



FAO Colin Down
Smarter Metering Team
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13 February 2015

Dear Colin,

Consultation on proposed updated form of Smart DCC Ltd's Charging Statement for Service Charges ('charging statement').

Thank you for the opportunity to respond to the above consultation.

As one of the DCC's larger customers, we are pleased to receive and be asked to comment on this draft charging statement. In general, the version provided this year seems to offer more detail than last and, as the Government concludes on the Communications Hub charging arrangements, we rather expect this trend to continue.

However, while we understand that commercial confidentialities must be protected, we still think the DCC could go further in detailing the make-up of its costs as they relate to the underlying cost of its Service Providers. This is not only important to helping us ascertain whether the service represents value for money, it might also inform our expectations regards the costs of subsequent changes to programme requirements.

We realise that cost apportionment is more properly a matter for the subsequent price control, rather than the Charging Statement, but at either end of the process we are afforded only a high-level view of these 'External Costs', constraining our ability to understand their composition.

Should you wish to discuss any aspect of this response please do not hesitate to contact me or David Ross Scott (davidross.scott@scottishpower.com).

Yours faithfully



David Ramsay
Head of Smart Metering