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MP263 ‘DCC Budgets’

Annex B

Legal text – version 0.3

About this document

This document contains the redlined changes to the SEC that would be required to deliver this Modification Proposal. This document is still under review by the Data Communications Company (DCC), which will be included as part of their response to the Refinement Consultation.

Section J 'Payment of Charges'

These changes have been redlined against Section J version 11.0.

Add Section J4.6 as follows:

Indicative Charging Statements

J4.3 Within the first five Working Days of April, July, October and January in each year, the DCC shall create and publish on the DCC Website an indicative Charging Statement for the first Regulatory Year due to start thereafter, setting out indicative Charges for that Regulatory Year based on the information available to the DCC at the start of the month of publication.

Indicative Budgets

J4.4 Within the first five Working Days of April, July, October and January in each year, the DCC shall create and publish on the DCC Website a budget for the second and third Regulatory Years due to start thereafter, setting out indicative figures for each such Regulatory Year based on the information available to the DCC at the start of the month of publication.

~~J4.5~~ Each such budget will contain indicative values for the following (as each such expression is defined in the Charging Methodology):

Acronym	Name
EAR_t	Estimated Allowed Revenue
EFR_t	Estimated Fixed Revenue
EESR_t	Estimated Elective Services Revenue
EECR_t	Estimated Explicit Charges Revenue
NFR_t	National Fixed Revenue
AHFR_t	Alt HAN Fixed Revenue
RFR_{rt}	Regional Fixed Revenue
EC_{it}	Explicit Charge for each Explicit Charging Metric
RCHFR_{rt}	Regional Communications Hub Fixed Revenue
RCHDR_{hrt}	Regional Communications Hub Device Revenue

~~J4.5~~~~J4.6~~ In addition to the values in Section J4.5, each budget published pursuant to Section J4.4 will contain indicative values for the following:

- Assumptions made by the DCC as to the impact of the Consumer Price Index (CPI) including owner/occupier housing costs (CPI-H) and Retail Price Index (RPI);
- The number of Communications Hubs installed for such Regulatory Year based on the information available to the DCC at the start of the month of publication;
- The number of Communications Hubs expected to be installed for such Regulatory Year and for the second and third Regulatory Years due to start thereafter.

~~J4.6~~~~J4.7~~ The DCC shall include in any budget published pursuant to Section J4.4, large projects or programmes:

- (a) as defined in Programme Assurance Policy;
- (b) included in DCC License Condition 16.6; and
- (c) any such programme or project determined by the Panel.

~~J4.7~~J4.8 The DCC shall include, for programmes and large projects pursuant to Section J4.7 details of the following expenditure:

- (a) expenditure that has been incurred by the DCC prior to the start of such Regulatory Year;
- (b) expenditure that has been incurred by the DCC for such Regulatory Year, based on the information available to the DCC at the start of the month of publication;
- (c) anticipated expenditure that will be incurred by the DCC for the remainder of such Regulatory Year based on the information available to the DCC at the start of the month of publication; and
- (d) anticipated expenditure for the second and third Regulatory Years due to start thereafter.

~~J4.8~~J4.9 Where any costs or Charges have changed from any previous budget published on the DCC Website pursuant to Section J4.4, the DCC shall:

- (a) provide an explanation of such discrepancy; or
- (b) where there are no discrepancies in costs or Charges, the DCC shall specify that there are no changes between the current and previous budgets.

~~J4.9~~J4.10 Where an error is identified in a budget published pursuant to Section J4.4, the DCC shall take reasonable steps to republish and acknowledge the changes on the DCC Website within five Working Days of the error being identified.

Working Model

~~J4.10~~J4.11 The DCC shall publish a working model which allows Parties to estimate their indicative Charges based on their view of input data relevant under the Charging Methodology, and which allows Parties to test potential modifications to the Charging Methodology. The DCC shall publish such model in an open-access or off-the-shelf software format, and hereby authorises the Parties to use and modify the model for the purposes set out in this Section ~~J4.10~~J4.11 (subject to the relevant software licence). Such model shall not form part of the Charging Methodology.

Invoicing Timetable

~~J4.11~~J4.12 The DCC shall, from time to time, publish an indicative timetable of the dates on which the DCC intends to submit invoices pursuant to Section J1.2.

Minimum Monthly Charge and Credit Cover Threshold

~~J4.12~~J4.13 The DCC shall publish, with the indicative Charging Statement published in January and with the actual Charging Statement for each Regulatory Year, the values of the Minimum Monthly Charge and the Credit Cover Threshold for that Regulatory Year.