



I am delighted to present the Price Control Submission for the Regulatory Year 2020-21 to Ofgem.

The Data Communications Company (DCC) believes in making Britain more connected, so we can all lead smarter, greener lives. The recent progress has been astounding, at the close of RY20/21 the DCC network hosted nearly 11m meters – 3,800,000 SMETS1 and 7,100,000 SMETS2.

As is well known, RY20/21 brought unprecedented global challenges and the UK Energy System needed to react. The DCC rose to those challenges to support our customers in continuing their vital work. In April 2020 DCC was, like so many organisations in the UK, learning how to adapt to remote working. I am incredibly proud of the unceasing work the DCC teams have delivered to keep our secure network operating and programmes moving at pace despite the difficulties both professionally and personally they have no doubt encountered.

Installations of SMETS2 meters dropped in early RY20/21 as access to premises was significantly limited, but install rates bounced back to pre-pandemic levels by the Autumn. In October 2020 install rates were over 35 times higher than April 2020. By the close of March 2021, we were enabling more than 21 meter installs per minute.

Our planning for SMETS1 meter migration was uninterrupted with the core priority of the need to minimise disruption for consumers. SMETS1 meters are migrated onto the DCC network ‘over the air’, and the work was able to continue despite the disruption caused by the pandemic. Both MOC and FOC cohorts went live with over 99% right first-time performance. In December 2020, over 600,000 meters were migrated onto the DCC network – one day alone saw 91,000 migrated. Because of these great strides forward on migrating SMETS1 to DCC’s secure network, we are delivering net benefits to customers of more than £500m.

Following some adjustments to enable social distancing, it was possible to continue using our Test Labs. It was extremely fortunate we had opened our Test Labs in advance of the pandemic, as we had control over access and could prioritise our customers’ testing work during this phase to ensure no unnecessary interruption to their work.

DCC’s Customer Engagement work goes from strength to strength. The Quarterly Finance Forums moved online and became shorter events over two days rather than one longer session to accommodate the needs of our customers – many of whom of course were working hard on their own pandemic response for their customers. Of particular note this year was a programme of

engagement on the DSP re-procurement where customer views have been sought and embedded in the programme.

Being responsive to our customers and helping them understand what they are paying for is a priority for DCC. That is why we are offering our customers access to our financial accounts if they agree to sign a non-disclosure agreement. With a new Chief Financial Officer in post this year and a renewed focus on business accuracy, we hope to provide more confidence than ever that we are spending customers' money wisely.

But our customer engagement activities are not just about improving relationships with existing customers and giving them confidence, they are also about developing strong ties with new stakeholders in the energy system. With the Retail Energy Code going live in early 2019, we are working hard with RECCo to ensure a smooth path from transitional to enduring code arrangements as Ofgem's Faster Switching programme moves closer to full deployment.

DCC continues to work with customers to understand the changes they would like to see to our services. For example, we undertook a consultation on DCC Boxed in RY20/21, one of our innovative products that will help customers to develop their technology using a test version of the DCC Network. This will minimise development time for our customers and make savings across the Energy System.

Furthermore, while we are heavily prioritising our core services, we must also look at the future challenges to the technology we rely on to facilitate the operation of the energy networks. The technological landscape is fast moving with new security threats and new challenges emerging all the time. We must work to understand this changing landscape and put in place the expertise to allow us to respond to major challenges such as the 'sunsetting' of the 2G network and the expiration of the DSP contract.

But beyond that, DCC will continue to challenge the status quo and seek changes to the operating model where they would benefit our customers. In such a fast-paced technology-driven industry, there will be opportunities to provide better performance and value for money to customers, and the framework should adapt to allow them to be realised.

As we continue to focus on our core mandated business, we will provide horizon-scanning and innovation to support our customers as they look to the future of what the DCC's network can do to support the drive to net zero.



Angus Flett

CEO of DCC

