Consultation

Data Communications Company: Business Plan Guidance & Price Control Processes and Procedures (second Price Control Period)

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DCC2 Ltd, as a holder of the Smart Meter Communication Licence, is required to submit a Business Plan Report and Price Control Information to allow Ofgem to determine its Required Revenue in second Price Control Period (1 April 2028 to 31 March 2031). The Business Plan Report must be prepared in accordance with guidance provided by Ofgem. We are seeking views of all interested stakeholders on a draft guidance text published alongside this document.

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Executive summary

DCC[1] is responsible for managing the smart meter communications network, which provides connectivity for smart meters installed in homes and small businesses across Great Britain. It operates under the conditions of the Smart Meter Communication Licence ("Licence"). As a licenced monopoly company, DCC's revenues are controlled by Ofgem to ensure value for money for consumers.

Ahead of the second Price Control Period (commencing on 1 April 2028), we are consulting on a draft Business Plan Guidance & Price Control Processes and Procedures document for the purposes of:

- Licence Condition 22 Part C (Business Plan Guidance)
- Licence Condition 24 Part E (Processes and procedures for cost assessment and Uncertainty Mechanisms)
- Licence Condition 25 Part B (End-of-Year reporting)

Together, this guidance document sets out how DCC is expected to prepare and present its Business Plan Report and Price Control submission, how we will assess it and further details on the operation of the Price Control framework.

We have based the draft text of the guidance on a previous version published in July 2025 before the first Price Control Period. Having reflected on the lessons learnt from that process, and in response to feedback received from DCC and the Customer Challenge Group, we are proposing targeted amendments to the guidance. The key changes we are proposing include the following:

- Removing the requirement on the Business Plan Report to include a developments section and instead proposing that it aligns to a new Business Strategy & Technology Roadmap, which DCC is required to develop by 31 July 2027
- Introducing a new section of Mandatory Content focused on information on delivery commitments, outcomes and value for money
- Consolidating requirements on required evidence in a single section (chapter 3) to avoid duplication
- Introduction of a new section (chapter 6) setting our proposed approach for the assessment of the quality of the Business Plan Report & Price Control

[1] The term DCC (Data Communications Company) generically applies to the holder of the Smart Meter Communication Licence (the Licensee). The Licensee, to which this guidance refers, is DCC2 Ltd, a wholly owned subsidiary of SECCo Ltd. DCC2 Ltd was granted its Licence by the Authority on 14 April 2026.

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Information for the purposes of remuneration of senior management in accordance with our Remuneration Policy guidance[2]

- Introducing a new section (chapter 8) to provide further guidance on our expectations in relation to annual End-of-Year reporting

More general updates include:

- Corrections to terminology, reflecting that the new Smart Meter Communication Licence has been finalised since the publication of the first version of the guidance
- Updates to recognise a move to a new, three-year Price Control Period
- Other improvements to drafting clarity without changing overall policy intent

We welcome views on the content of the draft guidance document from any parties with interest in smart metering and DCC regulation. The consultation will be open for 4 weeks until 1 December 2026. Representations should be addressed to Jakub Komarek at dccregulation@ofgem.gov.uk.

[2] Ofgem (2026), DCC: Remuneration Policy Guidance. www.ofgem.gov.uk/consultation/draft-data-communications-company-dcc-remuneration-policy-guidance

1. Introduction

Purpose of this consultation

1.1 We are consulting on a draft Business Plan Guidance for the second Price Control Period under the Smart Meter Communication Licence held by DCC 2 Ltd ("DCC" or "DCC2" or "the Licensee"). The second Price Control Period runs from 1 April 2028 to 31 March 2031.

1.2 We have published the draft guidance alongside this document. The guidance sets out our proposals on what DCC must include in its Business Plan Report, how the plan should be presented, how we will assess the quality of the plan, and the processes and principles that we expect to follow when we determine DCC2's Required Revenue. It also explains our proposed approach to how the uncertainty mechanisms in the Licence will operate during the period.

