Data Communications Company

Smart DCC response to Ofgem consultation on Price Control Initial Proposals

RY2017/18

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1 Introduction

This document provides DCC's detailed response to the specific points and questions laid out in Ofgem's 2017/18 Price Control consultation document.

For ease of reading, this response follows the order in which issues and questions are raised in the consultation document.

Where DCC is content with Ofgem's assessment, DCC has simply acknowledged this, however in other areas, DCC has provided extensive additional narrative justification, together with further evidence as appropriate.

Over and above this, DCC has gathered a range of evidence with respect to Ofgem's questions about the Technical Operations Centre. Due to the number of pieces of evidence and the size of some, these have been provided to Ofgem using sharepoint.

2 Longer Term Efficiencies

2.1 Practical actions

DCC are very mindful of the need to ensure long-term cost efficiency over the course of its Licence.

Whilst the External Costs, resulting from our fundamental service provider contracts, account for 80% or more of our cost base, this does not mean we can be complacent about the other elements and in particular our Internal Costs, driven by the costs of staff and procured products and services.

Over recent years we can demonstrate significant cost savings through our efforts to ensure that the costs of financing our External Service Provider contracts is economic and efficient. In addition, we have delivered further efficiencies by challenging ourselves internally to find better, simpler, cheaper ways of doing things, or perhaps not doing them at all. In 2018/19, these savings will be well in excess of £10m.

Whilst we have been vigilant in looking for opportunities to deliver cost savings, we recognise that a successful business needs to plan for efficiency in a systematic manner. Hence over the last two years, we have engaged in a substantial business planning process within DCC. This has resulted in bottom-up business plans built around a clear statement of objectives and KPIs for each function and taking account of the need to move and flex resource between programmes/activities so as to maximise productivity.

These business plans are subject to extensive scrutiny and challenge before being signed off by our Chief Executive Officer and Chief Financial Officer. Performance is then monitored through monthly financial performance reviews and the monthly executive committee.

Whilst making robust plans is very important, events will occur during the year which were not envisaged when the business plan was signed off. To ensure that this does not create opportunities for inefficiency to enter our operations, any variations on agreed business plans are subject to scrutiny, so that, for example, additional staff are hired only where justified and at a salary/fee rate which is consistent with the market.

2.2 Looking forward

Based on our current forecasts and profile of work, it is expected that DCC's workload will peak in RY2019/20 and then start to reduce in 2020/21 with more substantial reductions in subsequent years.

The impact of this is that we can expect to see headcount decrease up until the end of the licence period. The reduction in headcount is likely to be more pronounced in some cost centres than others, and. based on current assumptions, we would expect this decrease to be greatest in our three biggest cost centres: Design & Assurance, Operations, and Programme Delivery.

Whilst DCC has a larger headcount than was envisaged when it was created, we believe that the evidence provided in previous Price Controls shows that this increase has been justified.

The future profile of resourcing and the cost that follows will be largely dictated by the programmes of work which DCC is asked to deliver. Any external demands placed on DCC could have an impact on the trajectory of headcount in future years. For example, it is not yet clear what DCC's

involvement will be in Half Hourly Settlement (HHS), or the extent of any innovation-related activity over and above DCC's core services. Hence, we have not been able to factor in any forecasts for resourcing or project costs more generally, given the uncertainty.

Furthermore, the unforeseen complexities in delivering the SMETS1 programme are creating an upward pressure on resources, particularly given BEIS's requirement that we confirm in writing that we have all the resources required for delivery.

In summary, whilst some in industry might believe it is desirable for the profile of resources to reflect the original vision for DCC, this is unlikely to happen in the short term, or indeed until the workload being placed on us reduces in a material way.

2.3 Short-term opportunities

Annual Business Planning: as described previously, we have become more sophisticated in how we develop our annual business plan. Section 6 of this response envisages greater engagement with customers during decision-making which could extend to a defined role in the business planning process, thus giving them a greater influence on not just what we spend money on and the level of that expenditure, but our overall strategy and direction.

This engagement will then continue as projects develop and decision points associated with expenditure are encountered.

Continuous Improvement: In 2018/19, DCC is committed to creating a small Continuous Improvement function, made up of 2 experienced practitioners, alongside its Internal Audit function. This team will act as advocates and experts within the business, encouraging the wider workforce to identify and realise opportunities for efficiency improvement in their day-to-day activities

Permanent to Contractor Ratio: OFGEM previously acknowledged our move towards a higher permanent to contractor ratio, with permanent staff now accounting for over three-quarters of our total workforce. However, we believe the use of contractors is fundamental to achieving longer-term efficiencies. For example, contractors provide a hedge against the uncertainty over future workload thus helping us to avoid a situation where we over-recruit permanent staff, leading to eventual redundancies.

From a resourcing perspective this is neither desirable nor efficient. Therefore, it is important to ensure that we are able to access contract resource in areas where we experience unforeseen demands, require specialised skills or to meet peak activity.

Automation: Testing is quite rightly a significant and time-consuming activity in the process of delivering change within the DCC infrastructure. For that reason, it can inject significant additional cost into our development programmes.

Automation of testing provides a means through which we can ensure that testing is rigorous and repeatable but without the significant cost which comes with use of testing resources. We are currently trialling methods to be able to achieve this, leveraging the experiences gained in developing and delivering earlier Releases.

2.4 Moving to a Future Regulatory Framework (Ex-Ante)

The existing ex-post Price Control framework is broadly effective in ensuring that DCC is economic and efficient. However, it does not contain the same positive incentives, or indeed reflect commercial pressures, in the same way that an ex-ante framework does.

It is DCC's view that moving to an ex-ante price control framework which is typical of most regulated sectors, will be key in driving efficiency over the longer-term.

Previously, Ofgem has questioned whether DCC has yet reached a level of maturity or "steady-state" operation such that an ex-ante framework might be appropriate. Whilst this may be true of DCC in its entirety, given the non-contingent and uncertain nature of its delivery programmes, it is arguable that there are certain cost centres which are now well-established and essentially stable. Indeed, every cost centre could define a core of roles which will remain until the end of the licence

We believe that discussions on a new framework could commence, based on a hybrid model. This could consist of a core cost base, derived from certain cost centres and enduring roles, being incorporated in to an ex-ante framework for price control purposes, whilst other more variable elements, such as programme delivery teams, retain an ex-post arrangement in the short term.

We would be very happy to engage with Ofgem on how we might take this topic forward, at the earliest opportunity.

