



Making a positive difference
for energy consumers

The Data Communications Company, suppliers, gas transporters, electricity distributors and any other interested parties

Direct dial: 020 7901 7000
Email: smartmetering@ofgem.gov.uk

Date: 21 June 2017

Dear Colleague

Decision on modifications and issuing of new Regulatory Instructions and Guidance¹ for the Data Communication Company (DCC)

We consulted the Licensee (DCC) on our proposed modifications to the Regulatory Instructions and Guidance (RIGs) for DCC, the central communications body appointed to manage communications and data transfer for smart metering.

We are issuing a Direction to DCC, set out in Appendix 1, for the purpose of modifying and issuing the new RIGs. We are publishing the finalised new RIGs and reporting templates together with this decision. The changes made to the RIGs and reporting template published in 2015 are included in tracked changed versions published as an Annex to the Direction.

Changes to the RIGS and templates

We are proposing changes to update the RIGS documents to ensure they are fit for purpose. The primary changes are set out below:

- **Reporting requirements for Centralised Registration Services and penalty interest rate.** This is to reflect the changes made to the Smart Meter Communication Licence², which introduced the Centralised Registration Service Revenue and the penalty interest rate.
- **Streamlining and clarifying reporting requirements and document structures.** This includes consolidating requirements for DCC to include commentary to cost variations in the latter sheets of the spreadsheet (sheets 10-11) and removing unused GL codes.

¹ All terms used in this Notice shall have the meaning given to them under the Licence, unless expressly stated otherwise.

² <https://www.ofgem.gov.uk/publications-and-updates/final-proposals-dcc-s-role-developing-centralised-registration-service-and-penalty-interest-proposals>

- **Revision to shared services reporting.** This is to reflect 2015/16 decision on shared services³
- **Update Implementation Milestone criteria.** Update dates and formulas to align with changes to Implementation Milestones⁴

We sent a Notice with proposed changes to DCC in May 2017. DCC responded, agreeing to the proposed changes. Through our assurance processes, we identified number of minor calculation and labelling errors in the reporting template since consultation with DCC. These have been corrected in the final published RIGS. As these changes are minor we do not consider it necessary for further consultation before directing that they are made.

Next steps

DCC must report in accordance with the RIGs by 31 July 2017. We will review and analyse the information over the summer. We hope to publish a consultation on the outcome of the ex post review in Autumn 2017, and a final decision in early 2018. This timetable will vary depending on the number and complexity of issues that may arise.

If you have any questions on DCC price control or anything in this decision letter, contact robyn.daniell@ofgem.gov.uk.

Jacqui Russell
Head of Smarter Metering

³ <https://www.ofgem.gov.uk/publications-and-updates/dcc-price-control-decision-regulatory-year-201516>

⁴ As Directed by BEIS (Department for Business, Energy and Industrial Strategy) on behalf of the Secretary of State on 16 October 2016

Appendix 1: Direction to DCC

To: Smart DCC Limited

Direction issued by the Gas and Electricity Markets Authority pursuant to licence condition 33.7 of the Smart Meter Communication Licences granted pursuant to section 7AB(2) and (4) of the Gas Act 1986 and section 6(1A) and (1C) of the Electricity Act 1989 (the “Direction”)

WHEREAS

1. Smart DCC Limited (“the licensee”) holds the Smart Meter Communication Licences granted pursuant to section 7AB(2) and (4) of the Gas Act 1986 and section 6(1A) and (1C) of the Electricity Act 1989 (“the licence”)
2. The Gas and Electricity Markets Authority (“the Authority”) has the power pursuant to condition 33.7 of the licence to modify the Regulatory Instructions and Guidance (“RIGS”) by giving the licensee a direction for that purpose after complying with the requirements of Part B of condition 33 of the licence.
3. The Authority has complied with the requirements of Part B of condition 33.
4. The Authority gave notice of its intention to modify the RIGS to the licensee on 9 May 2017 and has considered all representations duly made in coming to its decision on how to modify the RIGS.

NOW THEREFORE

5. The Authority hereby directs that the RIGS be modified as set out in the Schedule to this Direction⁵.
6. This Direction shall take effect on 21 June 2017
7. The following documents constitute notice pursuant to section 49A Electricity Act 1989 and section 38A Gas Act 1986:
 - a. This Direction
 - b. Decision on modifications and issuing of new Regulatory Instructions and Guidance for the Data and Communications Company (DCC), dated 21 June 2017
 - c. Notice of proposal to modify and issue new Regulatory Instructions and Guidance for the Data and Communications Company under Part B of Condition 33 of the Smart meter Communications Licence, dated 09 May 2017.

Dated: 21 June 2017

Jacqui Russell
Head of Smarter Metering

Authorised for that purpose by the Authority

⁵ The changes made to the reporting templates and RIGs are listed on the Authority’s website, and can be found at the address provided in Annex 1

Annex 1:

On 21 June 2017 we published the modified DCC RIGS and tracked changes on the Authority's website. Available at:

<https://www.ofgem.gov.uk/publications-and-updates/data-communications-company-dcc-regulatory-instructions-and-guidance-2017>