1.3 This is the first Business Plan Guidance we will issue under DCC2's licence. It replaces the guidance we issued in July 2025 for the first Price Control Period under Condition 34A of the Previous Licence, which applied to the Previous Licensee (Smart DCC Ltd). The Previous Licensee was required to prepare a Business Plan Report for the Authorised Business of the Successor Licensee who had not yet been selected or awarded a licence by that time. Several provisions of the July 2025 guidance were only needed for the first Price Control Period. Now that DCC2 has been awarded the Licence, we propose to remove any provisions of the guidance that are no longer necessary. We are also consulting on improvements to the guidance based on lessons learnt from the first Price Control Period.

1.4 We are seeking views on the content of each section of the draft guidance, which we discuss in this document.

Consultation questions

Q1. What are your views on the draft Chapter 1 (The purpose of the Business Plan Report)?
Q2. What are your views on the draft Chapter 2 (The Business Plan Process)? Do you agree with the main stages of the process as set out within the text?
Q3. What are your views on the draft Chapter 3 (Mandatory Content of the Business Plan Report)? Do you consider the requirements on information needed to set the Licensee's Required Revenue (part A) to be complete? Do you agree with the introduction of a new Part B focused on delivery, outcomes and value for money?
Q4. What are your views on the draft Chapter 4 (Presentation and structure of the Business Plan Report)? Do you agree with the targeted amendments?

Q5. What are your views on the draft Chapter 5 (Cost assessment)? Do you have any comments on the proposed streamlining and interaction with Chapter 3? Do you have any comments on the principles and criteria we are likely to apply?

Q6. What are your views on the draft Chapter 6 (Business Plan Quality assessment)? Do you agree with the proposed criteria, weighting and grading? If not, what alternative would you propose?

Q7. What are your views on the draft Chapter 7 (Uncertainty Mechanisms guidance)? Do you agree with the targeted amendments?

Q8. What are your views on the draft Chapter 8 (End-of-year reporting guidance)? Do you consider the mandatory contents to be comprehensive and sufficiently clear?

Q9. Do you have any other comments on the draft text, the clarity or quality of drafting, or the application of the guidance?

Context

1.5 DCC is primarily responsible for managing the smart meter communications network, linking smart meters in homes and small businesses with energy suppliers, network operators and energy service companies. As DCC operates as a monopoly service provider, it is essential that robust cost controls and appropriate incentives and other regulatory tools are in place to ensure that its services are delivered to a high standard and offer good value for money.

1.6 This guidance relates to the second Price Control Period, which runs from 1 April 2028 to 31 March 2031. This second Price Control Period will be the first for which DCC2 prepares its own Business Plan Report, developed through consultation with the Customer Challenge Group (CCG), established under Section C6 of the Smart Energy Code (SEC).

1.7 We issue this guidance under Part C of Condition 22 of the Licence. On or before 1 April in the Regulatory Year immediately preceding a new Price Control Period, we must provide the Business Plan Guidance to the Licensee and a copy to the SEC Panel. For the second Price Control period, this means that we must issue this guidance by 1 April 2027.

1.8 The guidance must contain a complete statement of the information about the Authorised Business that we reasonably require to determine the Required Revenue of DCC2. It may also describe:

- The format in which the Business Plan Report must be presented
- The processes and procedures we expect to follow to determine the Required Revenue

- The principles we expect to apply to determine whether forecast costs are economic and efficient
- The processes and procedures we expect to follow to adjust our determinations
- Any other information that may help the Licensee prepare its Business Plan Report

1.9 Under Condition 22.8, the Licensee must prepare its Business Plan Report in accordance with the guidance provided by the Authority in accordance with Part C of Condition 22. Therefore, in complying with Condition 22, the Licensee must comply with the provisions of this guidance. The guidance should be read in conjunction with the Licence, and in the event of any inconsistency between the Licence and the guidance, the Licence takes precedence.

1.10 However, irrespective of the requirements of the guidance, in line with Condition 22.9 of the Licence, the Business Plan Report must contain any information that DCC2 holds that appears to it to be relevant to our determination of the Required Revenue for the next Price Control Period.

