



Smart Metering Forum: The DCC Roadmap

Chris Rowell
30 November 2011



The Data & Communications Company



What we know about
the DCC

What we would like to
know about the DCC

What the DCC will
need to do



DCC

The DCC Commercial and Regulatory Relationships

Legislation: new DCC licensable activity

Gas Act

Electricity Act

Licence: single document which constitutes a DCC licence under both acts. Conditions governing behaviour

DCC Licence

DCC

Codes & Contracts: The DCC provides its services to users under the SEC and procures the capability to provide them from the DCC Service Providers

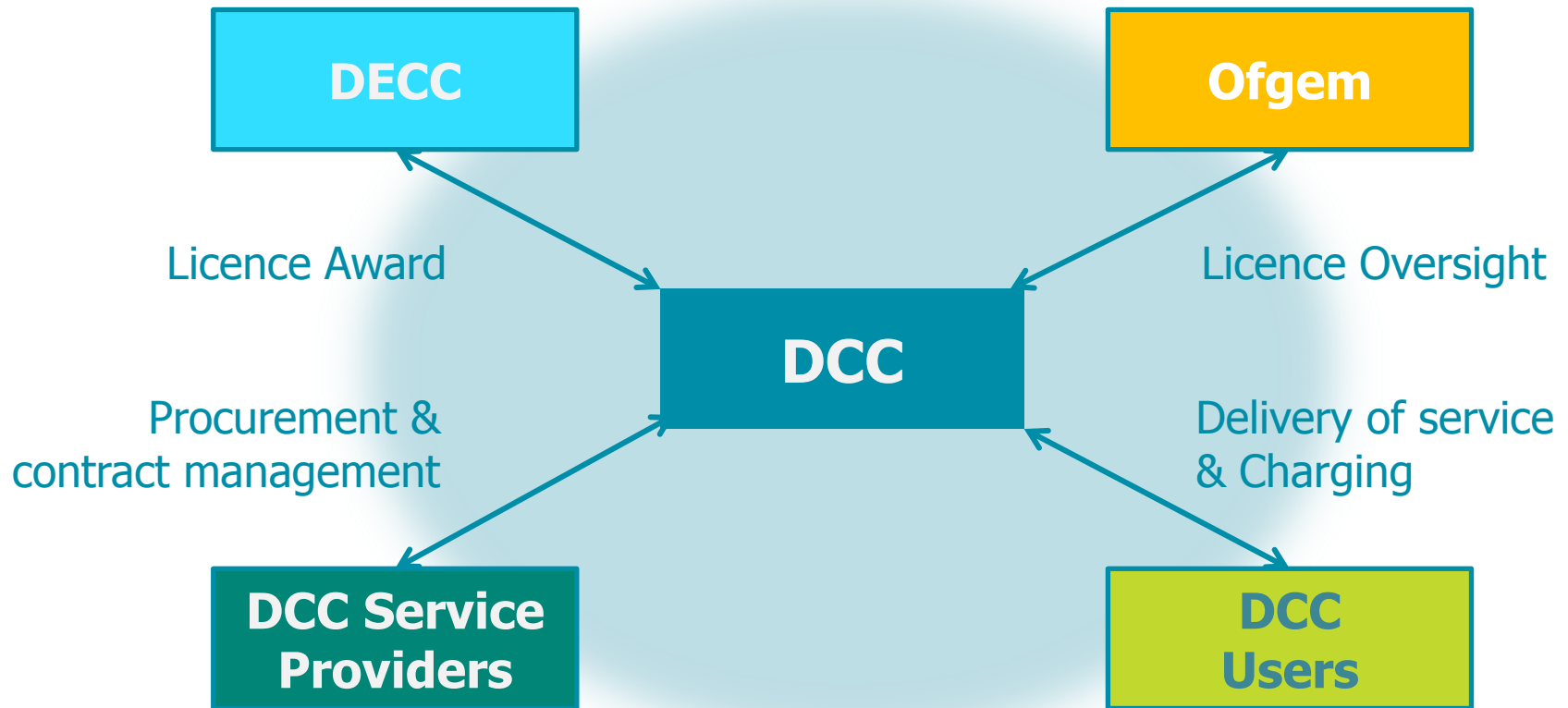
Contract

SEC

DCC Service Providers

DCC Users

The DCC's key stakeholders



Key Dates for the DCC

Response to Prospectus Consultation

30 March 2011

Baseline plan key milestones

Draft technical specification complete	July 2011
EU notification period for the technical specification complete	Jan 2012
First tranche of regulatory obligations come into force, including: <ul style="list-style-type: none">• Mandated rollout completion date• Installation code of practice	Q2 2012
DCC Licence application process commences	Q2 2012
'Smart' change of supplier arrangements become standard	Q4 2012
DCC Licence Awarded	Q4 2012
DCC service providers appointed	Q4 2012
Start of mass rollout	Q2 2014