3 Disallowance of forecasts

We note OFGEM's proposal to disallow DCC resource forecasts beyond RY2020/21.

We understand the rationale for this, given the high level of certainty which Ofgem requires to allow forecast costs, and will not challenge this proposal. However, we would like to echo the comments we made in last year's response about the potential for a false picture to be created for our customers – see pages 3-5: https://www.ofgem.gov.uk/system/files/docs/2018/02/dcc_response.pdf.

It could also make it hard to distinguish between costs which are being disallowed on the grounds of a lack of justification or through being deemed inappropriate, as against those which simply do not meet the certainty threshold. This makes it difficult for customers to make an objective judgment of DCC's performance and likely future costs.

We believe that it is important to provide customers with some indication of likely future costs and hence will continue to provide DCC's view via the information that is shared through our quarterly finance updates and the charging statements.

For the purposes of this response we have included a summary of the relevant points included in last year's response:

Excerpt from DCC Response RY2016/17

Whilst Ofgem is correctly following the licence and guidance, DCC believes that it would be more transparent and helpful to our customers if Ofgem could formally record either DCC's previous forecast submissions year by year, or publish some alternative "best view" of future costs as part of its price control decision. This would:

- *Give a more accurate picture to customers of likely future costs.*
- *Provide a clearer signal to DCC in relation to forecasts which have not been shown to be economic and efficient.*
- *Recognise that most, if not all, DCC functions will exist through to the end of licence*
- *Avoid painting a misleading picture of the variances. Prevent a disincentive to forecast costs*

Finally, we would welcome the opportunity to agree with Ofgem a more realistic baseline than the Licence Award Business Plan (LABP), such that DCC can focus its justifications on true variations between actuals and forecasts, and Ofgem can similarly focus its scrutiny. This would give a clearer picture to our customers, in line with the points made above and would ensure greater consistency with the costs which our customers are seeing through the charging statements.

CONSULTATION QUESTIONS

4 External Costs

Q1: What are your views on our proposal to consider External Costs as economic and efficient?

Around 80% of DCC's costs result from delivery of services by our External Service Providers. As a consequence, we have placed particular emphasis on the need to have the right tools, processes, people and capabilities in place to drive value-for-money, whilst still ensuring timely delivery of high-quality outputs.

We welcome Ofgem's proposal that we have incurred External Costs in an economic and efficient way. We are delighted that Ofgem has recognised the investment made by DCC in strengthening further our commercial processes and that this has been seen to provide material value to our customers.

The extensive knowledge we have built up since being awarded the licence in 2013 has allowed us to negotiate, with confidence and experience, significant reductions in External Costs compared to initial proposals put forward by our External Service Providers. Through our learnings from previous Releases, we continue to build a detailed understanding of what is a reasonable level of resource to use on specific programmes and projects, and where efficiencies can be made.

Release 2.0 has made up the largest part of External Costs for RY2017/18. Our Release 2.0 contract change negotiations resulted in savings of £30m from the FSPs original estimates of the costs for development and operational support. In addition, through driving down the costs of dual band comms hubs from CSP(N) and CSP(C&S) by about £5.00 and £5.50 per unit respectively, we will deliver a further £32m cost reduction for our customers.

DCC will continue to build on these successes, improving its commercial and supplier management capabilities to ensure continual improvement in value-for-money in future years. This will become even more important as current and future programmes will lead to increases in workload for DCC, as will supporting the activities of an ever increasing group of DCC users.

5 Internal Costs

Q2: What are your views on our proposals on DCC's Internal Costs?

Internal Costs make up the next biggest category of cost incurred by the DCC. As with External Costs value-for-money is a key consideration when allocating and procuring resources and services.

While OFGEM propose that overall, our Internal Costs have been incurred in an economic and efficient way, there were areas in which OFGEM had concerns that either customer views had not been taken into account, benchmarking information was inadequate, or that cost-benefit analyses were lacking.

In each case, we believe that there are good reasons for Ofgem to modify its proposals and we provide further explanation and evidence, as appropriate, in support of our arguments, both in this section and in Appendices A and B.

5.1 Benchmarking of contractors

Q3: What are your views on our proposals on DCC's approach to benchmarking of staff remuneration?

We welcome OFGEM's proposal that benchmarking of our permanent staff has led to costs being incurred in an economic and efficient manner. This is a reflection of the maturing of the DCC organisation, combined with a robust recruitment process and appropriate challenge to recruitment over and above that agreed in each function's annual business plan.

We also note OFGEM's acknowledgement that we have significantly reduced our reliance on contractors with a typical ratio of 75:25 permanent:contractor. Again, this has come about through concerted action by DCC to challenge the use of contractors, except where it can be justified on the grounds of effort or skills being required on a short-term basis.

However, we are very disappointed that OFGEM have proposed to disallow a total of £1.476m of contractor expenditure in RY2017/18 and a further £0.286m in RY2018/19. This was on the basis that OFGEM felt we had not provided enough evidence to justify a higher contractor premium than 20%.

As stated in the submission, the factors which influence DCC day rates for contractors include the skill-sets required to undertake what are technically demanding and often niche programmes, the timetable required to deliver these programmes, and the supply-demand situation in the market.

Notwithstanding these pressures, all contractors are recruited through a process aimed at ensuring the best value for money. It is also important to note the potential impact on overall costs resulting from late and/or non-delivery of programmes, if vacancies remain unfilled.

In preparing our Price Control submission, it became evident that there was limited evidence to support the precedent from past Price Controls that a contractor should be treated as costing 20% more than an equivalent permanent member of staff. Through analysis, we sought to identify what a more realistic premium should be, with 50% emerging as a reasonable estimate.

We acknowledge that Ofgem was not persuaded by this logic and so, to inform this response, we have commissioned a specialist IT and Technology recruiter to benchmark our roles.

