



Making a positive difference  
for energy consumers

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Date: 25 October 2021

Dear Ekta,

**Consent given by the Gas and Electricity Markets Authority (the "Authority") pursuant to Licence Condition 19 part D (Procedure for amending any of the service charges) of the Smart Meter Communication Licence to Smart DCC Ltd ("the Licensee").**

On 25 August 2021 the Licensee gave Notice to the Authority to make an amendment to DCC Service Charges for Regulatory Year ending 31 March 2022 (RY2021/22) to reflect the Alternative Home Area Network Company's (AlthANCo) amended budget. The Licensee proposes the amended Charging Statement comes into effect on 25 November 2021, resulting in a total Notice period of 3 months.

In December 2020, AlthANCo submitted to DCC the Approved AlthANCo Budget RY2021/22, which was used to set charges in the Charging Statement RY2021/22 (issue 1.0)<sup>1</sup>. Savings identified in the AlthANCo costs during RY2021/22 allowed for a reduction to charges in the final 5 months of DCC customer invoices for RY2021/22, and DCC is due to return £11.8m to its customers.

In accordance with Licence Condition (LC) 19 Part D, the Licensee is obliged to give the Authority Notice not less than three months before the date on which it proposes to amend its Service Charges, and may only amend charges more than once in a Regulatory Year if the Licensee has first given the Authority a statement of the factors that have led it to conclude that an additional amendment is necessary.

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<sup>1</sup> DCC Charging Statement RY21/22 which came into effect on 1 April 2021 - <https://www.smartdcc.co.uk/media/6232/charging-statement-ry2122-issue-10-vfinal.pdf>

We consider the above requirements have been met. We have also considered whether the proposed changes contained in the statement submitted by DCC on 25 August 2021 are consistent with the requirements of DCC's wider licence and statutory obligations. Given that the Licensee's proposal is reducing the charges, we consider DCC Customers will benefit from the proposed amendment as they receive the money earlier than had DCC followed the standard correction factor process. The Authority hereby consents to the Licensee's proposed amendment to the draft Charging Statement for the Regulatory Year ending 31 March 2022.

This letter constitutes Notice of the Authority's reasons for the decision pursuant to section 38A Gas Act 1986 and section 49A Electricity Act 1989.

**Jacqui Russell**

**Head of Metering & Market Operations**

**Duly Authorised on behalf of the Gas and Electricity Markets Authority**