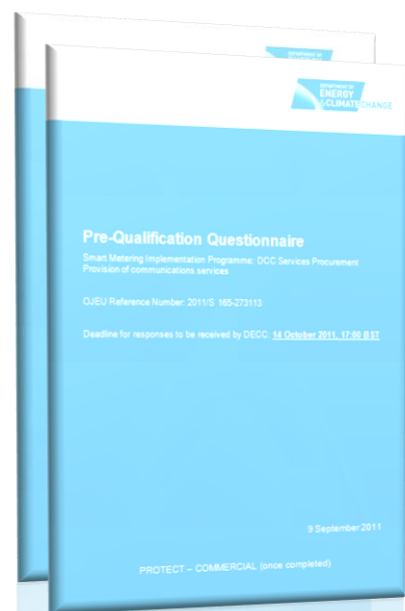
Parallel procurement of the DCC & DCC service providers
SP procurement - government initiated - DCC to conclude



Key Dates for the DCC Service Providers

Pre-Qualification Questionnaires

9 September 2011



Main stages in the service provider procurements	Stages
Issue (OJEU) contract notice	1. Qualification
Issue pre-qualification questionnaire (PQQ)	
Select Suitable Bidders	
Issue invitation to participate in dialogue (ITPD) to selected bidders	
Begin Dialogue Phase	2. Dialogue
Issue invitation to submit outline solutions (ISOS)	
Assess outline solutions (Bidders may be shortlisted)	
Issue invitation to submit detailed solutions (ISDS)	
Assess detailed solutions (Bidders may be shortlisted)	
Close dialogue and issue invitation to submit final tender (ITSFT)	3. Final Tender Submission
Bidders submit final tenders	
Evaluate final tenders and select preferred Bidder(s)	
Award contract	

"selection of preferred bidders towards end 2012"