They undertook a benchmarking exercise based on market and pay data within their database for the period 1st April 2017 – 31st March 2018. The methodology and full results of this analysis are provided at Appendix B of this response. The main conclusions are as follows:

- The agency benchmarked over 80% of our contractor roles across Design & Assurance, Security, Programme and Operations cost centres[1]. This amounted to over 80% of total contractor expenditure for RY2017/18
- 42 role descriptions were benchmarked, equating to 114 individual contractor recruitments – note: some generic roles result in multiple hires, e,g. business analyst, test analyst etc
- From the 42 contractor roles benchmarked as part of this exercise:
    - 30 out of 42 were benchmarked as falling within the market range for those roles
    - Of the remaining 12 roles, 7 were not positions filled by contractors, but were salaried consultants sourced from one of the consultancies on our framework agreement. They were working on a time and materials basis at rates consistent with agreed rate cards – (note: for the purposes of internal processes, such individuals are treated as 'contractors', hence the confusion).
    - The final 5 were above the market range, although only 2 were significantly so (i.e. more than 12%)
- The breakdown of the 114 individual contractor recruitments when compared with the benchmark range was as follows:

Total Contractors	114	100.0%
Over Market Range	25	21.9%
Under Market Range	20	17.5%
Within Market Range	69	60.5%

Note: To cover all contractor expenditure would have required us to contract a number of such benchmarking exercises, so as to cover off the other specialist skill areas, e.g. financial and commercial. This would have been time-consuming and potentially costly. However, given that all recruitment is executed by the same recruitment team/process, we would assert that it is reasonable to assume that the remainder would yield similar results.

Conclusion:

Our inference from the information presented is that DCC is hiring contractors at rates which are consistent with the market. This is evidenced by the fact that the majority fall within the benchmark

[1] It would not have been feasible to use this agency to benchmark other roles in cost centres (Corporate Management, Finance & Commercial, etc) as they are not specialists in those areas

range, with a broadly similar number above and below that range, suggesting an essentially normal distribution.

In our view, it is indicative that our processes result in recruitment in line with market rates, and any variation on this is likely to be driven by conditions outside of DCC's control, whether a scarcity of resource or a surplus. Therefore, we would argue that our recruitment of contractors is demonstrably economic and efficient and ask that OFGEM consider removing their proposed disallowance on contractors.

Looking forward

After five years, DCC's experience in hiring contractors is significant and we have recruitment processes in place to ensure firstly that hiring managers are aware of what is a reasonable benchmark for a role, and subsequent challenge processes to ensure that any variation on this is subject to scrutiny.

Whilst accepting that the responsibility to demonstrate value for money falls on DCC, it is arguably not possible to prove that a hiring decision at a moment in time was definitively the efficient one. We do not believe that there is evidence to suggest that a comparison with remuneration of permanent staff provides a robust justification or indeed a reason to disallow.

The information we have provided based on independent benchmarking should demonstrate to Ofgem that DCC can be relied upon to procure contract resource on a value for money basis.

Finally, we would welcome the opportunity to work with Ofgem to arrive at a simpler and more effective way of judging the efficiency of expenditure on contractors. DCC is open to an approach based on auditing of our recruitment processes, potentially combined with external benchmarking exercises, so as to ensure that these are operating in a robust and reliable manner and can be relied upon to deliver efficient recruitment decisions.

5.2 Shared Services

Q4: What are your views on our proposals for Shared Services?

In OFGEM's Price Control decision of February 2017, it was established clearly that the 9.5% overhead charge which was proposed as part of Capita's successful bid for the DCC will be allowed for baseline activity through the remainder of the licence period. However, it was also made explicit that for new scope activity, DCC would be expected to demonstrate the efficiency of any level of charge it sought.

In our Price Control submission, DCC made applications for additional overhead in relation to our new scope activities relating to Switching, based on detailed analysis of the assorted services which are provided via the overhead charge. However, Ofgem has proposed to disallow this application in its entirety. Moreover, DCC has been challenged to ensure that it is obtaining maximum value from Capita.

Overall, we believe that Capita provides good value for money in the services which are provided. The report commissioned from Deloitte in RY2016/17 confirmed the value for money of Capita services relative to other alternatives. In addition, over the last 12 months, our Finance and IT teams have had ongoing engagement with Capita to ensure that we are making full use of all available and relevant services that are provided under the Shared Service Charge.

We acknowledge the need to ensure that Capita provides value for money on an ongoing basis, particularly given the context of DCC having significantly evolved from an organisation envisioned at LABP (providing delivery of a single programme – SMETS2) to an organisation providing multiple programmes both now and into the future.

Therefore, in response to Ofgem's challenge, we propose to undertake an in-depth review of Capita Shared Services to provide greater assurance of their value for money. This will ensure also that there is no "double-counting" between services provided by DCC and those same equivalent services that should be provided under the Shared Service charge. This review will take place at the earliest possible opportunity.

In addition, we would be willing to work with both Capita and OFGEM to explore other models of Shared Services. We understand that likewise Capita would be willing to engage in such a discussion.

5.3 Emulators

One of OFGEM's concerns was that in sourcing emulators direct from SLS, we had not conducted a Cost-Benefit Analysis which took account of whether the cost of the emulators plus the Capita Shared Service Charge was greater than the cost of the emulators plus any mark-up by Telefonica. This is a reasonable point to make so going forward we will amend our processes to ensure that the cost associated with the overhead charge is a consideration in procurement decisions.

Given this challenge, we have undertaken a retrospective cost-benefit analysis and can confirm that our actions to procure the emulators resulted in both a better economic outcome (in terms of the cost) and a more efficient outcome (in terms of being able to control the relationship with the emulator provider directly).

The table below provides a comparison between the two approaches to sourcing:

DCC Route	Telefonica Route
Cost of Emulator = £1.184m + Capita Shared Service Charge = 9.5% = Total Cost of **£1.296m**	Cost of Emulator = £1.184m + Telefonica Service Charge = 19% = Total Cost of **£1.409m**
Difference = £113k higher if DCC had procured the emulators via Telefonica	

In addition to information provided on p119-120 of Part 5 of the submission, one of the primary reasons why DCC chose to procure the emulators directly was to avoid a potential conflict of interest that existed between Telefonica and their emulator provider SLS.

Telefonica and SLS had worked collaboratively to develop the emulator. Given that one of DCC's core roles is to provide assurance, this could have been compromised if Telefonica's deliverables were being tested against an emulator jointly developed with one of their own suppliers. Moreover, DCC having a direct relationship with SLS improves our ability to address issues in a timely manner and with appropriate priority, as well as to influence the ongoing development of the emulator tools in the broader interests of the programme.

We believe that this decision is to the overall benefit of DCC's customers and improved value for money has been achieved, as has been demonstrated by the cost savings in procuring the emulators directly (economic) and by taking greater control of the relationship with SLS (efficient).

We therefore suggest that OFGEM remove the proposed disallowance of £0.151m.

5.4 Switching

While we are not proposing to challenge OFGEM's proposal to disallow the Shared Service Charge on Central Registration Services (CRS) for RY2017/18, we are disappointed that OFGEM have proposed it. We had provided details of our methodology for allocating the Shared Service Charge to OFGEM at the start of 2018 and were provided with little indication that this would not be acceptable to Ofgem.