1.11 We also intend the cost assessment section of this guidance to act as guidance under Part E of Condition 24 of the Licence and the uncertainty mechanism section as guidance for applications under 24.11 (Annual Reopener) and 24.12 (Emergency Reopener), and Part B of Condition 25 for End-of-Year reporting.

1.12 The guidance should be read together with the Regulatory Instructions and Guidance (RIGs) issued under Condition 23 of the Licence. The RIGs set out our expectations on the submission of quantitative Price Control Information.[3]

1.13 We have drawn on our experience of the first Price Control Period in preparing this draft guidance. We have also taken account of the feedback received from the CCG and other stakeholders on the Business Plan Report prepared for the first Price Control Period by the Previous Licensee. We have also considered feedback provided by the Previous Licensee on the contents and format of the previous iteration of this guidance issued in July 2025.

1.14 In particular, in response to feedback from DCC, we have developed this version of the guidance so that:

- It is simpler and clearer for the Licensee and other stakeholders, by streamlining the sections and using clear signposts for the different sections

[3] Ofgem (2026), Regulatory Instructions and Guidance: Data Communications Company (DCC) 2026. www.ofgem.gov.uk/consultation/draft-regulatory-instructions-and-guidance-data-communications-company-dcc-2026

and requirements, while maintaining clear distinctions between different sections of the document which serve their distinct purposes as separate guidance texts

- It sets out clear criteria and a framework for assessing the quality of the Business Plan Report and Price Control Information
- It provides clear guidance on how to deal with uncertain costs, both in respect of the Business Plan Report submission and in respect of Reopener applications

1.15 We have also taken account of feedback received from the CCG on the previous Business Plan Report submission. In particular, we have ensured that the guidance requires:

- Improvements in relation to the timing and nature of engagement with the CCG, so that the CCG has the necessary information it needs in a timely manner
- A clear focus on value for money in all of DCC's activities, and that this is evidenced throughout the plan
- That the plan reflects the priorities of customers and there is robust evidence that stakeholders have been consulted in developing the plan
- That there is a strong focus on outcomes and deliverables throughout the plan, and a clear plan for delivery that properly takes account of risks to successful delivery and has a plan for mitigation
- A strong focus on improvements to procurement and contract management

1.16 We propose that this guidance will apply to the second Price Control Period and to subsequent periods until we revise it. We expect to review the guidance before each Price Control Period. We may also amend and reissue this guidance if needed at any point. However, before doing so, we will publish the proposed guidance with amendments and give DCC2 and other stakeholders the opportunity to make representations.

Related publications

Title	Date	Link
DCC2 Licence	14 April 2026	LINK
Regulatory Instructions and Guidance (second Price Control Period)	26 October 2026	LINK
Business Plan Guidance (first Price Control Period) and Terms of Reference for Customer Challenge Group	15 July 2025	LINK
Determination of Required Revenue for the first Price Control Period	23 September 2026	LINK

Consultation stages

Stage 1 Consultation open: 03 November 2026

Stage 2 Consultation closes. Deadline for responses: 01 December 2026

Stage 3 Responses reviewed: December 2026

Stage 4 Consultation outcome: expected by January 2027

How to respond

We want to hear from anyone interested in this consultation. Please send your response to the person or team named on the front page of this document.

We have asked for your feedback in each of the questions throughout. Please respond to each one as fully as you can.

We will publish non-confidential responses on our website.

Your response, data, and confidentiality

You can ask us to keep your response, or parts of your response, confidential. We will respect this, subject to obligations to disclose information. For example, under the Freedom of Information Act 2000, the Environmental Information Regulations 2004, statutory directions, court orders, government regulations, or where you give us explicit permission to disclose. If you do want us to keep your response confidential, please clearly mark this on your response and explain why.

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If you wish us to keep part of your response confidential, please clearly mark those parts of your response that you do wish to be kept confidential and those that you do not wish to be kept confidential. Please put the confidential material in a separate appendix to your response. If necessary, we will contact you to discuss which parts of the information in your response should be kept confidential and which can be published. We might ask for reasons why.