The shape of the DCC

DCC Regulatory & Commercial Consultation

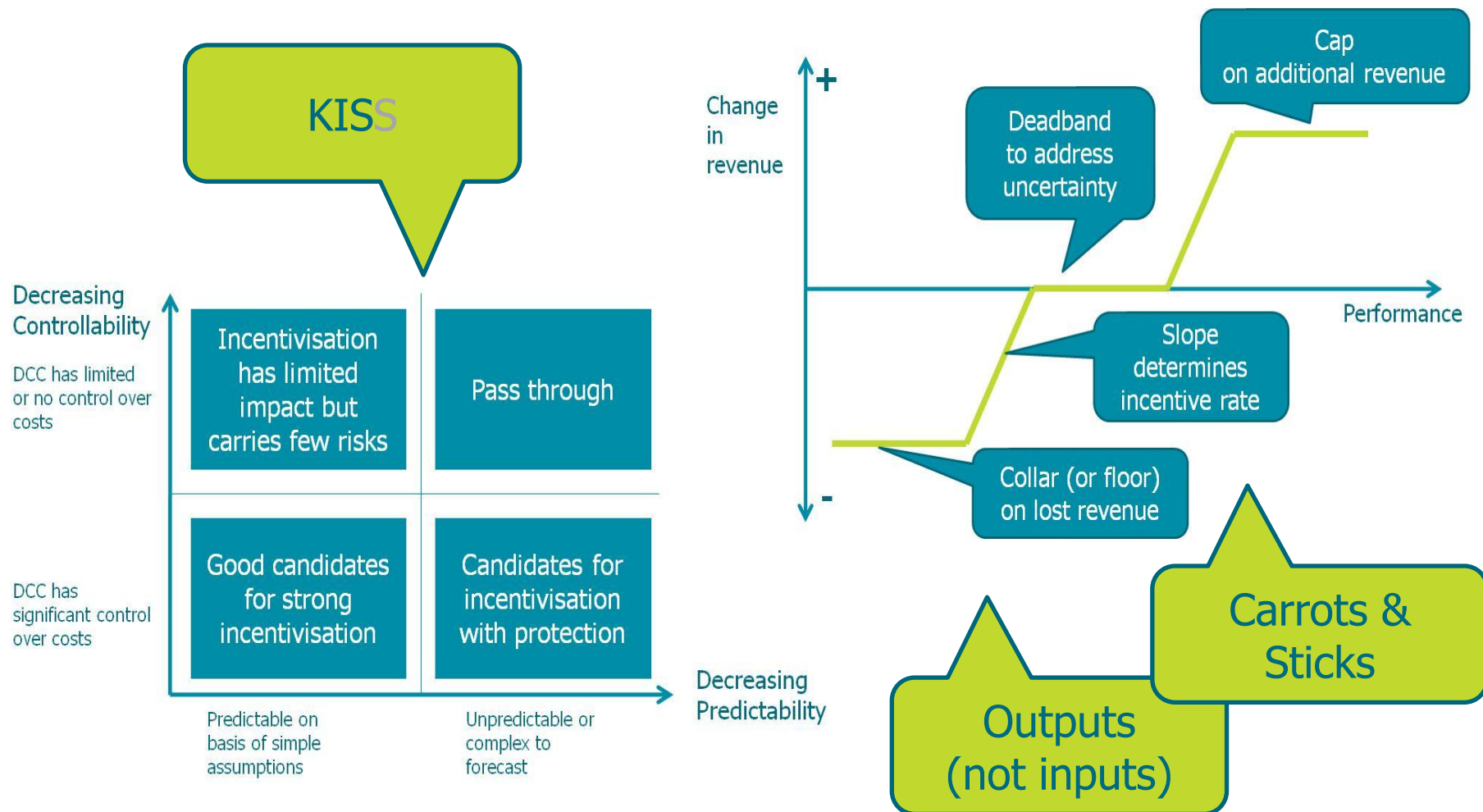
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Discussion – Proposals - Questions

Proposed Regulatory Approach to the DCC	9
DCC Licence Conditions	48
Revenue Requirements	13
Charging Methodology	9
Core Services – WAN Requirements	3
Performance incentives	5
Adoption of Foundation Stage Communications Contracts	5
Competitive licence application process	12