Going forward, we will ensure that Switching, and the treatment of any future new scope activities, is captured in our proposed review of Shared Services arrangements.

6 Customer engagement

Q5: What are your views on our proposal to expect more robust evidence from DCC on how it has taken customer views into account in future price control submissions?

Q6: What are your views on the processes that DCC should establish to enable meaningful customer input to decision-making?

In the Executive Summary of our price control submission, DCC presented some early thinking on improving customer engagement in decision making and signalled our commitment to evolving our relationship with customers and stakeholders. We believe that it is worth re-emphasising those points before describing how our thinking has developed in the intervening period:

Much of DCC's activity, in the five years since it was created, has been directed towards the implementation of Government policy objectives. Throughout this period, DCC has engaged its customers in a whole variety of ways, ranging from formal governance forums to bilaterals and industry presentations through to the most detailed of working groups.

DCC has been open in sharing information on its cost base, both actual and forecast, through our quarterly Finance forums and through joint events with Ofgem, as part of the Price Control consultation process. Customers have visibility of charges up to four years ahead and DCC has been prepared to provide the same level of detail to customers which our Board receives, either through the quarterly presentation or on a bilateral basis.

We have worked with our customers to support them in onboarding as DCC users and to ensure that end-to-end systems and processes, whether DCC's or our customers', are effective. This communication has helped us to design and refine an operational service organisation which is supportive of their needs and gives them the confidence to roll-out SMETS2 meters at scale.

There are several mandatory objectives remaining for DCC to deliver, for example, capability to enable SMETS1 interoperability, provision of Dual Band Comms Hubs, as well as those resulting from new programmes, such as Faster Switching. However, whilst 2019/20 is shaping up to be our most demanding year of delivery, it is possible to envisage a period beyond this, as those programmes move to a conclusion, and where there is greater room for discretion over how DCC's capabilities are deployed.

It is reasonable that customers and stakeholders should have a voice in helping to shape the future direction of DCC. We know that there are many different views as to what our priorities should be. In settling on those priorities and deciding what to take forward, DCC will need to establish new mechanisms through which customers and stakeholders can contribute to DCC's strategy and its decision-making.

Through our status as a licensed monopoly, DCC is duty bound to take account of all the different stakeholder groups which have an interest in DCC's services. Whilst there will always be a role for our existing forums, we want to ensure that DCC is open to ideas from any source.

6.1 Consultation: Improving engagement with customers and stakeholders

On 3rd December, DCC launched a consultation into how it can improve its engagement with customers and stakeholders. We aspire to work with our customers to design an approach, ways of working and suitable tools which enables discussions on the future strategy and priorities for DCC, as well as creating opportunities to provide views on key expenditure decisions.

The consultation document is deliberately wide-ranging and contains a mix of ideas and proposals, as well as many open questions which we hope will stimulate constructive and imaginative contributions.

6.1.1 Principles, Roles and Responsibilities

We don't intend to replay what can be read in the consultation document, but it is pertinent to repeat the key principles which we believe should underpin our engagement with customers, paraphrased as follows:

Comprehensive – we will be open about the resources required to deliver our mandatory work, as this could have an impact on how customers view or prioritise discretionary activity. In addition, where there are options as to how mandatory work is delivered, we will seek customer opinions to inform decision-making.

Inclusive – our customer and stakeholder bases are diverse. Whilst some customers have the capacity to dedicate significant time and resource to Smart DCC / industry meetings and forums, the majority don't.

We will aim for a low barrier to participation by smaller customers, who may be resource constrained. We will not give the views of trade associations or other lobby groups undue weight.

Re-use – we do not believe that the principle of 'inclusion' is achieved simply through the creation of new advisory forums. Our preferred approach will be to work with industry to adapt and re-purpose existing forums before creating new governance structures.

Two-way – we believe that customers should be able to initiate engagement on topics of interest to them. Our approach to engagement should enable customers to initiate discussion, both with ourselves and other customers.

Process-driven – we will ensure that considering customer views becomes part of the way we plan and deliver work. We commit to modifying our project delivery processes and documentation to ensure that customers are offered the opportunity to engage at those points where their feedback can be influential.

Responsive – as part of embedding engagement within our operating processes, we commit to giving feedback to customers following any engagement process. This feedback will be provided within a specified timeframe. Where we decide to take actions, which are not supported by customer opinions, we will provide a full rationale.

Learning – We will engage customers directly in the continuous improvement of our engagement process and do so regularly through a more formal review.

6.1.2 Themes of consultation

In preparing the consultation, DCC has identified some key areas where we think further customer engagement has the potential to enhance decision-making. We have then gone on to discuss the means through which engagement might operate and any practical considerations which will need to be considered.

The main themes which we are keen to get customer and stakeholder opinions on are as follows:

- Business planning – engagement in strategy and direction, planning and budgeting
- In-year engagement – involvement in decision-making as initiatives progress throughout the year
- Sharing of cost data – transparency over the cost base of DCC and the impact on charges
- Use of technology – technology as a vehicle to facilitate two-way communication between DCC and its customers/stakeholders
- Forums – how existing forums can be adapted to better support engagement activity
- Continuous improvement – engagement as a means to drive improvement within DCC

However, it should be said that the consultation also includes many open questions which should give respondents the opportunity to present any other ideas they may have.

6.2 Governance of decision-making

From the early engagements around the consultation, it is evident that there are differences of opinion amongst our customers over their desired level of involvement in decision-making. Some larger suppliers, in particular, believe that there should be oversight on certain decisions being made by DCC, over and above existing Industry governance. Smaller suppliers however question their ability to become involved in such decisions, given their resource constraints, and hence would be more comfortable to allow the SEC panel to represent them in decision-making, as long as they have the opportunity to air their views in advance.

In light of this early division of views, we believe that it is worth making our starting position clear.

Basis for engagement:

We recognise that through our monopoly status, customers have no option in funding of us. Hence, where customers and stakeholders are impacted by our decisions and, in particular, where there are implications for expenditure, customers have the right to be consulted and for their opinions to be taken seriously. This means engaging ahead of any significant decisions, so that customers can have real influence on them. In addition, there may need to be several cycles of engagement before a final decision is made.

