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Date: 11 June 2021

## **Decision to modify and issue new Regulatory Instructions and Guidance<sup>1</sup> (RIGs) for the Smart DCC Ltd under Part B of Condition 33 of the Smart Meter Communications Licence<sup>2</sup>**

We consulted Smart DCC Ltd, also known as the Data Communications Company (DCC), on changes to the RIGs which reflect developments in the Price Control, and also improve clarity and ease-of-use. We are now issuing a Direction to DCC, set out in Appendix 1, for the purpose of modifying and issuing new RIGs. We are publishing the finalised new RIGs and reporting templates together with this Decision.

### **Context**

The RIGs<sup>3</sup> provide the basis on which DCC, must report key price control information to us<sup>4</sup>.

### **Proposed Changes**

We proposed a range of changes to the reporting templates due to various developments over the past year, which are then reflected in the RIGs guidance documents. The primary changes and reasons for them are as follows:

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<sup>1</sup> All terms used in this Decision have the meaning given to them under the Licence, unless expressly stated otherwise.

<sup>2</sup> The Smart Meter Communications Licences were granted under both the Gas Act 1986 and the Electricity Act 1989. For ease, in this letter we refer to these licences in the singular. DCC's licence can be found at <https://www.ofgem.gov.uk/licences-industry-codes-and-standards/licences/licence-conditions>.

<sup>3</sup> The Regulatory Instructions and Guidance were last published in July 2019 and are available from <https://www.ofgem.gov.uk/publications-and-updates/data-communications-company-dcc-regulatory-instructions-and-guidance-2019>.

<sup>4</sup> The Office of Gas and Electricity Markets (Ofgem) supports the Gas and Electricity Markets Authority ('the Authority') in its day-to-day work. In this Decision letter, 'we', 'Ofgem', and 'Authority' are often used interchangeably.

1. **reduction in the level of detail of Cash Balances reporting** – this should allow DCC to focus on more important elements of reporting
2. **addition of enduring Change of Supplier (ECoS) programme reporting** – this will allow DCC to more clearly and easily report costs relating to the switch from the Transition Change of Supplier programme to ECoS
3. **extension of Retail Price Index (RPI) tables** – this will allow DCC to more easily report and track the effect of inflation on the relevant reporting elements

These primary changes have led to a number of smaller changes throughout the reporting templates and guidance. In addition to these, we have made other minor changes to increase the clarity and usability of the reporting templates.

### **Consultation Response**

We sent a Notice with the proposed changes to DCC in May 2021. DCC welcomed and agreed with the proposed changes.

### **Next Steps**

DCC must report in accordance with the RIGs by 31 July 2021. We will review and analyse the information over the summer, and aim to publish a consultation on the outcome of the ex post review in Autumn 2021. We will publish the decision in early 2022.

If you have any questions, contact [smartmetering@ofgem.gov.uk](mailto:smartmetering@ofgem.gov.uk) by 02 July 2021.

Yours sincerely,

**Ayena Gupta**  
**Senior Policy Manager, Metering & Market Operations**  
**Duly authorised on behalf of the Gas and Electricity Markets Authority**  
**11 June 2021**

## **Appendix 1: Direction to DCC**

**To: Smart DCC Limited**

**Direction issued by the Gas and Electricity Markets Authority pursuant to Licence Condition 33.7 of the Smart Meter Communication Licences granted pursuant to section 7AB(2) and (4) of the Gas Act 1986 and section 6(1A) and (1C) of the Electricity Act 1989 (the "Direction")**

### **WHEREAS**

1. Smart DCC Limited ("the Licensee") holds the Smart Meter Communication Licences granted pursuant to section 7AB(2) and (4) of the Gas Act 1986 and section 6(1A) and (1C) of the Electricity Act 1989 ("the Licence").
2. The Gas and Electricity Markets Authority ("the Authority") has the power pursuant to Condition 33.7 of the Licence to modify the Regulatory Instructions and Guidance ("RIGs") by giving the Licensee a Direction for that purpose after complying with the requirements of Part B of Condition 33 of the Licence.
3. The Authority has complied with the requirements of Part B of Condition 33.
4. The Authority gave notice of its intention to modify the RIGs to the Licensee on 19 May 2021 and has considered all representations duly made in coming to its decision on how to modify the RIGs.

### **NOW THEREFORE**

5. The Authority hereby directs that the RIGs be modified as set out in the Schedule to this Direction.
6. This Direction shall take effect on 11 June 2021.
7. The following documents constitute notice pursuant to section 49A Electricity Act 1989 and section 38A Gas Act 1986:
  - a. This Direction;
  - b. Decision on modifications and issuing of new Regulatory Instructions and Guidance for the Data Communication Company (DCC), dated 11 June 2021; and
  - c. Notice of proposal to modify and issue new Regulatory Instructions and Guidance for the Data Communication Company under Part B of Condition 33 of the Smart Meter Communication Licence, dated 19 May 2021.

Dated: 11 June 2021

**Ayena Gupta**  
**Senior Policy Manager, Metering & Market Operations**  
**Duly authorised on behalf of the Gas and Electricity Markets Authority**