If the information you give in your response contains personal data under the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in domestic law following the United Kingdom's withdrawal from the European Union ("UK GDPR"), the Gas and Electricity Markets Authority will be the data controller for the purposes of GDPR. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000. Please refer to our Privacy Notice on consultations, see Appendix 1.

If you wish to respond confidentially, we will keep your response confidential, but we will publish the number, but not the names, of confidential responses we receive. We will not link responses to respondents if we publish a summary of responses, and we will evaluate each response on its own merits without undermining your right to confidentiality.

How to track the progress of a consultation

1. Find the web page for the call for input you would like to receive updates on.
2. Click ‘Get emails about this page’, enter your email address and click ‘Submit’.
3. You will receive an email to notify you when it has changed status.

A consultation has three stages: ‘Open’, ‘Closed (awaiting decision)’, and ‘Closed (with decision)’.

2. The contents of the guidance

This section sets out our proposals for the contents of the guidance.

2.1 This section sets out the proposed contents of the guidance and seeks the views of stakeholders on our proposals. It is structured in line with the structure of the draft guidance.

Chapter 1: The purpose of the Business Plan Report

2.2 Condition 22 of the Licence introduces the Business Plan Report as a document that describes the business the Licensee expects to carry out over an upcoming Price Control Period, and that along with the Price Control Information described in Condition 23, the report will be used by the Authority to determine the revenue the Licensee will need.

2.3 The July 2025 guidance did not set out explicitly the purpose of the Business Plan Report. We believe that clarity about the purpose of the plan, and how it is expected to be used, is important in ensuring that the Licensee provides the information that Ofgem, the CCG and other stakeholders need to understand how it plans to deliver the Authorised Business over the Price Control Period. Accordingly, in Chapter 1 of the draft guidance document, we have set out in further detail our proposals for the purpose of the Business Plan Report. This is to, when considered alongside the Price Control Information provided under Condition 23 of the Licence, provide the information needed to enable Ofgem to make a well-evidenced determination of the Licensee's Required Revenue, and the individual elements that make up the Required Revenue, under Condition 24 of the Licence.

2.4 We have also set out a view that a good Business Plan Report should:

- Support the Licensee's compliance with its General Duties as set out in Part A of Condition 5, considered alongside the draft Business Strategy & Technology Roadmap (BSTR)
- Promote good outcomes for the industry and consumers

2.5 We have proposed a set of general expectations on what the Business Plan Report should do, such as establishing a set of measurable outcomes against which the Licensee's performance during the Price Control Period, including in relation to service delivery, service quality, cost efficiency and overall value for money, can be monitored and assessed. The first Business Plan Report already included some

of this information; our proposal is therefore intended to formalise these expectations through the guidance.

Chapter 2: The Business Plan process

2.6 Chapter 2 of the draft guidance sets out an overview of the Business Plan process, and provides guidance on the steps, processes and timings involved in preparation for the the second Price Control Period starting on 1 April 2028. The overall timelines for the Business Plan process are largely unchanged from the first Price Control Period as these are governed by the dates specified in the Licence.

2.7 However, we have strengthened the guidance provided in response to feedback received from the Licensee and other stakeholders including the CCG by providing more detailed guidance on our expectations. We have also developed this guidance earlier in the Price Control cycle so that the Licensee has additional time to consider and take account of the guidance when preparing its Business Plan Report.

2.8 In response to concerns from the CCG that it did not receive information in a timely manner from the Licensee during the first Price Control cycle, we have set out our clear expectation that the Licensee must engage with CCG early and provide the necessary information without delay. Furthermore, we will take account of the feedback from CCG and other stakeholders when assessing the quality of the Business Plan Report and Price Control Information submissions.

Chapter 3: Mandatory contents of the Business Plan Report

2.9 This section sets out what we consider to be mandatory contents of the Business Plan Report, and provides detailed guidance on what different elements of the submission should contain. We have made a number of changes to this section of the guidance compared to the version applicable to the first Price Control Period.

2.10 In line with changes to the reporting requirements in the Licence, we have removed the section related to the submission of a Development Plan as the Licensee is no longer required to do so.