Customer and Smart DCC roles:

DCC was established as a cross-Industry delivery body and one of the fundamental roles of our management is to make decisions; weighing the information and evidence that is available to them. DCC is held accountable for these decisions through a variety of formal mechanisms, including the

annual Price Control, but also in respect of the reputation that the company has for being open, transparent and customer-focused.

Customer views and experience are a vital part of the evidence upon which decisions are made. However, ultimately, our management has the responsibility to make the final decision, except where other formal mechanisms exist, such as via industry code governance.

Our management are answerable ultimately to customers and the Regulator for those decisions. We will always look to explain how customer opinions have shaped our decisions and where, on consideration, we decide not to act in line with suggestions, we will explain why.

Given the principles, roles and responsibilities laid out above, we would favour the use of existing Industry forums, such as the SEC Panel and associated working groups, albeit that it may be necessary to revisit terms of reference, membership etc to ensure that they are set up for success in that role.

We believe that the establishment of additional governance forums, unless these are shown to be necessary, would simply serve to further exclude smaller customers. In addition, through the involvement of customers in, for example, a revised business planning process, customers will have many additional opportunities to contribute their views and opinions at other points outside the normal governance forums.

7 Baseline Margin Adjustment

Q7: What are your views on our assessment of DCC's application to adjust its Baseline Margin?

Q8: In its submission, in support of its application for an adjustment to its Baseline Margin, DCC states that there has been a significant unanticipated change in customer expectations, and in customer and service provider demands. What are your views?

DCC welcome's Ofgem's assessment of our application to adjust our Baseline Margin. In respect to the areas of disallowance, DCC largely accepts Ofgem's position, specifically regarding "Moving from BEIS-led Transitional Governance" and "Regulatory driven change" in our application. For the latter, we agree that the grounds given in the application were too broad, but we may apply again in future price control applications, where permissible, once the costs are incurred.

The other driver which Ofgem disallowed was "Operational Change". There were four activities, or sub-drivers, within this driver:

- *Moving beyond ITIL,*
- *Operating Model,*
- *Scope of Support*, and
- *Service Standard expectations*.

Ofgem has allowed the sub-driver *Scope of Support* but has disallowed the remaining three. These are explored in more detail below.

Operating Model

Updates to the Operating Model were driven by an increase in the volume of Change Implementation Managers and a single Technology Change manager. We accept that the activity which the staff are carrying out does not meet the application criterion of new grounds however similar roles were allowed in last year's application.

Table 7-1: Previous Change Implementation Manager roles allowed in RY2016/17 and new roles for RY2017/18

Role ID	Job Title	16/17 ID Allowed & Approved	Original Grounds 14/15	Original Grounds 15/16	Original Grounds 16/17	New 17/18 Grounds for 17/18 costs	New 17/18 Grounds for 18/19 costs	New 17/18 Grounds for 19/20 costs
10.614.03.01	Change Implementation Manager	Included	NA	NA	SMETS2Ops	1617 - SMETS2Ops	1617 - SMETS2Ops	Certainty - 1617 - SMETS2Ops
10.615.03.01	Change Implementation Manager	Included	NA	NA	SMETS2Ops	1617 - SMETS2Ops	1617 - SMETS2Ops	Certainty - 1617 - SMETS2Ops
10.843.03.01	Change Implementation Manager					Ops - Operating Model	Ops - Operating Model	Ops - Operating Model
10.844.03.01	Change Implementation Manager					Ops - Operating Model	-	-
10.845.03.01	Change Implementation Manager					Ops - Operating Model	Ops - Operating Model	Ops - Operating Model

Therefore, we seek to change the basis for the Change Implementation Manager roles to "*Certainty – 1617 – SEMTS2Ops*". We accept that there are no grounds to apply for margin for the Technology Change Manger.

The *Operating Model* sub-driver was meant to highlight the volume of work which SMETS1 will create for DCC. However, in reviewing the roles and the associated activity, we believe that the basis for this driver has not yet occurred. This is evident given the re-plan of SMETS1 delivery approved by BEIS in the summer of 2018. We anticipate applying under this driver in future submissions.

Moving Beyond ITIL:

The costs associated with this activity relate solely to the Technical Operations Centre (TOC) staff. Further justification of the TOC is provided in Appendix A, including the details of the customer engagement DCC undertook. At its core, however, the TOC represents provision of a service which was not inside the core ITIL model at bid phase.

Under SEC Section H8.1 (which was confirmed in January 2014) DCC is required to provide a service which either complies with 'Service Management Standards' (defined as follows: "means the Information Technology Infrastructure Library or ITIL ®) or any other methodology for service management identified by the DCC as being more cost efficient than the Service Management Standards, and which has been approved by the Panel for such purpose. DCC has brought in expertise and designed an appropriate implementation of ITIL that is consistent with the needs of our customers and DCC.

The original Operational Service Requirements required the winning bidder to adopt ITIL v3 and maintain adherence to later ITIL versions.[2]

Table 7-2: OSR specifying ITIL

Reference	Requirement	RA	Description
SM.2.1.4	Maintenance of service management process standards	R	The Licensee shall maintain the compliance of the Service Management Framework with ITIL® v3 (and any subsequent version) throughout the Licence Term, unless otherwise agreed through the SEC modification process.

ITIL is a comprehensive service management approach, but there's more to the effective implementation of end-to-end ITSM than signing up to ITIL. The relationship between the service management frameworks of multiple players is increasingly a critical feature of providing effective services. The DCC service follows exactly this model, with the hosting, data communications, service desk, operations and application support all provided by separate third parties.

Under ITIL 3, the model would dictate that we work through our contract agreements to resolve incidents or service disputes, predominantly through penalty clauses. Time and money is then spent on resolving disputes discussing the triggers and dimensions of the penalties, the discussion can undermine trust and ultimately any vendor would want to factor in the cost of the penalties into the contract.

This does not address the root causes of unacceptable service variation nor does it allow for tight timescales, which the installation rollout plan is currently facing.

[2] "DCC Operational Service Requirements: Smart Metering Implementation Programme DCC Licensing Competition: BAFO Stage", 8th May 2013, pg. 29.

An article published by the British Chartered Institute confirms this gap within ITIL.[3] "An implementation or adaptation of an ITSM lifecycle must consider all the service providers in the value chain in order to be effective. Nowhere is this more important than in outsourcing IT-enabled business processes or otherwise seeking to achieve significant IT service transformation."

"One feature of ITIL's definition of service is that outcomes are facilitated on behalf of the customer without them owning component costs or underlying risks. In practice, this may be true once a service is operational, but a company with an outsourced vendor landscape must do the due diligence to understand the underlying costs, complexity and risk associated with their service requirements and be prepared to redesign services as appropriate."

