



Making a positive difference  
for energy consumers

The Company Secretary  
DCC2 Ltd  
One Fleet Place  
EC4M 7WS

Email: DCCregulation@ofgem.gov.uk

*By email only*

Date: 17 April 2026

**Dear Company Secretary,**

**Direction issued to DCC2 Ltd pursuant to paragraph 4, Section A, Part 1 (Terms in Respect of Grant) of the Successor Smart Meter Communication Licence in relation to the commencement of certain Licence Conditions and Schedules**

1. This letter contains a **direction** issued by the Gas and Electricity Markets Authority<sup>1</sup> to DCC2 Ltd<sup>2</sup> for the purposes associated with the commencement of certain Licence conditions and schedules of the Licence.<sup>3</sup>
2. Unless otherwise defined in this letter, capitalised terms used in this letter have the meanings given to them in the Licence.
3. This letter constitutes notice under section 38A of the Gas Act 1986 and section 49A of the Electricity Act 1989.

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<sup>1</sup> The Office of the Gas and Electricity Markets ("**Ofgem**") supports the Gas and Electricity Markets Authority ("**the Authority**") in its day-to-day work. In this consultation letter, "we", "Ofgem" and "Authority" are used interchangeably.

<sup>2</sup> DCC 2 Ltd is registered in England and Wales under Company Number 16740622.

<sup>3</sup> The Smart Meter Communications Licences granted by the Authority on 14 April 2026 pursuant to section 7AB(1) of the Gas Act 1986 and section 6(f) of the Electricity Act 1989 (such licences together referred to as "**the Licence**").

## Context

4. Paragraph 4 of **Section A, Part 1 (Terms in Respect of Grant)** of the Licence provides that certain Licence Conditions and Schedules **will have effect in accordance with a direction given to the Licensee by the Authority.**
5. The Authority considers it appropriate to give a direction specifying the commencement dates for those Conditions and Schedules, having regard to the Arrangements for the handover of Authorised Business and the **Transfer Date**<sup>4</sup> pursuant to Condition 43 of the Previous Licence.<sup>5</sup>
6. This letter constitutes notice of, and gives effect to, that direction.

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<sup>4</sup> "**Transfer Date**" has been designated by the Authority to occur on 2 November 2026 under paragraph 7 of Licence Condition 43 of the Previous Licence.

<sup>5</sup> "**Previous Licence**" means the Smart Meter Communication Licence that was granted by the Secretary of State on 22 September 2013.

**Annex - Direction pursuant to paragraph 4, Section A, Part 1 (Terms in Respect of Grant) of the Successor Smart Meter Communication Licence in relation to the commencement of certain Licence Conditions and Schedules**

**For and on behalf of the Gas and Electricity Markets Authority**

**DIRECTION PURSUANT TO PARAGRAPH 4, SECTION A, PART 1 (TERMS IN RESPECT OF GRANT) OF THE SMART METER COMMUNICATION LICENCE**

**To:** DCC2 Ltd (Company Number 16740622)

**Whereas:**

1. DCC2 Ltd (the “**Licensee**”) is the holder of the Licence granted pursuant to section 7AB(1) of the Gas Act 1986 and 6(f) of the Electricity Act 1989.
2. Paragraph 4 of Section A, Part 1 (Terms in Respect of Grant) of the Licence provides that Conditions 6, 7, 9, 11, 14, 15, 18, 28, 35 and 39, and Schedules 1 and 2, will have effect in accordance with a direction given by the Authority.
3. The Authority considers it appropriate to specify commencement dates for those Conditions and Schedules to ensure that obligations take effect in a manner that is consistent with the orderly and efficient transfer of functions from the Previous Licensee to the Licensee.

**Therefore:**

The Authority **hereby directs** that the following Licence Conditions and Schedules shall have effect in accordance with the commencement dates set out below.

**1. Conditions commencing on the Transfer Date**

The following Licence Conditions shall have effect **from the Transfer Date**:

- **Condition 6** – Authorised Business
- **Condition 7** – Provision of CRS (Switching)
- **Condition 9** – Arrangements for the provision of services
- **Condition 11** – Roles in relation to Industry Codes
- **Condition 14** – Determination of Disputes by the Authority
- **Condition 18** – Special Position Duties
- **Condition 28** – Availability of all necessary resources
- **Condition 35** – Reporting of Quality of Service Information
- **Condition 39** – Provision of Market Share Information to the Central Delivery Body

**2. Condition 15 – Licensee’s Board of Directors and Managers**

Condition 15 shall have effect as follows:

- (a) **The following paragraphs shall have effect from 30 September 2026:**

- Paragraph 15.2
- Paragraph 15.6
- Paragraphs 15.16 to 15.19 (inclusive)

(b) **Paragraph 15.5 shall have effect from 31 July 2027.**

(c) **All other paragraphs of Condition 15 shall have effect from the date of this Direction.**

### **3. Schedule 1 – Details of Fundamental Service Capability**

- **Part B of Schedule 1 shall have effect from the Transfer Date.**
- All other parts of Schedule 1 shall have effect from the date of this Direction.

### **4. Schedule 2 – Principal Contents of the SEC**

- **Schedule 2 shall have effect from the Transfer Date.**

### **5. General**

This Direction has effect from the date stated below.

**Dated 17 April 2026**



**Charlotte Friel**  
**Director, Retail Pricing & Systems**

Signed on behalf of the Authority and authorised for that purpose