2.11 For the second Price Control Period, we propose that the mandatory contents shall comprise the following:

- Information needed to set the Required Revenue
- Information on delivery, outcomes and value for money (VFM)

2.12 The previous version of the guidance that we issued in July 2025 was based on the requirements in the Previous Licence and accordingly included our expectations

in relation to the Licensee's longer-term Development Plan. The new Licence replaces this with the introduction of a separate Business Strategy & Technology Roadmap (BSTR) under Part C of Condition 5. We therefore propose to remove the Development Plan requirements from the guidance. Instead, we expect that the Business Plan Report will be aligned with the Licensee's BSTR submission.

2.13 The first part of this section of the guidance, Part A, provides details on our expectations in relation to the information needed to set the Required Revenue. This includes:

- The scope of the Authorised Business and related activities
- General information on forecast costs
- Expectations relating to External Costs, including the treatment of costs that are uncertain at the time of submission
- Expectations relating to Internal Costs, including any costs for services expected to be provided by an Affiliate or Related Undertaking
- Expectations in relation to the reporting of forecast Pass-Through Costs
- Proposals for costs subject to the Automatic Adjustment Uncertainty Mechanism, with a focus on justification of proposed Drivers
- Proposals for ringfenced costs including justification

2.14 We propose to consolidate in this section some of the information previously set out across chapter 3 and chapter 4, such that requirements on the contents of the Business Plan Report clearly sit in chapter 3, Part A with chapter 4 focused on principles and criteria applied in our cost assessment.

2.15 A new Part B of the chapter deals with our expectations in relation to service delivery, outcomes and value for money (VFM). This part is, for the most part, a change compared to the version of this guidance for the first Price Control Period.

2.16 This section covers our expectations in relation to information on:

- Outcomes and deliverables that the Licensee expects to deliver in the period
- The Licensee's management of the overall cost envelope so that it delivers good value for money
- The Licensee's procurement approach and strategy
- The Licensee's approach to contract management

2.17 We consider this new section to provide a crucial link between the costs proposed by DCC and the outcomes to be delivered. It will also help monitor and hold DCC

to account for the delivery of the Business Plan throughout the Price Control Period. This is especially important as we move to a three-year Business Plan cycle.

2.18 In addition, the chapter provides further guidance on information requirements regarding how stakeholders have been engaged in preparing the Business Plan Report and their feedback taken into account (Part C), and information on supporting documents, such as business cases (Part D). These remain largely unchanged.

2.19 We are especially interested in respondents' views on the updated requirements on evidence to be provided in support of the forecast costs (Part A), and the new section focused on service delivery, outcomes and VFM (Part B).

Chapter 4: Presentation and structure of the Business Plan Report

2.20 This chapter sets out our expectations in relation to the structure and presentation of the Business Plan Report. It also provides guidance on our expectations in relation to assurance and governance of the plan. It remains broadly unchanged from the first version of the guidance.

2.21 We have proposed minor updates to Part B (Structure) to refer more clearly to the presentation requirements on information per Service Family and Internal Function.

2.22 We have proposed to include an additional requirement on DCC to submit a compliance checklist showing how the mandatory content and presentation requirements have been met. DCC's first Business Plan submission included a version of this checklist which we now propose to formalise to aid the CCG and Ofgem in assessing the completeness of the Business Plan Report. We are open to working with DCC and the CCG on developing a template for this checklist.

2.23 We have also proposed to extend the time available to DCC to publish its final Business Plan Report from 14 to 21 days to allow more time for redactions.

Chapter 5: Cost assessment

2.24 This section sets out the principles and processes that we intend to follow in our assessment of the forecast costs in the Business Plan Report and Price Control Information.

2.25 The guidance sets out the principles that we are likely to apply when reviewing the costs, including:

- All costs which are likely to be incurred to deliver Mandatory Business activities should be included in the forecast
- The Licensee must demonstrate that all forecast costs are economic and efficient
- Material variations from the Business Plan submission and updated forecasts need to be explained via Reopener applications and End-of-Year reporting
- Expectations for a long-term strategy to manage costs
- Approach to managing contingency funding
- Ofgem's use of other sources of information in addition to the Business Plan submission.

