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cc. SEC Parties

Enc: Draft Charging Statement RY2627 Issue 0.1.pdf

19 December 2025

Dear Ayena

## **Notice of Service Charges for Regulatory Year ending 31 March 2026**

### **Notice**

In accordance with Condition 19.9 (a) of the Smart Meter Communication Licence (the “Licence”) and Section J4.2 of the Smart Energy Code (“SEC”), Smart DCC Ltd (“DCC”) hereby gives Notice to the Authority of DCC Service Charges for the Regulatory Year ending 31 March 2027 (RY 2026/27).

In accordance with Condition 19.5 of the Licence, DCC formally requests the Authority’s approval of the form of the Charging Statement.

We explain the new Service Charges in the draft Charging Statement which is enclosed with this Notice. In accordance with Condition 19.13 of the Licence, we propose that this draft Charging Statement comes into effect on 1 April 2026.

A high-level summary of the other changes for RY2026/27 compared to RY2025/26 are set out in Table 1 in [Appendix A](#).

Please note that we have made allowances in this draft Charging Statement for Ofgem’s draft decision on the RY2024/25 Price Control. We understand that Ofgem plans to publish its final decision in February/March 2026, and we will amend the draft Charging Statement if/when necessary before it takes effect in April 2026.

### **Next steps**

A copy of the enclosed draft Charging Statement will be shared with those with whom DCC has entered into an Agreement for Services, pursuant to Licence Condition 19.9(b). Currently, this means all SEC Parties. We will also publish the document on our website.

We look forward to receiving your approval of the form of this Charging Statement.

If you have any questions in relation to this letter or its enclosure, please contact us at [finance@smartdcc.co.uk](mailto:finance@smartdcc.co.uk). The draft Charging Statement will also be made available on the DCC website ([www.smartdcc.co.uk](http://www.smartdcc.co.uk)).

Yours sincerely,

**Leath Al Obaidi**

Senior Regulatory Finance Manager, DCC

## Appendix A: Summary of Charging Statement changes

Table 1 below sets out a summary of the changes to the Charging Statement.

Place in document	Change
Table 1 – Monthly Fixed Charges by Charging Group for RY2026/27 (excluding VAT)	Charges updated to reflect Estimated National and Regional Fixed Revenue and Communications Hub Fixed Revenue for RY2026/27
Table 2 – Monthly Alt HAN Fixed Charges by Charging Group for RY2026/27 (excluding VAT)	Charges updated to reflect Estimated Alt HAN Fixed Revenue for RY2026/27
Table 3 – Monthly CH Fixed Charges by Charging Group for RY2026/27 (excluding VAT)	Charges updated to reflect Estimated Communications Hubs Device Revenue for RY2026/27
Table 4 – ‘Set’ Explicit Charges for RY2026/27 (excluding VAT)	Charges updated to reflect indexation, updated prices in service provider contracts and/or latest Comms Hub (CH) volume forecasts for RY2026/27.
Table 5 – Indicative Explicit Charges applicable in RY2026/27	Charges updated to reflect indexation, updated prices in service provider contracts and/or latest CH volume forecasts for RY2026/27
Table 6 – Estimated Allowed Revenue for RY2026/27 (excluding VAT)	Updated to reflect estimated costs/revenue for RY2026/27
Table 7 – Estimated Fixed Revenue for RY2026/27 (excluding VAT)	Updated to reflect estimated costs/revenue for RY2026/27
Table 8 – Estimated Fixed Revenue by category for RY2026/27 (excluding VAT)	Updated to reflect estimated costs/revenue for RY2026/27
Table 9 – Estimated External Costs by category for RY2026/27 (excluding VAT)	Updated to reflect estimated costs/revenue for RY2026/27
Table 10 – Total Domestic and Non-Domestic Smart Metering Systems forecast for start of RY2026/27	Updated to reflect a forecast of domestic meter volume for the start of RY2026/27. Updated to include a forecast of non-domestic meter volume for the start of RY2026/27, in the COMR period.
Table 11 – Forecast CH and ESMS volume in RY2026/27 to RY28/29	Updated to reflect updated CH and Enrolled Smart Meter (ESMS) volume forecasts for RY2026/27 to RY28/29. In accordance to the SEC section K update (SEC Mod MP263).
SECTION F – MACRO-ECONOMIC ASSUMPTIONS	We updated the inflation and indexing assumptions.
Table 13 – Fixed Charge Costs Inflator	We updated the fixed charge costs inflator
Table 14 – CH Fixed Charge & Explicit Charges Costs Inflator	We updated the CH fixed charge and explicit charges costs inflator
Table 15 – CH Fixed Charge & Explicit Charges Costs Inflator	We updated the CH fixed charge and explicit charges costs inflator

**Table 1 – Summary of Charging Statement amendments (Dec 2025)**