

Criteria Assessment Framework for the new Smart Meter Communication Licence tender process

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This Criteria Assessment Framework is designed to assist applicants¹ for the next Smart Meter Communication Licence to understand the basis against which they will be assessed. It explains the assessment framework and sets out the information that applicants are expected to provide in their application. This information will be necessary for Ofgem to evaluate applications to determine whether the applicant is eligible and can be progressed to the proposal stage, and at the proposal stage in determining the applicant's capabilities and awarding the licence.

¹ The regulations governing the selection process for the Smart Meter Communication Licence (S.I. 2012/2414) define the terms "applicant" and "bidder" in particular contexts. For the purposes of this Framework, the term "applicant" is used to encompass both.

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Introduction

Background

Ahead of the expiry of the Smart Meter Communication Licence (22 September 2027), we have been carrying out a programme of work ("DCC Review") with the objective to:

- Put in place a new regulatory regime in the next Licence period.
- Select and appoint a Successor Licensee ("DCC2") to hold that Licence.

We published a decision in August 2023, which concluded the first (scoping) phase of our review² outlining the principles and key features that would be developed into detailed policy proposals in the next Licence. We published our first policy consultation in May 2024³ focusing on the future governance arrangements, including the future arrangements for the Centralised Registration Service ("Switching"). We published our decisions in December 2024 (Switching)⁴ and January 2025 (governance)⁵. In December 2024, we published our second consultation focusing on the cost control process and determination of the Licensee's Allowed Revenue.⁶ Our decision⁷ was published in May 2025 and we are continuing to consult on interim changes required to transition to the new regime⁸, and two guidance documents to support implementation in the first cost control cycle⁹. We published our third consultation on the future role of DCC in June 2025¹⁰ with a conclusion expected near the end of summer 2025.

² Ofgem, (2024) DCC review: Process for appointing the Successor Smart Meter Communication Licence holder.

www.ofgem.gov.uk/consultation/dcc-review-process-appointing-successor-smart-meter-communication-licence-holder

³ Ofgem, (2024) DCC Review Phase 2: Governance and Centralised Registration Service arrangements.

www.ofgem.gov.uk/consultation/dcc-review-phase-2-governance-and-centralised-registration-service-arrangements

⁴ Ofgem, (2024) DCC Review Phase 2: Centralised Registration Service arrangements – decision. www.ofgem.gov.uk/decision/dcc-review-phase-2-centralised-registration-service-arrangements-decision

⁵ Ofgem, (2024) DCC Review Phase 2: Governance arrangements – conclusions.

www.ofgem.gov.uk/decision/dcc-review-phase-2-governance-arrangements-conclusions

⁶ Ofgem (2024), DCC Review Phase 2: Determination of Allowed Revenue – consultation <https://www.ofgem.gov.uk/consultation/dcc-review-phase-2-determination-allowed-revenue>

⁷ Ofgem (2025) DCC Review Phase 2: Determination of Allowed Revenue - conclusions <https://www.ofgem.gov.uk/decision/dcc-review-phase-2-determination-allowed-revenue-conclusions>

⁸ Ofgem (2025), Modifications to the Smart Meter Communication Licence for transition to ex-ante cost control and other changes required for Licence closure

<https://www.ofgem.gov.uk/consultation/modifications-smart-meter-communication-licence-transition-ex-ante-cost-control-and-other-changes-required-licence-closure>

⁹ Ofgem (2025) Draft Terms of Reference for Customer Challenge Group and draft Business Plan Guidance <https://www.ofgem.gov.uk/consultation/draft-terms-reference-customer-challenge-group-and-draft-business-plan-guidance>

¹⁰ Ofgem, (2024) DCC Review Phase 2: Objectives, operational model and future role of DCC. www.ofgem.gov.uk/consultation/dcc-review-phase-2-objectives-operational-model-and-future-role-dcc

In November 2024, Ofgem conducted a webinar as part of market engagement to inform prospective applicants about the opportunity to apply for the Smart Meter Communication Licence (SMCL). Following the webinar, an Expression of Interest Questionnaire¹¹ was published in March 2025 to understand market's interest and capabilities and help inform Ofgem's route and design of the process for identifying, selecting and granting the next licence.

As a result of this, we have decided to **pursue a competitive selection process**.

Approach to developing the Framework

Ofgem best practice is to provide an eligibility assessment framework ahead of a competitive process that outlines the criteria applicants will be evaluated against at the different stages of the selection process. The aim is to assist applicants to make an initial assessment about whether to apply for the Licence given the eligibility and capability requirements and understand the level of resourcing required for an application.

Overview of the Tender Exercise¹²

Ofgem's objective is to design a tender process which is transparent and fair to all applicants. In order to balance the different resourcing capacity to prepare a bid between for-profit and not-for-profit organisations, applicants will not be asked to undertake significant analysis of the current Licensee, its contracts or potential efficiencies. A data room will be available in the proposal stage which will provide qualified applicants with greater access to Smart DCC Ltd information and support applicants in preparing their proposals.

The competitive selection process will be conducted in alignment with the Electricity and Gas (Competitive Tenders for Smart Meter Communication Licences) Regulations 2012 ('the 2012 Regulations').¹³ Although Ofgem has sought the power to direct award the licence through the Data (Use and Access) Act ¹⁴, we do not intend to use those powers where there is more than one eligible party.

Table 1 below sets out the key milestones for the selection of a Successor Licensee and the corresponding dates that the process will follow.

¹¹ Ofgem, (2025) Expression of Interest in the new Smart Meter Communication Licence.

www.ofgem.gov.uk/call-for-input/expression-interest-new-smart-meter-communication-licence

¹² 'Tender exercise' is defined as the process carried out in accordance with the Electricity and Gas (Competitive Tenders for Smart Meter Communication Licences) Regulations 2012 with a view to determining the next holder of the SMCL

¹³ Available at: <https://www.legislation.gov.uk/ukxi/2012/2414/contents/made>

¹⁴ Available at: <https://www.legislation.gov.uk/ukpga/2025/18/contents/enacted>

Table 1 – Proposed timeline for the appointment of a Successor Licensee

Stage	Date
Prior Information Notice (PIN) 1 ¹⁵	October 2023
PIN 2 – notification of webinar ¹⁶	November 2024
Webinar for market interest	November 2024
Expression of interest & Questionnaire	March 2025
Evaluation Criteria Published	July/August 2025
Licence consultation launch	August 2025
Licence application competition opens (*Assumes current regulations are used)	August 2025
Qualification stage (*Assumes current regulations are used)	August 2025 – October 2025
Proposal stage (*Assumes current regulations are used)	October 2025 – January 2026
If required, Best and Final Offer stage (*Assumes current regulations are used)	February 2026
Successor Licensee Selected	February/March 2026
Business transfer date	November 2026
Expiry of DCC1 licence	September 2027

¹⁵ Available at: <https://www.find-tender.service.gov.uk/Notice/028912-2023>

¹⁶ Available at: <https://www.find-tender.service.gov.uk/Notice/034498-2024>

Section 2. Guidance

Ofgem notes that the process for selecting the holder of the Smart Meter Communication Licence is governed by the Electricity and Gas (Competitive Tenders for Smart Meter Communication Licences) Regulations 2012. Therefore, it is not subject to procurement legislation.