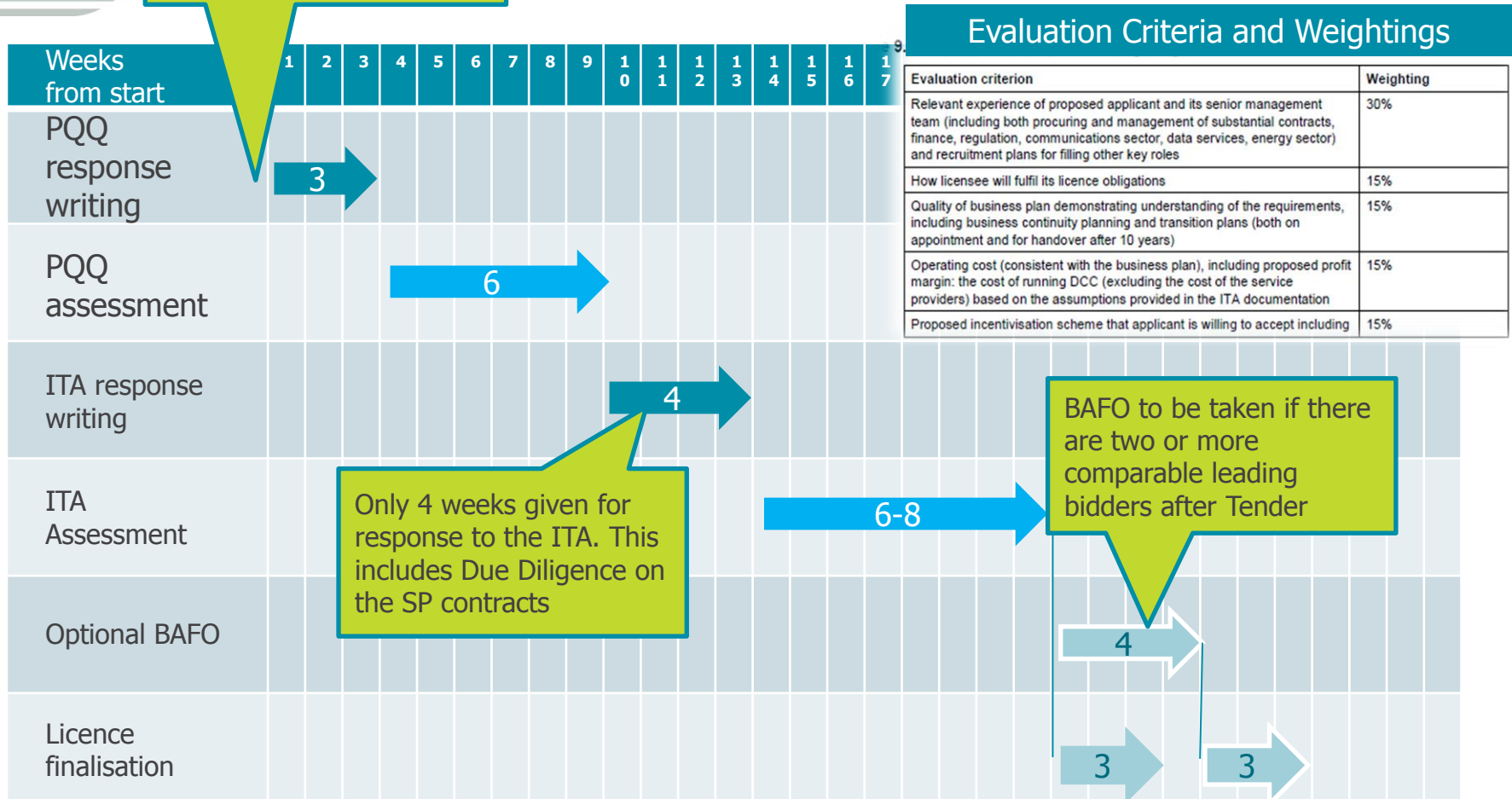


the activity of contracting with all licensed domestic gas/electricity suppliers in Great Britain to provide, in respect of every smart meter installed at every domestic premises which is supplied with gas/electricity by each such supplier, a service by virtue of which information may be communicated by and to that meter on behalf of the supplier



Proposed Licence award timeline

PQQ to be published with selection criteria ahead of the official start.



BAFO to be taken if there are two or more comparable leading bidders after Tender

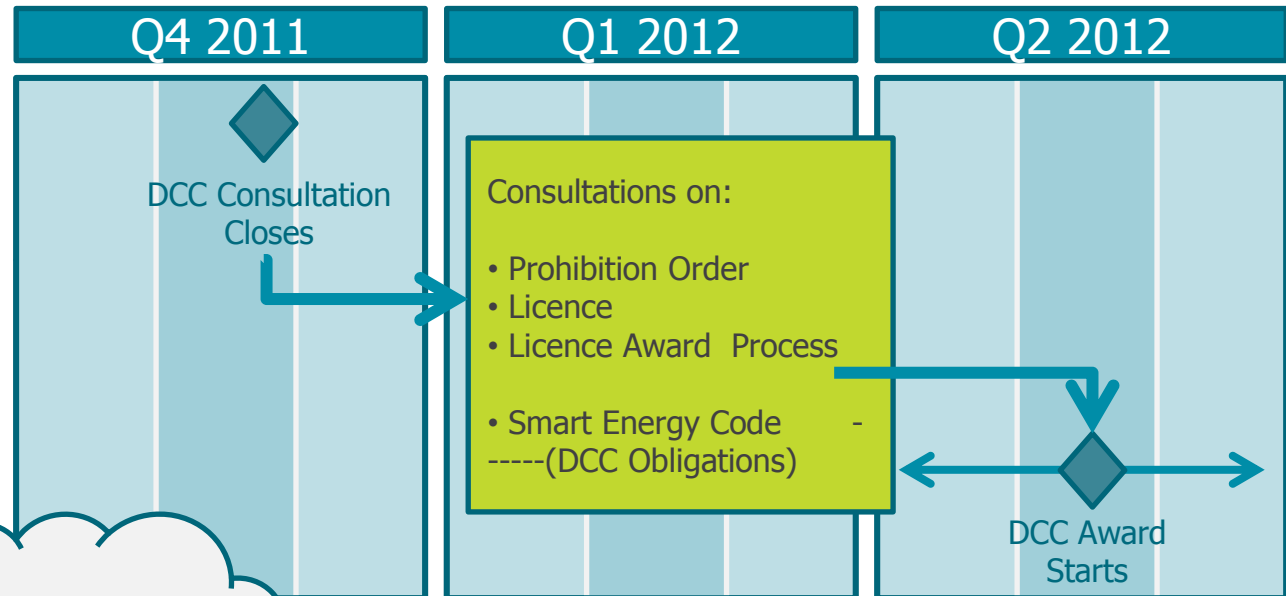
Only 4 weeks given for response to the ITA. This includes Due Diligence on the SP contracts



