



Smart Metering Implementation Programme
Department of Energy & Climate Change
3 Whitehall Place
London
SW1A 2AW

SSE
Langstone Technology Park
Building 6000
Havant
Hants
PO9 1SA

20 January 2013
REDACTED
REDACTED

Response to the Communications Hubs financing provisions: Government further consultation.

SSE is pleased to provide comment on the above consultation. We welcome the ongoing engagement with the Smart Metering Implementation Team and have provided answers to the specific question posed by DECC, in the attached annex.

Please call me if you have any questions.

Yours sincerely,

REDACTED REDACTED
REDACTED REDACTED REDACTED REDACTED REDACTED
REDACTED REDACTED REDACTED



Annex

Q1. Do you agree that the proposed change to Conditions 11, 27 and 36 and Annex 5 Schedule 1, are necessary to align the DCC Licence with the communications hubs financing provisions in the SEC?

SSE agrees with the proposed approach to align the DCC Licence with the new Communications Hub financing provisions to be included in a future release of the SEC.

- With regards to the response and paragraph 45, will the future tranche procurement and ex post review by Ofgem be set out in the SEC?

We would seek to clarify a few points with DECC regarding the proposed changes to the DCC Licence Conditions;

- 27.14
 - (a) "a reasonable rate of interest". Who is to oversee that DCC have obtained a reasonable rate of interest? What criteria will be used? Where will this be published?
 - (c) "promptly returned to that SEC Party together with any interest earned". This provision will only be workable if there is transparency regarding the rate of interest, as we have made earlier reference to in response to (a) above.
- Which Annex holds the correct reference 1 or 2 – will Condition 35 or 36 be amended?