The qualification stage (or eligibility assessment) is the first phase of the assessment process for granting the next Smart Meter Communication Licence. This stage involves ensuring that applicants are eligible to hold the Licence. The criteria are set out in **section 3** and will seek:

- Basic organisational information and confirm expression of interest,
- information about applicant's suitability to hold a licence (including disclosures of convictions or insolvency),
- confirmation of an undertaking to comply with licence requirements and resolve conflicts of interest, and
- high-level evidence of relevant capability and expertise.

Applicants who meet the eligibility requirements will be invited to the proposal stage which will be assessed against the criteria in **section 4**. At the proposal stage, applicants will be assessed against their proposed arrangements for complying with the licence and their responses to the evaluation questions which test their capability and expertise.

Section 3 and **Section 4** outline the basis against which applicants will be assessed. This includes binary pass/fail assessment, minimum requirements and average minimum threshold scores. Ofgem's evaluation will be based on the quality and coherence of the information and reasoning submitted in any relevant materials and documentation.

Right to vary a Tender Exercise

This Framework sets out our expectations of how the Tender Exercise will be carried out; however, we reserve the right to vary any element of the exercise prior to making a formal decision under the 2012 Regulations. This may include issuing supplementary documentation in order to clarify any issue or amend aspects of the selection criteria. Regulation 24 of the 2012 Regulations empowers Ofgem to give notices in the manner considered appropriate, including how to notify applicants of changes. Any amendments issued by us during a Tender Exercise will be deemed to form part of the requirements for that stage.

Costs and Losses

Each Applicant will bear its own costs of participating in a Tender Exercise.

We are under no obligation and shall not accept any liability for any costs, expenses, damages or losses incurred by any Applicant, including, without limitation, any unsuccessful Applicant, in connection with a Tender Exercise.

If an Applicant withdraws or is disqualified from a Tender Exercise, or if we cancel a Tender Exercise, we shall not incur any liability for any losses whatsoever towards any Applicant or any of their Related Parties.

Changes arising after the submission

Schedule 5 of the 2012 Regulations outlines disqualification events which include where an applicant submits information which is false or misleading. Therefore, we asked that applicants notify Ofgem as soon as reasonably practicable if, after their submission at either the qualification or proposal stage:

- There is a material change or proposed material change in the information provided in their Submission; or
- An Applicant, member of a 'Bidder Group'¹⁷, or Supporting Organisation becomes aware that information previously submitted is no longer true or accurate.

This includes, but is not limited to, changes in legal identity, ownership structure, directors, shareholders, and any grounds for exclusion.

Administration

Applications will be submitted via an online portal, Bravo.¹⁸ The portal will contain the relevant questionnaires, guidance document and other supporting materials. The portal will also be used to coordinate Clarification Questions.

If prospective applicants require further information or have any issues with accessing the portal, please contact DCCregulation@ofgem.gov.uk

¹⁷ "Bidder group" means two or more persons acting together for the purposes of any submission to the competent authority in accordance with the 2012 Regs (S.I. 2012/2414)

¹⁸ Accessible here: <https://ofgem.bravosolution.co.uk/web/login.html>

Section 3. Eligibility Criteria for Qualification stage

PART 1 Identification Information

Overview

This section is used to gather the details we require to understand the nature of each organisation and legal entity participating in the Tender Exercise. An Applicant must provide details and evidence of its identity as requested in the Qualification Questionnaire. Where the Applicant is formed of a Bidder Group¹⁹, each individual Bidder Group member should complete the table provided in part 1 of the Qualification Questionnaire.

Scoring methodology

Part 1 is scored on a Pass/Fail basis. If the Applicant receives a fail for any question the Applicant will be disqualified.

Question 1.1: Name of Applicant/Bidder Group member (if the Applicant is formed of a Bidder Group, please also state the name of each Bidder Group Member and indicate the lead contact).
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Question 1.1(a): Provide the following details of the immediate parent company (if applicable):
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- | |
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| <ul style="list-style-type: none">a) Full name of the immediate parent companyb) Registered office address (if applicable)c) Registration number |
|--|

Question 1.1(b): Provide the following details of who would be considered the ultimate controller as defined in LC1.4 of the current SMCL:

- | |
|--|
| <ul style="list-style-type: none">a) Full name of the ultimate controllerb) Registered office addressc) Registration numberd) Position of Applicant (or Bidder Group member) in the group structure |
|--|

Question 1.2: Provide details of the shareholding/Bidder Group organisational structure, making clear:

- | |
|--|
| <ul style="list-style-type: none">a) The identity of the entity that will hold the Smart Meter Communication Licenceb) The relationship which each Bidder Group member and Supporting Organisation, where applicable, will have within and/or with the License holder including identification of the Ultimate Controller(s) of the Licensee, and |
|--|

¹⁹ "Bidder group" means two or more persons acting together for the purposes of any submission to the competent authority in accordance with the 2012 Regs (S.I. 2012/2414)

<p>c) Key contractual relationships and accountability for managing these.</p> <p>In the case of a Bidder Group, outline the proposed ownership arrangements.</p>
<p>Question 1.3: Provide the following details in relation to the Applicant (or Bidder Group member):</p> <ul style="list-style-type: none"> a) Full names and addresses of current directors including any shadow directors within the meaning of section 251 of the <i>Companies Act 2006</i>. b) Authorised signatories within the meaning of section 44(3) of the <i>Companies Act 2006</i>.
<p>Question 1.4: Where any person (other than a person whose name is given in response to Question 1.3 holds 20% or more of any class of shares of the Applicant (or Bidder Group member), please provide for each person:</p> <ul style="list-style-type: none"> a) Name of person b) Address c) Number of shares held as percentage of the aggregate number of shares of that class represented by such shareholding
<p>Question 1.5: Where the Applicant (or Bidder Group member) is neither a body corporate nor a sole trader, please provide the name(s) and address(es) of the person or persons who has effective control of the Applicant or Bidder Group members.</p> <ul style="list-style-type: none"> a) Name b) Address
<p>Evaluation Guidance for Question 1.1 - 1.5:</p> <p>PASS - Bidder has provided details and evidence of its identity and proposed corporate structure, and of each Bidder Group member, as applicable.</p>

Part 2A grounds for mandatory exclusion

Overview

As noted in the introductory section to this document, this tender process is not subject to procurement legislation. However, Ofgem has concluded that the use of certain mandatory grounds of exclusion as set out in Schedule 6 of the Procurement Act 2023²⁰ would still be appropriate.