2.26 These principles remain largely unchanged from the first version of the guidance as we consider them to be applicable. However, we have proposed targeted amendments to improve drafting quality and clarification of the processes, including moving elements more closely related to content requirements to chapter 3 to avoid duplications.

2.27 We also set out the criteria that we expect to use when assessing whether forecast costs are likely to be incurred economically and efficiently. These include:

- Evidence should be provided and clearly linked to explanation for newly proposed costs or variations from previously approved costs
- Benchmarking evidence is robust
- The Licensee must provide evidence it is delivering value for money, for example by demonstrating savings achieved through challenging external service providers or implementing lessons learned from previous programmes
- Robust evidence of how the Licensee has taken customer and Customer Challenge Group views into account
- There are clear controls, governance and processes in place
- That forecast costs are supported by a clear bottom-up approach

2.28 The criteria remain broadly unchanged as we likewise consider them to be relevant. The only material change pertains to the final criterion which we proposed to amend to reflect that we will likely look for evidence of a clear bottom-up approach to deriving forecast costs. We found in the first Price Control Period that DCC was not always able to fully substantiate its forecasts with cost

breakdowns and underlying assumptions. Although we recognise the limitations in the context of a multiannual forecasting period, the ability to explain clearly how cost forecasts have been arrived at is critical for our ability to determine the Required Revenue. We therefore consider this to be a crucial criterion which should be recognised within our guidance on processes and procedures.

Chapter 6: Business Plan Quality assessment

2.29 The *ex-ante* regulatory framework, the Business Plan Report and the Price Control Information together provide the informational foundation for our regulation of the Licensee's Authorised Business.

2.30 A high-quality and well-evidenced Business Plan Report is therefore essential to enable us to assess the Licensee's forecast costs for efficiency, set its Required Revenue so that customers only pay what is necessary and hold it to account for delivering good outcomes and value for money.

2.31 Furthermore, DCC2 operates on a not-for-profit basis and the ex-ante framework does not make an allowance for profit or margin. Instead, we rely on financial incentives to DCC2's senior managers through our Remuneration Policy Guidance.

2.32 As set out in our Remuneration Policy Guidance,[4] the quality of the Business Plan Report and Price Control information is one of the four pillars of senior manager performance assessment. Our guidance requires DCC2's Remuneration Policy to take account of our assessment of the quality, credibility and compliance of DCC2's Business Plan Report with the relevant obligations under the Licence and this guidance.

2.33 In a new Chapter 6 of the draft guidance, we set out our proposals for how we will assess the quality of the Business Plan Report and Price Control Information. We propose that our assessment will be qualitative in nature, and provide objective, well-justified assessments against the requirements of the guidance.

2.34 We propose a two-stage assessment process:

- Stage 1: Minimum requirements
- Stage 2: Quality of the submission

2.35 The draft guidance sets out the minimum requirements that we will consider as part of our Stage 1 assessments. If the submission fails to meet these minimum

[4] Ofgem (2026), DCC: Remuneration Policy Guidance.

www.ofgem.gov.uk/guidance/data-communications-company-dcc-remuneration-policy

requirements, we propose that the plan be assigned the lowest grade and could potentially represent a breach of the Licensee's obligations under Condition 22 to prepare a Business Plan Report in accordance with our guidance.

2.36 The draft guidance then provides granular details about how we will assess the quality of the submission under our Stage 2 assessment. This covers:

- The criteria that we propose to use for the assessment
- Our expectations in relation to each criterion
- The grades that we propose to use as part of our assessment
- The proposed weights for each criterion and the overall grading system

2.37 Our approach to the Stage 2 assessment, criteria and grading system draws on our experience from reviewing the Business Plan Report submitted as part of the first Price Control review, as well as learnings from annual ex post reviews that we carried out under the previous licence. We have also drawn on feedback from stakeholders, including the CCG, on DCC's first Business Plan submission.

