



25 November 2016

The Authority (Ofgem), the SEC Panel, SEC Parties and other interested parties

Decision on DCC Live for North Region

DCC Live is the Smart Metering Implementation Programme (SMIP) milestone from when the Data and Communications Company is required to offer services to support the roll out of the next generation of smart meters.

Following my correspondence of 8 November 2016, in which I set out my reasons for declaring DCC Live in the Central and South Regions and legally activated the relevant provisions of the Smart Energy Code, DCC has sought approval to activate the North Region.

In determining whether to make the DCC Live for the North Region, I have sought to gain sufficient confidence that the system has been adequately tested and that appropriate operational support arrangements are in place. I have received a range of evidence on these matters according to the approvals process previously communicated to SEC Parties including:

- Documentation from the DCC confirming the close out of final Central and South testing activities:
 - Systems Integration Test (SIT) Exit Report;
 - SIT Auditors report; and
 - Interface Exit (IT) Report
- Documentation from the DCC recommending that we proceed in the North region:
 - Systems Integration Test (SIT) Exit Report;
 - SIT Auditors report;
 - Interface Exit Report;
 - DCC Live Services Criteria Report; and
 - Clarity on residual risks and work-off items
- An assurance letter on readiness from the Managing Director and Chair of the Smart DCC Ltd
- A recommendation to proceed from the SEC Panel, having taking advice from test participants via the Test Advisory Group
- Advice from my own Programme team.

Having considered the range of evidence and opinions I see no reason not to proceed and have therefore decided to direct that DCC should go-live for the North Regions as of today, 25 November 2016.

The legal activation of the relevant provisions of the Smart Energy Code is included in a separate letter.

The conclusion of Release R1.2 allows me to confirm the position on the following roll out obligations deadlines:

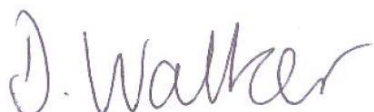
- (Qualifying¹) Large Supplier User Mandate – 25 May 2017 (DCC Live + 6 months)
- Supplier User Mandate – 25 November 2017 (DCC Live + 12 months)

The legal direction giving effect to these new dates within the supply licence conditions is included in a separate letter. I also note that a consultation proposing to remove the Early Rollout Obligation (ERO) recently closed on 23 November 2016 and a government response will be issued in due course.

We will set out our position on Release 1.3 obligations alongside the conclusions on the Release 1.3 consultation.

Thank you to all parties who have engaged with and supported this process.

Yours sincerely,



DARON WALKER
Senior Responsible Owner
Smart Metering Implementation Programme

¹ Those suppliers deemed to be large as of 15 February 2015, pursuant to the Supply Standard Licence Conditions 48 (Electricity) and 42 (Gas).