²⁰ Available at <https://www.legislation.gov.uk/ukpga/2023/54>

Applicants²¹ must answer yes or no to each question. If an applicant answers yes to any of the questions, it must provide evidence of the measures taken that are sufficient to demonstrate its reliability as a potential Licensee.

In assessing whether the evidence provided by applicants is sufficient to demonstrate its reliability as a potential Licensee, despite the offence, we will take into account whether the applicant has:

- i. paid or undertaken to pay compensation in respect of damage caused by the criminal offence or misconduct,
- ii. clarified the facts and circumstances in a comprehensive manner by actively collaborating with the investigating authorities, and
- iii. taken concrete technical, organisational and personnel measures that are appropriate to prevent further criminal offence or misconduct.

We shall also take into account the gravity and particular circumstances of the criminal offence or misconduct.

Scoring methodology for Section 2A

Section 2A is scored on a Pass/Fail basis. If the applicant receives a fail for any question the applicant may not proceed to the proposal stage.

Question 2A.1(a): Mandatory Exclusion Grounds

Please indicate if, within the past five years your organisation, any person who has powers of representation, decision or control in the organisation has been convicted anywhere in the world of any of the following offences:

- a) Participation in a criminal organisation
- b) Corruption
- c) Fraud
- d) Terrorist offences or offences linked to terrorist activities
- e) Money laundering or terrorist financing
- f) Child labour and other forms of trafficking in human beings

Question 2A.1(b): If you have answered yes to question 2A.1(a), please provide further details, including:

- a) Date of conviction, specifying which of the grounds listed the conviction was for, and the reasons for conviction
- b) The identity of who has been convicted, and
- c) If the relevant documentation is available electronically, please provide the web address, issuing authority and precise reference of the documents.

²¹ Where the applicant is formed of a Bidder Group, each member should submit a separate completed table unless the answers to all questions below are 'no' for each Bidder Group member.

Question 2A.1(c) If you have answered 'yes' to question 2A.1(a), have measures been taken to demonstrate the reliability of the organisation despite the existence of a relevant ground for exclusion?

Question 2A.2(a): Tax Offences

Has it been established, by a judicial or administrative decision having final and binding effect in accordance with the legal provisions of any part of the United Kingdom or the legal provisions of the country in which the organisation is established (if outside the UK), that the organisation is in breach of obligations related to the payment of tax or social security contributions? Please refer to the meaning of "tax offence" set out in paragraph 29-31 of Schedule 6 of the Procurement Act 2023.

Question 2A.2(b): If you have answered 'Yes' to Question 2A.2(a), please provide further details. Please confirm you have paid, or have entered into a binding arrangement with a view to paying, the outstanding sum including where applicable any accrued interest and/or fines.

Evaluation Guidance for Question 2A.1 to 2A.2:

PASS – Applicant answers no to all questions, or where the applicant answers yes to one or more questions the evidence provided by the applicant of the measures taken in response to each relevant conviction are sufficient to demonstrate its reliability as a potential Licensee. In determining reliability, we will consider all the factors and the gravity of the offence.

Part 2B Grounds for discretionary exclusion

Overview

As above, while this tender exercise is not subject to procurement legislation, we consider it best practice to follow Schedule 7 of the Procurement Act 2023, which sets out discretionary grounds for exclusion when applying for government contracts.

Applicants²² must answer yes or no to each question. If an applicant answers yes to any of the questions, the applicant must provide evidence of the measures taken, following the relevant conviction or breach of obligations, that are sufficient to demonstrate its reliability as a potential Licensee. The answer must also name the organisation or member being referred to.

In assessing whether the evidence provided by an applicant is sufficient to demonstrate its reliability as a potential Licensee, the Authority will consider whether the applicant has:

²² Where the applicant is formed of a Bidder Group, the applicant should submit a separate completed table for each member unless the answers to all questions are 'no' for each member.

- i. paid or undertaken to pay compensation in respect of damage caused by the criminal offence or misconduct,
- ii. clarified the facts and circumstances in a comprehensive manner by actively collaborating with the investigating authorities, and
- iii. taken concrete technical, organisational and personnel measures that are appropriate to prevent further criminal offence or misconduct.

We shall also consider the gravity and particular circumstances of the criminal offence or misconduct.

Scoring methodology for Section 2B

Section 2B is scored on a Pass/Fail basis. If the Applicant receives a fail for any question the Applicant may not proceed to the proposal stage.

Questions and Evaluation Guidance for Section 2B

Question 2B.1: Discretionary Exclusion Grounds

Please indicate if, within the past three years, anywhere in the world, any of the following situations have applied to you, your Bidder Group members, Supporting Organisations or any other person who has powers of representation, decision or control in the organisation(s):

- a) Breach of labour law obligations, see Sch 7(1-3)
- b) Breach of environmental obligations, see Sch 7(4)
- c) Bankruptcy or is the subject of insolvency or winding-up proceedings, see Sch 7(5-6)
- d) Entered into agreements with other economic operators aimed at distorting competition, see Sch 7(7-10)
- e) Guilty of grave professional misconduct, see Sch 7(11)
- f) Shown significant or persistent deficiencies in the performance of a substantive requirement under a prior public contract, see Sch 7(12)
- g) Acted improperly in procurement, see Sch 7(13)
- h) Poses a threat to national security, see Sch 7(14)

Question 2B.2: If you have answered 'Yes' to any of the points in Question 2B.1 explain what measures been taken to demonstrate the reliability of the organisation despite the existence of a relevant ground for exclusion.

