tone and content?

See reply below.

3. Was it easy to read and understand? Or could it have been better written?

Q1 & Q2 have been repeated as 'Q3 & Q4' on page 10 of the consultation, leading to lack of clarity.

Table 2.2 showing Option 1's scoring framework included the margin retained as a percentage where others did not. This would have been useful to have, as, even though identical in case of Option 3, it would have been clear this was not unique to the option in question.

4. Were its conclusions balanced?

Yes

5. Did it make reasoned recommendations for improvement?

Yes

6. Any further comments?

It would have been interesting to see a 5-point scoring system with clearly defined criteria for each attainment level presented. It may have had additional merits, without the same downsides, as option 2, providing for greater variation in the consultation options.