

Ibex House 2<sup>nd</sup> Floor 42-47 Minories London EC3N 1DY

Rob Salter-Church Ofgem 9 Millbank London SW1P 3GE

27 January 2016

Dear Rob,

## Re: Half-hourly settlement: the way forward

DCC welcomes the opportunity to respond to Ofgem's open letter on the way forward with regard to half-hourly settlement.

DCC supports the intention to move to half-hourly settlement for customers with smart meters. We recognise that together, these changes are a critical enabler for a smarter, more efficient and responsive energy market.

DCC is fully committed to providing its services in a way that encourages innovation and competition in the energy retail market as well as delivering a more efficient energy system. Supporting the move to half-hourly settlement will be a key part of fulfilling this role and helping users to make the most of the opportunities offered by smart meters.

Recognising this, we have participated in the work of both the Electricity Settlement Expert Group and Settlement Reform Advisory Group. Through this work it is clear that DCC services are an essential component in the transition to a mandatory halfhourly settlement operating environment. We will need to ensure that suppliers receive consumption data from smart meters in a manner that meets their requirements for the purposes of half-hourly settlement, while ensuring the overall reliability of the smart metering communication network. This has potential implications for the capacity and underlying capability of DCC systems.

With this in mind, we recognise the importance of proactively engaging in industry and Ofgem-led initiatives relating to half-hourly settlement to support the successful delivery of this cross-industry change.

If you have any questions regarding any part of this response please contact me or Aimi Hayman (<u>Aimi.Hayman@smartdcc.co.uk</u>).

Yours sincerely,

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Helen Fleming Policy Director