Question 2B.3: Grounds for discretionary exclusion: energy licence issues.

The applicant should provide details of the circumstances of any licences granted under the Electricity Act 1989 or Gas Act 1986 which have been revoked, or where the applicant applied for a licence and was not successful.

Evaluation Guidance for Question 2B.1-2B.3

PASS – The applicant answers no to all questions, or where the applicant answers yes to one or more questions, the evidence provided by the applicant is sufficient to demonstrate its reliability as a potential Licensee.

In determining reliability we may consider, among other factors, applicant's past performance, and ability to meet the specific requirements in the Licence.

The primary source of information will be provided by the applicant. However, we reserve the right to use our discretion to exclude an applicant where we are aware that the applicant is in breach of one of the discretionary grounds.

Part 3 Conflicts and independence

Overview

To ensure the integrity and transparency of the selection process, all applicants must demonstrate a clear commitment to identifying, managing and mitigating actual or potential conflicts of interest.

Part 3 identifies areas of potential conflicts of interests. These areas are not exhaustive. If applicants consider there may be another real, or perceived conflict of interest, this should be detailed in response to Question 3.9.

Any false or omitted information may result in disqualification.

Scoring methodology

Part 3 is scored on a Pass/Fail basis. If an applicant receives a fail for any question the applicant may not proceed to the proposal stage.

Questions and Evaluation Guidance for Part 3

Question 3.1: Not-for-Profit Operation

Do applicants agree that the holder of the Licence will operate on a not-for-profit basis, and confirm they will refrain from giving or receiving cross-subsidies?

Question 3.2: Board Independence

Do applicants agree that the board of the Licensee will consist of more than 50% independent members, including non-executive directors, who are free from affiliations with the applicant, SMCL external service providers, and code parties?

Question 3.2(a) if the applicant's current board do not satisfy this requirement, please outline the applicant's plan for compliance.

Question 3.3: Activities and Investments

Have applicants disclosed any activities or investments related to the Licensee's current or potential customers, and do they intend to cease or withdraw from such activities or investments unless conflicts are manageable?

Question 3.4: Ultimate Controller Undertaking

Where applicable, can applicants obtain a legally enforceable undertaking from their ultimate controller to ensure that the Licensee is compliant with licence obligations?

Question 3.5: Conflict safeguards

Do applicants agree to comply with the following licence conditions which will be implemented in the successor licence:

- LC11.3 duty not to prevent or distort competition
- LC11.6 prohibition on preferential or discriminatory behaviour

Question 3.6: fit and proper person requirements

Does the applicant satisfy the fit and proper person requirements as outlined in the Electricity Supply Standard Licence Conditions 4C²³ which is that the Licensee must not appoint or have in place a person in a position of Significant Managerial Responsibility or Influence who is not a fit and proper person to occupy that role?

In answering this question, the applicant should consider the relevant matters in SLC 4C.3 and demonstrate that it will take reasonable steps to ensure ongoing compliance.

Question 3.7: Related Undertakings

Are applicants currently or planning to become a related undertaking of a code party or SMCL service provider, and can they justify continued relationships with mitigation plans?

Question 3.8: Access to information

Have applicants accessed information about the Licence, such as contracts or performance data, within the past 12 months, that might have been inaccessible to other parties?

Question 3.9: Any other areas

Are there any other areas of real or perceived conflicts of interests that the applicant is aware of, and if so, please detail below.

Evaluation Guidance for Questions 3.1-3.9

PASS

²³ Available at <https://www.ofgem.gov.uk/sites/default/files/2023-03/Electricity%20Supply%20Standard%20Consolidated%20Licence%20Conditions%20-%20Current.pdf>

- For Questions 3.1-3.6, the applicant answers yes to each question. Or if not, the reasons provided must give Ofgem a reasonable degree of confidence that potential conflicts of interest would be manageable, or resolved in time for the licence award.
- For Questions 3.7-3.9, the applicants answer no to each question. Or if answered yes, the reasons provided must give Ofgem a reasonable degree of confidence that potential conflicts of interest would be manageable, or resolved in time for the licence award.

Part 4 Acceptance of Licence fundamentals

This section seeks confirmation that applicants are aware of a number of features of the future Licensee's role and Smart Meter Communication Licence.

Scoring methodology

Part 4 is scored on a Pass/Fail basis. If the applicant receives a fail for any question the applicant may not proceed to the proposal stage.

Question 4.1 Does the applicant acknowledge and accept that the Licensee will be required to be a discrete legal entity and separate from its parent companies in order to be granted the Licence?

Question 4.2 Does the applicant acknowledge and accept that the Licensee will be subject to the obligations and restrictions of the proposed Licence (including being prevented from undertaking activities not related to the Licence) and will be subject to regulation by Ofgem including consideration of its revenue?

Question 4.3 Does the applicant acknowledge and accept that the Licensee is governed by the SEC and a multi-party framework agreement with principal service users giving the SEC legal force?

Question 4.4 Does the applicant acknowledge and accept that the Licensee will be required to continue to be party to the contracts for data and communications services that have been negotiated by the previous Licensee?

Evaluation Guidance for Question 4.1-4.4:

PASS – Applicant answers yes to all questions. Where an applicant only accepts in principle these requirements, they must provide information regarding their concerns.

Part 5 Financial standing

This section assesses the applicant's financial capacity to fund participation in the competitive tender and pay for any set-up costs prior to being able to recover these costs from customers.

Scoring methodology

Part 5 will be scored on a Pass/Fail basis.

Question 5.1 Please describe in outline the source of funds for the Licensee to participate in the licensing competition.

Question 5.2 Please describe the Applicant's ability to establish itself in advance of income from service users.

Evaluation Guidance

PASS – Ofgem is satisfied that the Applicant has the requisite financial standing which may include evidence of prior financing capability, and risk mitigation through contingency planning.

Part 6 Capabilities to deliver the Licence

This section will test whether the applicant has, or can acquire, the key capabilities necessary for the Licensee to deliver the Licence. The examples do not need to be related to the energy sector, unless specified. The applicant will be evaluated by reference to the extent to which the experience is relevant to the Licence and its Authorised Business²⁴. The example should, so far as possible, include activities at a scale and complexity of the current Licensee. Any example should be from within the past 5 years.

Scoring methodology

Part 6 will be scored on a minimum requirement basis whereby the applicant must demonstrate **significant relevant experience (e.g. Score 3 or above)** in at least **60%** of the listed areas.

