

**To: the holder of the smart meter communication licences**

**Notice of consultation of a proposal to revoke a Direction issued by the Gas and Electricity Markets Authority to the holder of the smart meter communication licences on 9 March 2017 as subsequently amended on 3 May 2019**

1. The Gas and Electricity Markets Authority (the "Authority")<sup>1</sup> issued a Direction to the company to whom this notice is addressed (the "Licensee") on 9 March 2017 (the "2017 Direction"), which Direction was subsequently varied on 03 May 2019 (the "2019 Direction") (the 2017 Direction and 2019 Direction together being the "Direction").<sup>2</sup>
2. The Direction was issued:
  - (a) pursuant to paragraph 10 of condition 36 of the conditions of the smart meter communication Licence granted under section 7AB(2) and (4) of the Gas Act 1986 and section 6(1A) and (1C) of the Electricity Act 1989 (the "Licence"); and
  - (b) in order to determine the value of the "CRSPat" term in the Licence to cover the Data Communications Company ("DCC")'s roles within both 1) the Transitional Phase and 2) the Design, Build and Test Phase of the Switching Programme.
3. As noted in the Authority's decision published on 26 January 2023, both of those phases of the Switching Programme described in paragraph 2(b) above have now ended).<sup>3</sup>
4. The Authority now proposes to revoke the Direction. Further detail on the reasons for, and the effect of, the proposal to revoke the Direction can be found in the Authority's decision document as described in paragraph 3 above and in the associated consultation document published alongside this Notice.
5. Paragraph 6 of the 2017 Direction and paragraph 8 of the 2019 Direction set out that "the direction shall continue until revoked or amended by the Authority following a period of consultation with the Licensee for not less than 28 days, beginning on the date of notice of the revocation or amendment, or such other period as may be agreed in writing by the Authority and the Licensee, during which representations with respect to the proposed revocation or amendment may be made." This letter is to be treated as the notice of revocation described within the Direction.
6. The Authority therefore hereby gives notice of its proposal to revoke the Direction, such that the Direction will cease to have effect.

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<sup>1</sup> The terms "the Authority", "we" and "us" are used interchangeably in this document.

<sup>2</sup> [https://www.ofgem.gov.uk/sites/default/files/docs/2019/05/cws\\_dbt\\_direction\\_260419\\_0.pdf](https://www.ofgem.gov.uk/sites/default/files/docs/2019/05/cws_dbt_direction_260419_0.pdf)

<sup>3</sup> <https://www.ofgem.gov.uk/publications/decision-policy-and-statutory-consultation-establish-dcc-switching-incentive-regime>

7. Any representations with respect to the proposed revocation of the Direction must be made on or before **Friday 17 March 2023** by email to:  
[DCCregulation@ofgem.gov.uk](mailto:DCCregulation@ofgem.gov.uk)
8. We normally publish all responses on our website. However, if you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.
9. In the event that the Authority decides to proceed with the revocation of the Direction following the period of consultation ending on Friday 17 March 2023, the Authority will issue a formal decision letter to that effect and the revocation will take effect as at the date of that letter. The Authority anticipates a decision being published by 31 March 2023.

**Ayena Gupta**

**Head of DCC Regulation, Retail Systems and Processes**  
**16 February 2023**