Numbers relate to weeks

6 month end-to-end process

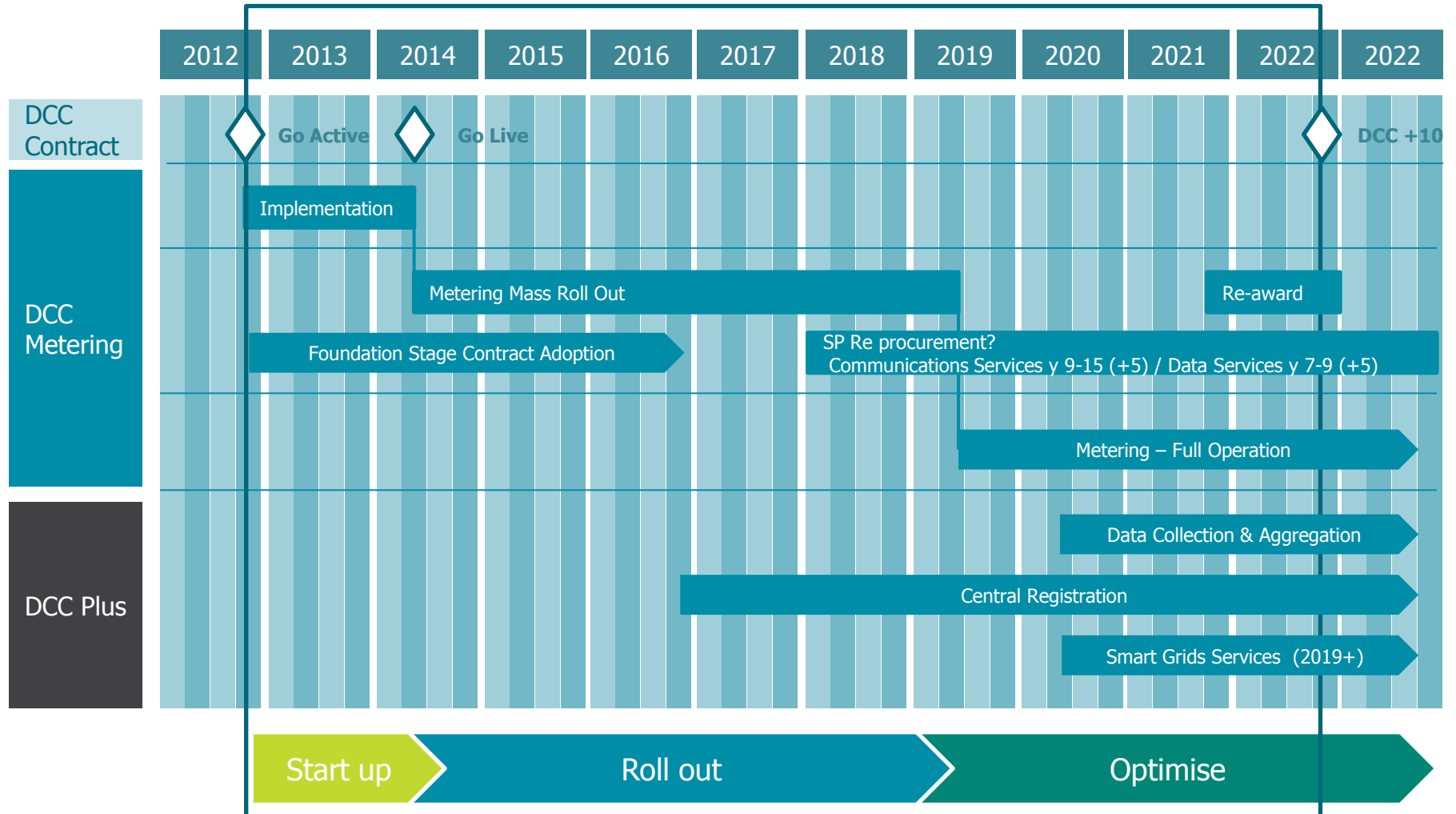
How will we learn more?