Answers will be scored on a scale of 0-4 representing:

- 0= no to minimal probability of successfully meeting the requirements
- 1= low probability of successfully meeting the requirements
- 2= some probability of successfully meeting the requirements
- 3= significant probability of successfully meeting the requirements
- 4= very high probability of successfully meeting the requirements and/or excellent understanding of the requirements

Answers should be a maximum of 500 words.

²⁴ Authorised Business means the whole of the business carried on by the Licensee under the SMCL, comprising the Mandatory Business and the Permitted Business. This will be set out with further detail at the relevant tender stages.

Question 6.1: experience of the Great British energy sector or the telecommunications industry

Please provide details of experience of delivering services within the GB energy sector, or within the telecommunications industry.

This may include:

- Experience working on shared objectives with key energy sector stakeholders.
- Delivering different types of energy or telecoms services to meet different delivery environments.
- Establishing interoperable and secure ICT services with end-to-end integration
- Managing large scale contracts, procuring effective and cost-efficient services, and accurate billing and invoicing.

Question 6.2: Operating in a regulatory environment

Please provide details of experience in successfully operating commercial entities subject to the requirement of UK laws and regulation.

This may include:

- Being subject to the requirements of company law.
- Being subject to the requirements of competition law.
- Working within a price control regime.
- Experience of operating in any regulated sector.

Question 6.3: Strategy setting

Please provide details of experience in setting and executing long-term strategic directions. This may include:

- The methodologies employed and how they supported alignment across different business groups and stakeholder interests.
- Examples of taking into account uncertainties in the areas technological disruption or innovation, shifting commercial landscapes (e.g., market, competition, customer behaviour) or regulatory changes or policy developments.
- Description of how performance management systems ensured accountability.

Question 6.4: Transformation of existing contracts and/or business operations

Please provide details of experience in transforming existing contracts or business operations to identify improvements and efficiencies. This may include:

- Examples of reviewing, negotiating or reprocurring contracts to deliver improved value for money or service quality.
- Approaches of identifying and realising efficiencies.

Question 6.5: Experience of asset and/or business takeover.

Please provide details of experience in assets and/or business handovers. This may include:

- Experience in managing the transition of an organisation, business unit or service from one operating model or provider to another.
- Methods for ensuring continuity of service, minimised disruption and engaged key stakeholders.
- Experience in setting up project plans to transfer or receive assets or operational functions.
- Experience and demonstrated understanding of Transfer of Undertakings (Protection of Employment) Regulations (TUPE) and examples of ensuring the retention of critical staff during asset or business takeover.

Section 4. Eligibility Criteria for Proposal stage

Overview

If an Applicant passes the Qualification Stage, they will become a qualifying applicant and will be invited to the proposal stage. This section provides details of the expectations and supporting documentation that will be required for the proposal stage of the tendering exercise. At the proposal stage, we may publish more detailed requirements, including further information on the scope of the future Licence. We reserve the right to alter the requirements outline in this framework should we deem it necessary.

The examples do not need to be related to the energy sector, unless specified. The Applicant will be evaluated by reference to the extent to which the experience is relevant to the Licence and its Authorised Business²⁵. The example should, so far as possible, include activities at a sale and complexity of the current Licensee. Examples should be from within the past 5 years.

Scoring methodology

The proposal stage evaluation criteria will be weighted according to the scoring methodology below (noting these are subject to change prior to the commencement of the proposal stage). Questions will be scored on a scale of 0-4 representing:

- 0= no to minimal probability of successfully meeting the requirements
- 1= low probability of successfully meeting the requirements
- 2= some probability of successfully meeting the requirements
- 3= significant probability of successfully meeting the requirements
- 4= very high probability of successfully meeting the requirements

	Weight
1. Transitional Capabilities and Governance (24%)	
1.1 Experience of asset takeover, management or operations The applicant must provide evidence of experience in business handover processes, with a focus on ability to reduce service disruption and ensure continuity of operations during transitional periods. This may include:	6

²⁵ Authorised Business means the whole of the business carried on by the Licensee under the SMCL, comprising the Mandatory Business and the Permitted Business. This will be set out with further detail at the relevant tender stages.

<ul style="list-style-type: none"> • Proven understanding and ability to manage TUPE transfers • Any experience in developing and executing Business Handover Plans (BHPs) aligned with regulatory expectations. • Track record of working effectively with incumbent organisation in the takeover of assets, management or operations. • The applicants plan for resourcing the transitional arrangements, including the appointment of an individual with relevant experience to represent the organisation on the Joint Handover Steering Group who is authorised to make decision and coordinate the applicants role in the Business Handover Process. 	
<p>1.2 The 180-day delivery plan</p> <p>The applicant is required to set out their delivery plan for receiving the Authorised Business from the outgoing Licensee. Noting that 180 days has been allocated to the business handover process.</p> <p>This plan should reference the plan provided by Smart DCC Ltd and include:</p> <ul style="list-style-type: none"> • Suggested amendments to the timelines. • Granular details of key phases, milestones and deliverables. • Risk identification and mitigation strategies for the delivery period. • Details of how own resources will be mobilised, including recruitment, onboarding and stakeholder engagement. • Governance and reporting mechanisms to track progress and ensure accountability. 	6
<p>1.3 Management team</p> <p>The applicant must set out how it will provide strategic management of the Licensee, including:</p> <ul style="list-style-type: none"> • Details of the proposed senior management team roles and their structure. • Expected methods of securing any gaps in senior management. • Summary of relevant skills and expertise for any prospective role holder who has already been identified. • Transition arrangements of the bid team to the senior management, as applicable. • Expected method for monitoring performance/success within this area as well as risks. 	3
<p>1.4 Experience of establishing effective governance</p> <p>The Licensee's first responsibility will be to establish and recruit for the new Board or restructure its Board to become compliant with the new independent governance conditions.</p> <p>The Applicant should therefore outline its plan for establishing a majority-independent Board, including:</p>	6