This is not part of the classic ITIL model. DCC's TOC is the answer to this gap.

Service Standard Expectations

Ofgem states in their consultation document that DCC has not provided sufficient evidence that there has been a "significant unanticipated change" in customer expectations / demands. We acknowledge that this could have been presented better in the submission. The primary sources of evidence are the increase in specialist reports (which was included in the BMA submission), the number of incidents raised by customers, and the changes requested to the SSI.

DCC provided statistics on the number of incidents raised by customers in the BMA, stating that the rate of incidents was 22% rather than the LABP assumption of 3%. The source of this deviation is largely due to customers still learning and understanding how to log and resolve installation problems. Many of the answers to the issues raised are included within existing documents or, alternatively, customers are not following commissioning procedures correctly. This largely goes hand in hand with how the SSI has been built. The SSI was specified by the SEC and built to those specifications.

During March/April this year, DCC conducted several User Research visits across a range of customers to better understand how our customers were using the service in reality rather than how it was anticipated in the SEC. The aim of the research was to understand what aspects of the SSI portal work well across the Customer journey and to identify any pain points and improvement opportunities.

Through interviewing and shadowing users, DCC were able to capture and share a series of opportunities that would improve the Customer experience and would better align the functionality and usability of the SSI with customer need, gained in early-life experience. To provide on-going communication and Customer input, a Customer Working Group (CWG) was established from May 2018, which provided a monthly platform for Customers to help drive improvements to the SSI and to validate changes. This formed part of an overall Governance approach whereby validated changes proposed by the CWG were ultimately approved by SEC Ops prior to the changes being delivered.

Implementing changes takes time as well as working through the SEC. An example of this is provided in the table below.

[3] https://www.bcs.org/content/conWebDoc/52865

Table 7-3: UV121 – Viewing a Problem - Ensure problems raised by third parties are shown if they impact multiple user organisations

As a...	I want...	So that...
Customer User	to be able to view Problems affecting third parties that might be relevant to me	I can avoid raising incidents unnecessarily.

UV-121 is a good example of an improvement that was identified by Customers and refined to maximise the benefits through collaboration with Customers and SEC Ops. This requirement addressed the need for greater visibility of known problems to be provided to Customers by DCC. Customers wanted to be made aware of any problems that may be relevant to them so that they could avoid raising incidents unnecessarily.

Following validation at the CWG, the initial solution when presented to SEC Ops was challenged as it did not provide the ability to select an interested party at a user group level, meaning that problems would be shared with 'all users' irrespective of whether they were impacted.

In order to refine and provide a more beneficial solution, DCC worked with Customers/SEC Ops to understand the needs and identify the technical feasibility of providing greater configurability by the DCC Service Centre. The solution was revised and subsequently approved by SEC Ops, providing the capability for DCC to make the Problem visible to specific DCC Service Users IDs/groups if the problem is only relevant to a subset of the SSI User community.

The overall solution provides an example of how collaborative working between DCC and Customers is providing a means of identifying changing Customer needs and necessary improvements to the platform to enable Customers to operate effectively. It also showcases how the expectations of customers is different from the original LABP and SEC provisions.

It is important to recognise that the SEC was written from a regulatory perspective, rather than reflecting a practical day-to-day view from an operational perspective. What we are finding is that customer Operations teams don't always have the tools they need to use the service effectively. It reflects a different type of stakeholder within the DCC ecosystem and demonstrates how their expectations are changing as they use the service.

DCC expects this type of activity to continue for the next year or two, especially as small suppliers begin to use the service. However, we do not expect this to be an enduring sub-driver for the BMA.

8 External Contract Gain Share

Q9: What are your views on our assessment of DCC's application for External Contract Gain Share?

We welcome OFGEM's proposal to confirm our adjustment to the ECGS term between RY2019/20 and RY2024/25. This recognises the substantial effort we have put into negotiating and implementing new finance arrangements that will ultimately deliver significant savings to our customers over the remainder of the DCC licence.

More specifically we welcome OFGEM's view that our proposed distribution of savings between customers, the FSPs and DCC is appropriate based on the evidence we submitted. Our proposed share provides good value given the regulatory precedent set in other gainsharing arrangements within industry – we consider this acceptable given our drive to ensure customers will be the main beneficiaries of our actions now and in future.

Going forward we will continue to seek out further opportunities to create savings for our customers, and will look beyond the areas of financing, to ensure that the SMIP is delivered by our FSPs in the most economic and efficient manner possible.

9 Over-recovery of revenue

Q10: What are your views on our proposal on DCC's over-recovery of revenue?

As part of the submission, we presented information to Ofgem, describing those factors which influenced our expenditure as against recovery of revenue. We are pleased that Ofgem has accepted our evidence that these factors were outside of DCC's control and that it proposes not to penalise us for Over-Recovery of Revenue.

Appendix A – Justification of Technical Operations Centre

Introduction

The DCC Technical Operations Centre (TOC) will provide an in-depth technical understanding of the DCC systems, process and technology offering an “eyes on capability” to ensure the DCC service “lights stay on”.

It will be staffed 24 x 7 x 365 by a team of dedicated DCC sourced service and analytics experts and an end to end service monitoring team that will proactively monitor DCC service health and security using a variety of tools including real-time performance monitoring, analytics, diagnostics and working with the DCC Security Team. It will also undertake proactive and reactive analysis from all available data to generate insight for Customers, Service Desk, problem management, incident management and capacity management. It will be based across 2 DCC operational sites to ensure business continuity and operational flexibility.

The DCC will not be taking on the responsibility of our service providers with regard to their monitoring and system management obligations (real-time or periodic), but in addition the DCC will be able to measure and hence manage the end to end customer experience that spans multiple Service Providers to ensure service to DCC customers.

The rationale for the TOC was set out on p167-168 in Part 5 of our 2017/18 Price Control submission. OFGEM has set out its views in their Price Control consultation paper that the costs of staffing the TOC should be disallowed on the basis that limited evidence has been provided on how customer views were sought, including whether they had sight of cost information to enable them to assess value for money.

The purpose of this paper is to highlight the approach that has been taken to engage with customers through the planning and delivery of the TOC capability and to demonstrate to OFGEM that customers have had enough information to enable them to assess value for money.

Rationale for Establishing the Technical Operations Centre

The DCC service is a newly-built critical national infrastructure that is served by a complex supply chain with electronic Communications Hubs that are not yet mature and stable and where the end to end system has not yet been operated at any volume.