Roles & Responsibilities
DCC – DCC SPs – DCC Users - SMIP



DCC 10 Year Roadmap





Start up

Establish Services

- Security
- Assurance
- BPO

Reporting (readiness)

- DECC
- Industry
- SEC Panel
- Ofgem

**Understanding the
Foundation
Communication
Contracts**

Recruit & Train

Contract Assimilation

- Data
- Communications

Costs & Charging

**Testing
(SMIP → DCC)**



Service Management

Reporting (roll out)

- DECC
- Industry
- SEC Panel
- Ofgem

Change Management

**Central Registration
+2/3 years**

Costs & Charging

**Facilitating
the Roll Out**

**Take On
Foundation
Communication
Contracts**





Optimise

Service Management

**Service Provider
Re-procurements**

Change Management

**DCC Licence
Award**

Reporting (service)

- DECC
- Industry
- SEC Panel
- Ofgem

Costs & Charging

**Data
Collection &
Aggregation?**

Additional Services





The Longer Picture

CRITICAL DEVELOPMENTS

Rapid expansion of inflexible / less flexible generation (intermittent renewables and nuclear) in conjunction with retirement of flexible coal generation

Expansion of demand response

Localised electrification of heating and transport

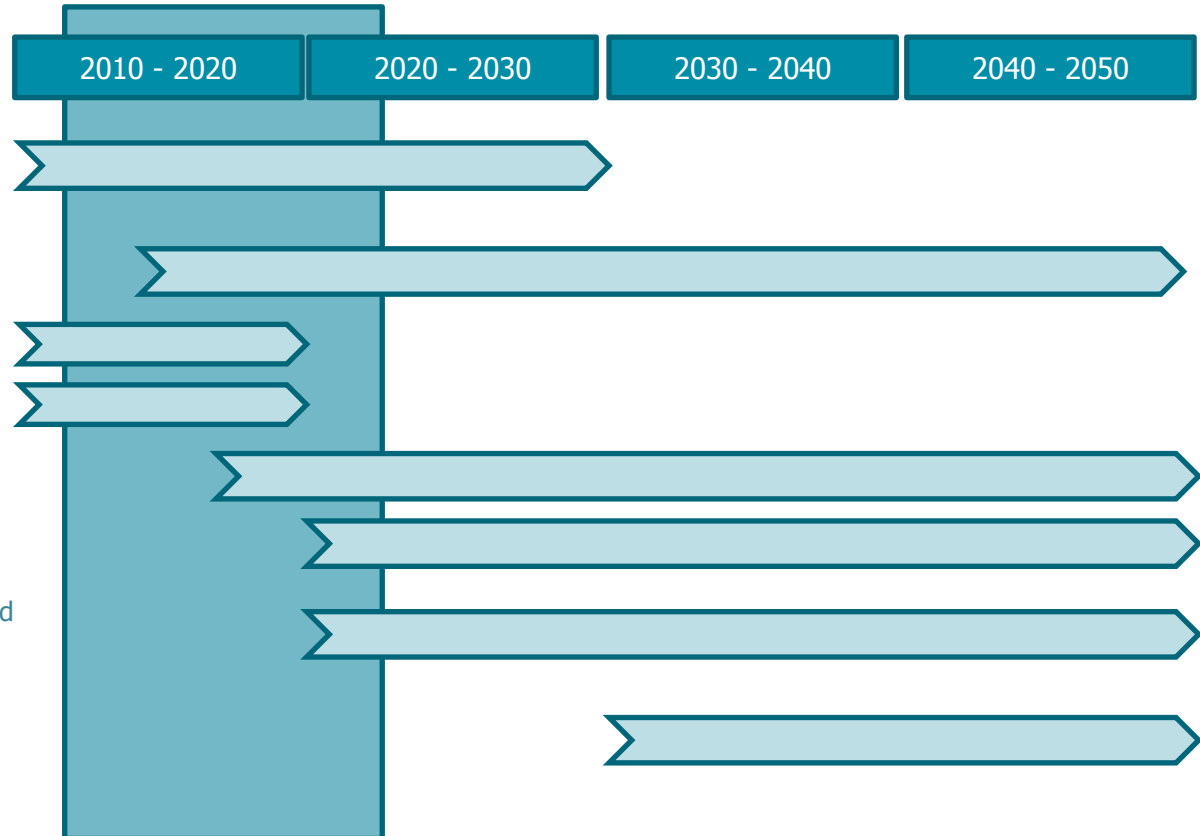
Localised penetration of distributed energy