<ul style="list-style-type: none"> • Timeline and process for appointing an independent Chair with board-level experience in organisations of comparable scale. • Formation of a Nomination Committee comprising the Chair, a shareholder representative, and a DCC customer representative. • Plan for recruiting Board members with expertise in the GB energy market, commercial contract management, data and communication technology and consumer advocacy. 	
<p>1.5 Risk log</p> <p>The applicant is required to provide a log outlining any anticipated risks in receiving, taking over and delivering the Authorised Business. This may include:</p> <ul style="list-style-type: none"> • Mitigation approaches that demonstrate how potential issues may be proactively managed and reduce delays or failures in the transition process. • Consideration of the risk log provided by Smart DCC Ltd in their business handover plan and suggested changes. 	3
<p>2. Strategic Vision & Alignment with Objectives (23%)</p>	
<p>2.1 Strategy setting</p> <p>The applicant is asked to provide evidence of its track record for setting strategic priorities, including its plan for the development of the 10-year Strategy and Technology Roadmap for the next licence term. <i>Note, the Applicant is not required to draft the Strategy but must evidence its capabilities in developing such strategies.</i></p> <p>The answer may consider:</p> <ul style="list-style-type: none"> • Demonstrated understanding of DCC’s long term vision and mission and how this aligns with the licence objectives • Methodologies for ensuring benefits to consumers outcomes and to the Licensee’s customers. • Alignment with environmental, sustainability and social responsibilities and obligations. • Demonstrated understanding of upcoming technology changes and options. • Demonstrated understanding of the regulatory environment and how the organisation will remain agile in response to changes in licence conditions, policy direction or market needs. • Examples of how the applicant has previously adapted to regulatory shifts or implemented strategic reforms in similar contexts. 	9

<p>2.2 Commitment to licence objectives</p> <p>The Applicant is required to outline how licence objectives (Principal, Supporting and Transitional) will be actively considered in decision-making at all levels, especially at Board and executive levels. The answer may include:</p> <ul style="list-style-type: none"> • A description of how governance structures will ensure accountability to these objectives, i.e. integration of licence objectives into Board charters, committee terms of reference and performance review processes, or mechanisms for consumer representation and stakeholder input • A proposal for how the organisation's mission, values and culture will reflect the licence objectives, i.e. how it will embed prioritisation of consumer trust, transparency and delivering secure, cost-efficient and high-quality smart metering services public value. • An outline of how the organisation will monitor and report on its adherence to licence objectives, including development of KPIs and metrics tied directly to licence objectives, use of assurance frameworks and internal audits to validate compliance or engagement with Ofgem and other stakeholders to review progress and adapt to evolving expectations. 	9
<p>2.3 Experience in running a not-for-profit</p> <p>The Applicant is required to set out its experience in managing a not-for-profit organisation and plan for using the model to drive better outcomes and value for money. This can include:</p> <ul style="list-style-type: none"> • Experience operating an organisation of similar size and standing to Smart DCC Ltd. • Experience operating a similar organisation in the energy sector. • Delivering high-quality services in a NFP environment. • Evidence of successful outcomes or impact achieved in the management of similar organisations. 	5
<p>3. Customer & Stakeholder Focus (11%)</p>	
<p>3.1 Consumer/ Customer improvements</p> <p>The Applicant should outline its approach for delivering high standards of service to customers, stakeholders and/or GB consumers. The answer may include:</p> <ul style="list-style-type: none"> • Examples of working with stakeholders, especially when they fund operations. • Experience of driving continuous improvements through engagement with customers. • Demonstratable understanding of consumers and customer needs and expectations in the smart metering landscape. 	6

<ul style="list-style-type: none"> Examples of handling issues promptly and improving relationships with customers. 	
<p>3.2 Remuneration and incentives</p> <p>The new regulatory model includes financial and reputational incentives which aim to incentivise behaviour in the absence of profit. The applicant is asked to outline its plan for using the incentive regime to drive better performance. The answer may include:</p> <ul style="list-style-type: none"> Demonstrated understanding of the structure and objectives of the incentive regime Suggested KPIs for driving the delivery of high-quality, consumer-focused services Examples of where the applicant has aligned internal processes, such as workforce performance standards or remuneration policies, and behaviours to maximise performance Any previous experience of successfully operating under similar incentive frameworks 	5
4. Operational Excellence & Internal Capability (25%)	
<p>4.1 Internal support service</p> <p>The Applicant is asked to set out how it will meet the requirements for efficient and effective internal support services needed by the organisation to deliver its operational services, including:</p> <ul style="list-style-type: none"> Administration, Finance management, Human Resources, Facilities management, ICT infrastructure, and Legal support. <p>If the Applicant does not have these capabilities, the Applicant should outline how it will obtain the necessary capability and capacity, its approach to procuring the services and risks/mitigation measures applicable with this approach.</p> <p>The approach should consider:</p> <ul style="list-style-type: none"> How the applicant will mobilise these services in time for the Business Transfer Date. How the applicant will approach managing transitional services which may have to continue to be provided by the current Licensee/its parent. 	6
<p>4.2 Transformation of contracts</p> <p>The Applicant is asked to outline its proposed approach to reviewing and improving the novated external service contracts with a focus on driving efficiencies and cost reduction.</p>	9

<p><i>Note, the Applicant is not required to analyse the contracts to specify the quantum of efficiencies or suggested improvements but must evidence its capabilities in developing efficiency and improvement approaches.</i></p> <p>The answer may include:</p> <ul style="list-style-type: none"> • Explanation of how the applicant will systematically review inherited contracts to ensure alignment with the licence objectives (e.g. cost-efficiency, transparency, consumer benefit) and the Successor's strategic priorities and operational model. • Experience in restructuring or re-negotiating contracts to support improved service outcomes and value for money. • Evidence of delivering measurable improvements in cost, quality or risk allocation. • Experience in transformation during transitions with minimal disruption to services and operations. • An outline of any frameworks or governance mechanisms that will be used to manage contract transformation. • Demonstrated understanding of Ofgem's price control decisions and concerns about external costs. • Proposed engagement with key stakeholders during contract transformation processes to ensure transparency and alignment with regulatory expectations. • Description of approach to communicating and justifying contract changes. 	
<p>4.3 Staff recruitment and retention plan</p> <p>While TUPE (Transfer of Understanding (Protection of Employment) Regulations) will apply, staff may choose not to transfer to the Successor Licensee. Applicants are asked to provide a workforce strategy that ensures continuity. This may include:</p> <ul style="list-style-type: none"> • Approach for retaining staff in a regulated cost envelope, such as early engagement, communication strategy, onboarding support and integration, as well as retention strategy. • Succession planning for critical roles, including internal development and external pipelines. • Approach for recruiting staff to plug resource gaps. • Proven ability to manage TUPE transfers and a commitment to honour existing terms and conditions of employment. • Measures to monitor staff engagement post-transfer. • Evidence of applicant's existing positive brand and workplace culture, e.g. external certifications (Great Place to Work, Best Companies) or internal initiatives to support employee wellbeing and professional development. • Experience of capturing and transferring institutional knowledge, especially in critical skill areas. 	6
<p>4.4 Demonstrated understanding of operating within a regulatory environment</p>	4

