



Making a positive difference
for energy consumers

Ekta Sareen
The Data Communications
Company
2nd Floor
Ibex House
42-47 Minories
London EC3N 1DY

Email: Smartmetering@ofgem.gov.uk

Date: 16 December 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.

On 3 December 2021 Smart DCC Ltd ('DCC') requested a reduced Notice period in respect of an additional amendment to the Charging Statement for Regulatory Year ending 31 March 2022 (RY21/22) to reduce the monthly Fixed Charges.

In accordance with the Licence Condition 19 Part D of the Smart Meter Communication Licence ('Licence'), DCC 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.

Each year DCC applies a correction factor to reflect any over/under-spend in relation to previous years and is estimating to under-spend in RY2021/22. DCC expects to have a more robust forecast in January of the under-recovery expected and any further debt socialisation which may be required in RY21/22. DCC therefore proposes to issue the Notice in early January 2022, which will confirm the final value to be returned and the period over which it will be returned, and proposes the new charges should come into effect four weeks after submitting the Notice.

Given that DCC's proposal is reducing the Fixed Charges and benefiting DCC users by returning cash to them earlier than under the standard correction factor process, we consent to a reduced Notice period of 28 days from the date that Notice is provided to the Authority of these changes. We understand that DCC will have further clarity in January 2022 of the factors leading to this additional amendment, and expect DCC to submit the revised Charging Statement in accordance with Licence Condition Part D as soon as it is available, and provide a statement of factors that led to the additional amendment. This consent is only granted in the case that DCC reduces the charges as proposed.

Yours Sincerely,

Anna Stacey

Interim Head of Metering and Market Operations

Duly authorised on behalf of the Gas and Electricity Markets Authority