Potential inclusion storage

Widespread electrification of heating and transport

Potential widespread penetration of distributed energy resources – includes distributed generation, demand response and storage

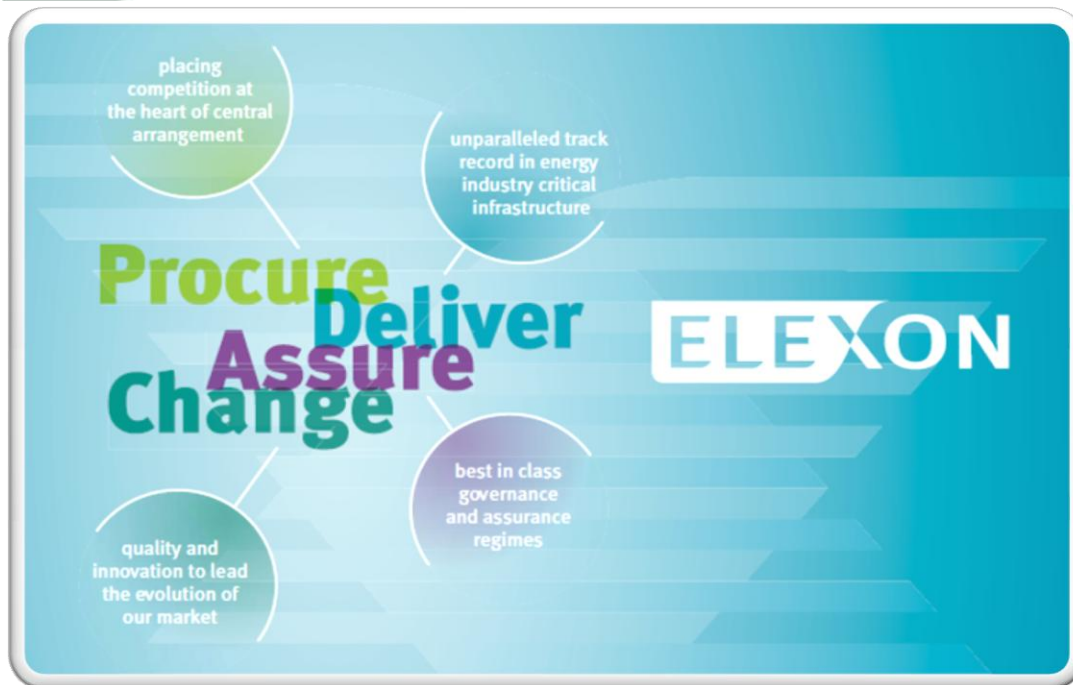
Increasing penetration of vehicle to grid



The only constant is change!

Source: Electricity Networks Strategy Group – A Smart Grid Roadmap – Feb 2010

Thank You



Chris Rowell
020 7380 4337
chris.rowell@elexon.co.uk

Partnership Management

Contact
Henry Wesson
on 07725 413596
or via smart@elexon.co.uk



Smart Metering Advisor

Contact
David Jones
on 020 7380 4213
or via david.jones@elexon.co.uk



Stakeholder Engagement

Contact
Victoria Moxham
on 020 7380 4166
or via victoria.moxham@elexon.co.uk



Regulatory and Governance

Contact
Dorcas Batstone
on 020 7380 4256
or via dorcas.batstone@elexon.co.uk



Meter to bank assurance

Contact
Beth Brown
on 020 7380 4324
or beth.brown@elexon.co.uk,
or via paa@elexon.co.uk



Operations

Contact
Justin Andrews
on 020 7380 4364
or via justin.andrews@elexon.co.uk



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