The need for the TOC was identified in a Baringa audit on Readiness to Scale dated 14/08/2018. Baringa observed “there is no current DCC end-to-end view of the live service. By this, we mean visibility, preferably prominently displayed, of real time performance indicators that confirm the health or otherwise of the end-to-end service (i.e. the customer view)” and recommended that DCC “should have access to and monitor key metrics that reflect the Service User experience. Such visibility is also critical in the event of major incidents where timely information about the service status is paramount. This is not to say that the DCC takes on the responsibility of the Service Provider with regard to its monitoring obligations (real-time or periodic), but that the DCC should be able to measure and hence manage the customer experience.”

Industry best practice and its Licence obligations dictate that DCC must have the capability to monitor and manage the performance of the end to end service and have the required diagnostic

capability to effectively manage service delivery to customers. Without the capability to proactively and reactively monitor the service, DCC is unlikely to be able to deliver required levels of service.

To ensure that incidents and problems can be resolved in a timely manner, it is also vital that Operations develop the deep technical experience and understanding of the DCC estate.

It is evidenced that all of the high impact incidents (P1s) experienced in the last few months could have been avoided or the impact significantly reduced if DCC had a fully operational TOC.

Customer Engagement

The need for a TOC and the associated plans has been presented to industry and customer forums before and during programme mobilisation, typically as part of a wider discussion on the Readiness to Scale (R2S) programme. This includes IMF, SMDG, SEC Operations Group, and DCC's internal Customer Readiness to Scale Forum.

Following mobilisation, updates have been provided to the IMF and delivery milestones for TOC have been added to the SMART Metering Joint Implementation Plan (JIP) which is maintained and published by BEIS.

In addition, as the initial tactical capability has gone live, TOC has demonstrated the live monitoring service and dashboards to a number of industry meetings and to customers on a bi-lateral basis.

We are of the opinion that the extent of engagement which is demonstrated in the remainder of this section shows that DCC has been transparent with its proposals and the potential costs involved. Equally, Industry has had many opportunities to comment and raise any concerns.

In our experience, industry parties are well capable of saying if they are not happy, even where we have not explicitly asked for their views.

The following sections describe the meetings that have occurred. Where slides were presented and/or minutes taken, these have been provided to Ofgem via SharePoint.

Note: the filenames have been set to match the headings below, for example, there is one Powerpoint presentation called "*Initial R2S presentation to SMDG*"

Initial R2S presentation to SMDG (6th July 2017)

The presentation sets out the objectives and high-level approach for Readiness To Scale (R2S), including TOC.

Follow up presentation to SMDG (12th October 2017)

The presentation sets out the R2S diagnostic results and our plans for the R2S programme including TOC.

First R2S Customer Forum (19th October 2017)

The R2S Customer Forum comprised of customers from a number of sectors and was formed to provide information on DCC's operational readiness and plans. The customers invited included British Gas, Scottish Power, EDF Energy, Npower, SSE, EON, First utility, Ovo, Smartest Energy,

Spark Energy, Utility Warehouse, Ecotricity, National Grid, Northern Power Grid, UKPN, ENWL, Western Power, Utiligroup, Aprose and TMA.

The attached content provided a deep dive into DCC R2S plans and progress and provided the opportunity for a question and answer session.

Presentation to SEC Operations Group (20th December 2017)

The presentation set the context and key capabilities required for DCC to operate at scale with a significant focus on TOC. SEC operations Group asked for cost information (see section 3.5 below.

Presentation to SEC Operations Group (27th February 2018)

Presentation focused on further information and cost estimates for TOC and Test Labs. The costs quoted were high-level estimates at this stage and were reduced later as requirements and design were refined. The costs quoted were:

- 15 Tech Ops FTE included in DCC operating plan FY18/19 (c£2m)
- Internal DCC project costs for setup included in DCC operating plan FY18/19 (<£1m).

The following extract from the minutes of the meeting is provided:

"The DCC began by talking about the formation of a technical operations team, noting that with such a complex infrastructure with multiple components, everything must work well together in order to give a good service. Further, poor service will lead to costs incurred by both the DCC and Users and slow down the roll out process. The technical operations centre is a necessary mechanism to achieve this.

The DCC described the 4 work streams included in the R2S work: technical operations set-up, service management and customer experience, CH asset data and order management and Business Continuity and Disaster recovery (BCDR), and explained that the purpose of the streams is that the DCC can be proactive and driving initiatives to benefit Users.

The DCC noted that all R2S costs are included in the DCC financial plan and there would be no 'surprise costs'. A LS questioned if 'plan' meant the DCC indicative charging statement and the DCC replied that it did. The DCC went on to note that DCC Users could steer how resources are used with the DCC describing the options of where money could be spent, and the Users could indicate their priorities."

Second R2S presentation to Customer Forum (26th March 2018)

Presentation of progress on R2S initiatives. The TOC slides reiterate the 15 FTE that will be required to operate the function.

Presentation to IMF (31st May 2018)

DCC presentation included update on all Operations programmes, including TOC. IMF approved inclusion of two TOC milestones in to the JIP. TOC slides reiterate numbers of staff being recruited in to TOC.

Presentation to SEC Ops Forum (25th September 2018)

Presented customer journeys and Service Request performance via TOC dashboards.

British Gas Day, Ruddington (9th October 2018)

The live TOC dashboards were demonstrated to the British Gas Smart Metering Programme Director and staff. Very positive feedback was received on how the performance of the end to end service and volumes of transactions are being monitored.

Presentation to IMF (25th October 2018)

As part of the discussion on Change of Supply process (see slide 38), the TOC monitoring capability was demonstrated live to industry and received positive feedback. DCC explained current approaches to analysing other key issues using the TOC capability, including E21 alerts and Install and Commission timings.

Presentation to SMDG (7th November 2018)

Demonstrated the Change of Supply monitoring and analysis produced from TOC dashboards. DCC explained current approaches to analysing key issues using the TOC capability, including E21 alerts and Install and Commission benchmark timings.

Presentation to Common Issues Forum (14th November 2018)

Presentation on monitoring and resolution of E21 alerts and other error codes impacting DNOs and Suppliers. Several have requested follow up sessions on individual basis. DCC explained current approaches to analysing other key issues using the TOC capability, including Change of Supplier and Install and Commission timings.