<p>The applicant is asked to provide its track record, with reference to case studies or other references, of adopting regulatory change and what measures were taken to monitor, assess and implement changes. This response may include:</p> <ul style="list-style-type: none"> • Experience of cost controls. • Demonstrated understanding of the relevant regulatory regimes that govern the Smart Meter Communication Licence. • Experience of delivering against regulated performance metrics. • Any demonstrated experience in agile and adaptable best practice. • Experience of governance, assurance and reporting mechanisms used to ensure compliance. • Approach to engaging with regulators and responding to regulatory change. 	
5. Financial and Regulatory Compliance (17%)	
<p>5.1 Acceptance of allowed revenue</p> <p>Ofgem is working with the current Licensee to set the cost envelope that will apply from Business Transfer Date to 31 March 2028. The applicant is asked to demonstrate its willingness and ability to operate within these budgetary constraints. The answer may include:</p> <ul style="list-style-type: none"> • Demonstrated understanding of the ex-ante funding model. • Experience of developing business plans and abilities in the forecasting of costs. • Track record of transparent reporting and accountability of costs. • Managing risks and uncertainties associated with the funding model. • Any previous experience operating under similar regulatory or funding frameworks 	6
<p>5.2 Compliance with independence requirements</p> <p>The Applicant is asked to provide details of its (and its parent company, where applicable) compliance with the independence requirements of the Board and its directors. The answer should outline, where known, intended candidates for Board nomination. The answer may include:</p> <ul style="list-style-type: none"> • Measures that will be implemented to prevent conflicts of interest, particularly in relation to procurement. • Experience of successfully operating within similar independence frameworks. 	7
<p>5.3 Conflicts of interest</p> <p>The Applicant is asked to provide an update on conflicts of interest identified at the qualification stage, including:</p> <ul style="list-style-type: none"> • Any new conflicts and mitigation approach. • The resolution of any previous existing conflicts. 	4

Section 5 – Other

Optional Submissions

1. Comments on the Draft Business Handover Plan (BHP)

Applicants are invited to provide comments or observations on the draft Business Handover Plan which will be made available at the Proposal stage as part of the data room. These comments will not be evaluated as part of the tender assessment but may be used to inform transition planning.

2. Identification of Confidential Information for FOI Purposes

Applicants may optionally identify any information in their submission that they consider to be commercially sensitive or otherwise exempt from disclosure under the Freedom of Information Act 2000 (FOIA). This should be clearly marked and accompanied by a brief justification for each item. While this does not guarantee non-disclosure, it may be considered in the event of any FOI requests.

Section 6 – Frequently Asked Questions

1. What is the role of the Licensee in the new model?

Under the new regulatory model, the role of the licensee will undergo significant changes from the current arrangements. The Successor Licensee will continue to retain responsibility for delivering the Authorised Business, including secure data and communications services for smart metering.

However, the regulatory framework contains the following key changes:

- **Independent Governance:** The licensee will function under a majority-independent Board. This structure is to mitigate the influence of individual interest, ensuring that decisions relating to the Mandatory Business are made which are economic, efficient and in the interest of all customers and consumers.
- **Not-for-Profit Operation:** The entire Authorised Business will be operated on a not-for-profit basis.
- **Ex-Ante Cost Control:** All costs will require prior approval by Ofgem through an ex-ante cost assessment process. This is to ensure a more predictable and transparent funding model. There will be opportunities for reopeners where unforeseen costs arise.
- **Outsourced Delivery Model:** The operational model will remain primarily outsourced, with key contracts procured through competitive bidding. The Licensee will continue to act predominantly as a contract manager.

These modifications result with the Licensee having **less direct control** but equally will no longer bear **financial risk**. This new regulatory framework is designed to ensure that the right incentives and structures are in place to deliver the Mandatory Business to a high standard.

This model incorporates feedback received during the consultation process and aims to provide a more accountable and transparent DCC.

2. Why are costs not being evaluated?

The Successor Licence will operate on a not-for-profit basis, with the licence holder operating within a pre-determined cost envelope and recovering costs of its operations from customers. Therefore, the tender process excludes cost evaluation. Instead, the assessment focuses on capability and deliverability. Commitment to delivering the traditional objective (which includes a review of contracts, costs and identifying potential

efficiencies) will form part of the assessment. However, applicants are not expected to commit in their applications to the scale of savings they can deliver.

3. What happens if competition fails? / Will the direct award power be used?

Yes, Ofgem retains the authority to make regulations that will allow a direct award if the competitive process does not produce a suitable outcome. This could occur if no applicants meet the qualification or proposal thresholds. In such cases, Ofgem may use its direct award powers under the Data (Use and Access) Act and other relevant regulations.

4. What are the next steps in the process?

The subsequent steps are as follows:

- Launch of the application window via the Ofgem eTendering Portal ²⁶.
- Qualification stage assessment (Q3 2025).
- Proposal stage assessment (Q4 2025).
- Appointment of the Successor Licensee (Spring 2026).
- Business handover and transition (Autumn 2026–Summer 2027).

5. Which platform will be used for applications?

Applications will be submitted via the Ofgem eTendering Portal. All applicants must register in advance and complete the necessary qualification steps. Further instructions, including the portal link and technical support contacts, will be provided ahead of the commencement of selection process.

6. Will the Successor Licensee be permitted to earn profit?

No. Ofgem stipulates that all Authorised Business under the new licence will be not-for-profit.

7. What changes are being made to the cost control regime?

The regime shifts from ex-post to ex-ante cost control, requiring upfront approval of Allowed Revenue by Ofgem.

²⁶ Ofgem eSourcing Portal - <https://ofgem.bravosolution.co.uk/web/login.html>

APPENDIX – overview of the Smart Meter Communication Licence and the DCC

Smart Meter Communication Licence (SMCL) overview

The SMCL provides the framework and conditions for establishing and operating the secure national communications network for smart metering in GB. The Data Communications Company (DCC) is the term used to refer to the holder of the SMCL. The DCC operates as a monopoly company which is regulated by Ofgem. The current Licensee is Smart DCC Ltd, a wholly owned subsidiary of Capita Plc.