2.38 We propose to apply three groups of criteria:

- Justification of cost efficiency (weight: 40%) which focuses on Internal and External Costs efficiency and DCC's approach to procurement and contract management
- Promoting good outcomes and value for money (weight: 30%) which focuses on alignment to the BSTR, customer and consumer outcomes, and a value for money approach balancing cost and quality/performance
- Accuracy and clarity (weight: 30%) which focuses on how well DCC has met the requirements on the mandatory content and presentation of the Business Plan Report

2.39 We proposed a four-grade scale (0-3) with each criterion assessed either as a whole or with reference to individual parts of the submission (for example per Service Family/Internal Function).

2.40 We are interested in respondents' views on the proposed criteria, weighting and grading.

Chapter 7: Uncertainty mechanisms guidance

2.41 This section of the guidance sets out the process for applications under Uncertainty Mechanisms, including information required as part of any Reopener applications submitted to Ofgem, and how we will assess those applications.

2.42 We provide further information on the factors that may impact DCC's efficient costs after we have determined its Required Revenues. We then set out the two broad types of adjustment mechanisms that may be used to make changes to the Required Revenue:

- Automatic Adjustments
- Reopener (Annual or Emergency) applications

2.43 We then provide detailed information on the expected contents of Reopener applications, guidance on the style and structure of submissions and Ofgem's assessment process.

2.44 This section remains largely unchanged from the first version of the guidance document with targeted amendments to reflect the terminology and structure of the Licence.

Chapter 8: End-of-Year reporting

2.45 We propose that this section of the guidance sets out the information expected to be provided by the Licensee for the End-of-Year reporting, which under Licence Condition 25, Part B, is required to be submitted by the Licensee on or before 31 July following each Regulatory Year.

2.46 We have outlined our proposal for the contents of the End-of-Year report, including:

- Information on the costs incurred by the Licensee during that Regulatory Year
- A comparison to the forecasts, with explanations for any deviations from the forecast which was included in the determination of the Required Revenue by Ofgem, with clear explanations for any under/over-spends
- Any adjustments made to the Required Revenue during the Regulatory Year, as well as any future Regulatory Years within the End-of-Year Reports on the basis of any Reopener application or the effect of approved Drivers
- How DCC has managed the proportions of the Required Revenue which have been ringfenced for specific purposes and explanation for any reallocation of non-ringfenced amounts
- Cash statement and how DCC has managed its Recovered Revenue in accordance with Licence Condition 25

2.47 This additional guidance is intended to help provide the Licensee with the information on our expectations for the End-of-Year Report. Setting clear guidelines upfront will ensure the Licensee can produce a comprehensive report

allowing us to monitor its compliance with the Price Control Licence Conditions. We consider that including the guidance for the End-of-Year reporting within the wider Business Plan Guidance is appropriate to provide the Licensee with timely information before the first End-of-Year Report is due.

Appendix 1. Privacy policy

Personal data

The following explains your rights and gives you the information you are entitled to under the General Data Protection Regulation (GDPR).

Note that this section only refers to your personal data (your name address and anything that could be used to identify you personally) not the content of your response to the consultation.

1. The identity of the controller and contact details of our Data Protection Officer

The Gas and Electricity Markets Authority is the controller, (for ease of reference, "Ofgem"). The Data Protection Officer can be contacted at dpo@ofgem.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

As a public authority, the GDPR makes provision for Ofgem to process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation.

4. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for six months after the project is closed.

5. Your rights

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right to:

- know how we use your personal data
- access your personal data
- have personal data corrected if it is inaccurate or incomplete
- ask us to delete personal data when we no longer need it
- ask us to restrict how we process your data
- get your data from us and re-use it across other services
- object to certain ways we use your data
- be safeguarded against risks where decisions based on your data are taken entirely automatically
- tell us if we can share your information with 3rd parties

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- tell us your preferred frequency, content and format of our communications with you
    - to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at https://ico.org.uk/ or telephone 0303 123 1113.

6. Your personal data will not be sent overseas.

7. Your personal data will not be used for any automated decision making.

8. Your personal data will be stored in a secure government IT system.

9. More information For more information on how Ofgem processes your data, view our Ofgem privacy policy.