Benchmarking Proposal

DCC are proposing to undertake a benchmarking exercise as part of an independent audit in 2019/20. For TOC, this would include benchmarking resource numbers in similar operations in comparable organisations to continue to ensure an ongoing focus on value for money.

Appendix B – External Assurance of Contractor Benchmarking

Introduction

OFGEM is proposing to disallow contractor expenditure totalling £1.476m in RY2017/18 and £0.286m in RY2018/19. The main argument for this is that DCC had not provided sufficient justification for levels of remuneration relative to their permanent equivalents. Remuneration above a 20% premium which had been applied in previous price controls would be disallowed on this basis.

In our submission we had argued that our internal database shows there to be an average contractor premium closer to 50% compared to their permanent equivalent. This was further backed up by a snapshot of external market data which reinforced that a premium closer to 50% was more appropriate than the 20% premium used previously.

While we disagree that an acceptable contractor premium is 20%, we accept the argument that our earlier justification may not have been sufficient. We also accept the need to provide external assurance that our remuneration levels have been benchmarked relative to the wider market for contractors.

As part of this response we have therefore commissioned a specialist I.T. and Technology Recruitment Agency[4] to undertake a bespoke benchmarking exercise on our contractors across the following cost centres:

- Design & Testing Assurance
- Operations
- Programme
- Security

These cost centres make up over 80% of both total contractor numbers and expenditure on contractors.

Note: being a technically focussed agency, it is not able to benchmark contractors with a non-technical expertise, e.g. Finance and Commercial.

We have taken the view that it was not reasonable to attempt many such benchmarking exercises, each focussed on a different specialism, given the need to find different agencies who are prepared to co-operate. Our rationale for this is that recruitment is managed through the same function/process irrespective of the nature of the role and hence the results from this benchmarking exercise should be applicable across all recruitment.

Methodology

What did we provide to the agency?

Each of the original contractor job titles and job descriptions were obtained and provided to the agency. Anonymised CVs of each of the contractors who filled the role were also provided – the

[4] Langley James Ltd. Is a specialist I.T. and Technology Recruitment Consultancy based in the City of London. They regularly track the market for contractors within their sector and provide details of remuneration rates for a variety of roles.

purpose of this was to provide the agency with information on the types of skill-set we were looking for to fill the individual roles. In some cases, there would be only one contractor CV reflecting the niche nature of the role i.e. DBCH Project Lead, etc. For other more other generic roles, such as Business Analysts, and where a number of discrete hirings have occurred, multiple contractor CVs were supplied. i

The agency then subsequently benchmarked each of the contractor roles based on remuneration data within their database specifically for the period **1st April 2017 – 31st March 2018**. Three key metrics were given:

- Minimum Day-Rate (representing the minimum skill-set and level of experience required to undertake the role based on the candidates within their own database)
- Maximum Day-Rate (based on candidates with significant level of skills and experience that had been hired into those roles)

It is important to note that we did not provide the agency with the day rates that we had paid our contractors. We wanted the agency to provide us with an objective assessment of the rate on offer based on their own market data. This also ensures that the analysis is credible and has in no way been skewed by our own data.

Results

We subsequently compared the rates provided by the agency with our own rates to understand how we remunerate contractors compared to the benchmark, as illustrated below:

Contractor Job Title	Market Day Rates (£) between April 2017 – March 2018	DCC Day Rates (£) between April 2017- - March 2018	Is the DCC Rate Within Market Range?	If not Why?
Portfolio Analyst	350-400	350 – 370	YES	n/a
Project Manager	425 – 600	525 – 600	YES	n/a
Deputy Delivery Director	815 – 1000	725 – 864	YES	n/a
Test Lead	450 – 600	388 – 751	NO	**Note: The candidate was a consultant (Hunter MacDonald)**
Delivery Assurance Manager	500 – 675	750 – 864	NO	**Note: The candidates were consultants (Hunter MacDonald)**
Security Consultant	550 – 650	650	YES	n/a
Head of Service Management	600 – 650	884	NO	**Note: The candidate was a consultant (Hunter MacDonald)**

BCDR Specialist	550 – 650	700	**NO**	No explanation
Defects Manager	450 – 550	450	**YES**	n/a
Test Analyst	400 – 450	365 – 410	**YES**	n/a
Business Analyst	370 – 550	240 – 500	**YES**	n/a
Technology Change Manager	520 – 700	898	**NO**	**Note: The candidates were consultants (Hunter MacDonald)**
Software Architect	550 – 700	550	**YES**	n/a
Quality Assurance Manager	475 - 520	500	**YES**	n/a
End-To-End Solution Architect	680 – 730	650	**YES**	n/a
Head of Enterprise Management & Controls	800 – 900	738	**YES**	n/a
Sharepoint Architect	430 – 550	350	**YES**	n/a
OAT Test Analyst	350 – 390	365	**YES**	n/a
Pre-UIT Analyst	400 – 550	356	**YES**	n/a
Head of Programme Management Office	650 – 700	850	**NO**	No explanation
PMO Planner	375 – 450	300	**YES**	n/a
Programme Director	800 – 900	1200	**NO**	**Note: The candidate was a consultant (Hunter MacDonald)**
Release Manager	550 – 650	725	**NO**	No explanation
Enterprise Test Analyst	400 – 475	325	**YES**	n/a
Senior PSO	300 – 400	350	**YES**	n/a
Project Manager (Programme Mgmt Office)	550 – 650	600	**YES**	n/a
Project Manager (Switching)	500 – 550	525	**YES**	n/a
Project Manager (Enrolment & Adoption)	500 – 550	997	**NO**	**Note: The candidate was a Security consultant (Actica)**
Environment Architect	600 – 650	800	**NO**	**Note: The candidate was a consultant (Hunter MacDonald)**
Solution Architect	575 – 650	650	**YES**	n/a
User Transition Manager	500 – 550	700	**NO**	No explanation

Service User Test Analyst	350 – 450	420	YES	n/a
Operational Readiness Process Architect	475 – 550	550	YES	n/a
E2E Architect	680 – 730	660 – 700	YES	n/a
Test Assurance Analyst	400 – 550	400	YES	n/a
Service Readiness Project Manager	500 – 600	600	YES	n/a
Systems Test Lead	400 – 550	350	YES	n/a
Design Director	750 – 850	700	YES	n/a
Service Program Manager	650 – 750	600	YES	n/a
E2E Service User Analyst	350 – 450	340 - 400	YES	n/a
Technical Lead	550 – 650	675	NO	No explanation
Enterprise Test Assurance Analyst	350 – 450	400	YES	n/a