The current SMCL is due to expire on 22 September 2027.²⁷ The core business of the new licence will continue to be split into two principal areas:

1. To provide a centralised, secure data and communications service for the purpose of sending and receiving messages between smart metering systems installed in premises and energy suppliers, network operators and authorised third parties in GB.
2. To provide other services enabling the core communication services, including the provision of compliant smart metering communications hubs in domestic premises and certain non-domestic premises in GB, or the Centralised Registration Service allowing faster 'switching' of energy supplier.

The licence holder will deliver this role primarily by procuring and managing communications and data services subcontractors. The licence holder must also deliver the level of service to its users as defined in the licence and in relevant regulated industry codes, eg the Smart Energy Code (SEC) and Retail Energy Code (REC).

Some of these contracts will start to expire over the period 2027-2031, necessitating their extension and/or re-procurement in some cases. Equally, new contracts may need to be negotiated to support new capabilities. It is crucial that the Successor Licensee carries out these procurements with a long-term strategic vision and is able to derive value for money from these contracts.

²⁷ Ofgem (2024), Decision on the continuation of the Smart Meter Communication Licence and the rate of Shared Service Charge and Baseline Margin, <https://www.ofgem.gov.uk/decision/decision-continuation-smart-meter-communication-licence-and-rate-shared-service-charge-and-baseline-margin>

Scope of the Data Communications Company

The Licensee currently holds approximately 30 major external service provider contracts.²⁸ Overall, in RY23/24, DCC's total reported costs were £683m, with £493m being incurred in external costs, including Switching costs.

These services are primarily delivered through a network of External Service Providers (ESPs), and include:

- Data Service Providers(s)
- Communication Service Provider(s)
- Smart metering communications hubs
- Centralised Registration Service (CRS) to support faster switching
- Security and key infrastructure (SMKI)

Required under the Licence, these contracts must be novated from the incumbent to the Successor Licensee.

Internal Structure

The Licensee's internal structure is designed to support the delivery of the Authorised Business through a combination of in-house capabilities and shared services (provided by the current parent company Capita Plc). These include:

- Finance and accounting
- HR and payroll
- Legal and compliance
- ICT systems and cybersecurity

As part of the transition to a Successor Licensee, the Applicant must demonstrate its ability to deliver these internal services independently or through competitively procured arrangements.

Price Control and Regulatory Oversight

The Licensee is subject to a price control regime administered by Ofgem. This has been substantially amended as part of the DCC Review Programme.²⁹ In the next Licence

²⁸ A detailed list will be provided at the appropriate part of the tender exercise

²⁹ See Ofgem (2025), DCC Phase 2 – Determination of Allowed Revenue conclusions: <https://www.ofgem.gov.uk/sites/default/files/2025-05/DCC-Review-Phase-2-Determination-of-Allowed-Revenue-conclusions.pdf>

term, the Licensee will be subject to a full ex-ante cost control regime. The Licensee will be required to submit a costed Business Plan ahead of each ex-ante cost control cycle. The first cycle will run from the Business Transfer Date to 31 March 2028, and then a three-year cycle from 1 April 2028. This means that the first costed Business Plan will be primarily developed by the incumbent Licensee, Smart DCC Ltd.

Once the Business Plan has been approved, the Licensee will be expected to operate within the agreed cost envelope of its Allowed Revenue. However, in a multiannual cost control cycle, it is likely that the Allowed Revenue will not perfectly match its forecasts. The following mechanisms have been included to manage uncertainty: in-programme flexibility for external costs, cross-programme flexibility for internal costs, recovery of up to 5% in excess of Allowed Revenue to manage minor overruns, and end-of-year and emergency reopeners.

As part of this change, we will introduce Business Plan Guidance which sets out the requirements on forecasting, and cost control processes and procedures.

The role of the Successor Licensee

The new model will be underpinned by the following key features:

1. The company Board will be majority independently controlled and include consumer representation.³⁰
2. The Authorised Business will be conducted on a not-for-profit basis.³¹
3. All costs will be subject to an upfront approval by Ofgem via an ex-ante cost process.³²
4. The operational model will remain primarily outsourced with key contracts procured competitively on the market.³³
5. The core business will remain funded by charges on user.³⁴

The features mean that the Licensee and any parent will have a significantly smaller role than the current Licensee as it will not have control of the company Board.

³⁰ Ofgem (2024), DCC Review Phase 2: Governance arrangements – conclusions ('Governance decision') <https://www.ofgem.gov.uk/decision/dcc-review-phase-2-governance-arrangements-conclusions>

³¹ Ofgem (2025) DCC Review Phase 2: Determination of Allowed Revenue – conclusion <https://www.ofgem.gov.uk/sites/default/files/2025-05/DCC-Review-Phase-2-Determination-of-Allowed-Revenue-conclusions.pdf>

³² Ibid.,

³³ Ofgem (2023), DCC review: Phase 1 Decision <https://www.ofgem.gov.uk/decision/dcc-review-phase-1-decision>

³⁴ Ibid.,

The Successor Licensee's role **in operating and maintaining** a secure and reliable communications network for smart metering will continue to be vital. The licensee should also **build and improve** on the past licence.

The transition to Net Zero will change how consumers use and access energy and how market participants serve consumers. Likewise, the technology behind the smart metering systems will continue to evolve, bringing new opportunities but also potential threats. These challenges will together require the Successor Licensee to **adapt, evolve and manage change**.

The Business Handover process is intended to ensure that the critical assets, people and processes established by the current licence holder are effectively transferred to the Successor Licensee to ensure a smooth transition of operations. **The Applicant must ensure the Successor Licensee is established by the Business Transfer Date in order for it to begin carrying out the entirety of the Authorised Business.**

The Applicant will have a role in the strategic decision making of the Successor Licence and the future of smart metering through its or its subsidiary company's Board members. Although the Successor Licensee will be required to ensure that the Board is majority independent, the Applicant will still be able to nominate representatives to the Board.³⁵ The Applicant will be able to hire new or transfer existing employees³⁶ to senior executive positions in Successor Licensee and thereby have influence over the management and operations it.

Therefore, this licence is an opportunity to have a level of impact and influence on the future of smart metering without financial risk.

³⁵ Governance decision, paras 2.16, 2.30 and 2.57

³⁶ Any parent company should not be the employer of the successor licensee's staff.
