RETAIL ENERGY CODE

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PERFORMANCE ASSURANCE BOARD (PAB) HEADLINE REPORT

Date: 30/09/2025
In-person

This Headline Report provides a summary of the matters discussed, and a record of the decisions made by PAB Members at the PAB meeting on 30 September 2025.

1 APPROVAL OF PREVIOUS MINUTES AND REVIEW OF ACTIONS LOG

The PAB unanimously **APPROVED** the actions and draft minutes from the PAB meeting held on 26 August 2025. PAB Members reviewed the open and overdue actions. Three actions were closed following information provided in the meeting papers or via a verbal update.

2 PARTY PRESENTATION: TDIS 2024-25 SCHEME

A Supplier attended the PAB to present a query on the Theft Detection Incentive Scheme (TDIS) which the Supplier had raised following the publication of the TDIS Debits and Credits for 2024-25. The PAB considered the Supplier's request that TDIS confirmed thefts submitted in a non-compliant format which were not identified by the Supplier within the required timeframe be recognised and included within the TDIS for 2024-25 under the discretion afforded to the PAB under paragraph 6.3 of the TDIS Scheme Rules (Annex 3 to Schedule 7 of the REC).

The PAB:

- **DETERMINED** that the non-compliant submissions would not be accepted.
- **AGREED** to inform Ofgem of this decision including the number of confirmed thefts that would have been included had the data been submitted in the required form within the published timeline.
- **AGREED** to update the Party's Annual Rating from 'Severe Weakness' to 'Moderate'.

3 PARTY PRESENTATION: ANNUAL RATING

A Supplier with two consecutive years of 'Severe Weakness' rating was required to attend the PAB to explain its performance and the reasons why it had not improved in this time. The Supplier presented to the PAB, outlining the actions it is taking to drive improvements in its performance, particularly in relation to countering energy theft.

The PAB:

- **NOTED** the presentation and actions outlined by the Supplier.

4 QUALIFICATION UPDATE

The Code Manager presented an update to the PAB which included several issues. The first being the withdrawal of accreditation for an AMI for non-payment of audit fees, the second issue pertaining to the continuation of the qualification treatment of EMOs as SIPs and finally an update on MHHS legacy assurance activity.

The PAB:

- **APPROVED** the withdrawal of accreditation for the AMI for non-payment of audit fees.
- **APPROVED** the continuation of the qualification treatment of EMOs as SIPs.
- **APPROVED** the suggested PATs and follow up actions for those organisations that have not completed the required signed managed assertion and/or their delivery of their M11 changes.

5 DEROGATION APPLICATION

The PAB considered a Derogation application that was received on 15 July 2025 from Fuse Energy Supply Limited. The Derogation relates to the obligation for Suppliers to send D0131 Flows with the Meter Point Address Details to its agents over the Data Transfer Network. The PAB were informed that the Derogation was being sought to cover the Party from non-compliance while it develops and tests the required changes to its internal systems process.

The PAB:

- **DETERMINED** that the Derogation Application was not required under Clause 25.1 of the Main Body of the REC, which allows for two parties to "*bilaterally agree a different means by which communication is sent*".

6 DATA ACCESS REQUESTS

The PAB were presented with a paper from the Code Manager seeking changes to the Electricity Data Access Matrix; A Third Party Service Provider requested additional data items be added to the Third Party Service Provider (non-switching) category to support its clients; and the addition of SMETS Service Desk Category to the Data Access Matrices.

The PAB:

- **APPROVED** the Code Manager's proposed alterations to the Electricity Data Access Matrix;
- **APPROVED** the Code Manager's proposed alterations to the Gas Data Access Matrix;
- **APPROVED** the Code Manager's proposed alterations to Appendix 1;
- **APPROVED** the Code Manager's proposed alterations to the Service User Categorisation and Assessment Document; and
- **APPROVED** the Code Manager's implementation date of these changes for 31 October 2025.

7 R0254 CHANGE REPORT (FINAL RECOMMENDATION)

The REC Technical Services Code Manager presented the PAB with the R0254 Change Report (Final Recommendation) report as the responsible committee for the change.

The PAB considered the paper and:

- **APPROVED** the proposed change solution.
- **APPROVED** the proposed implementation approach.
- **APPROVED** the proposed implementation date of 07 November 2025.

8 CRS IMPROVEMENT PLAN UPDATE

The PAB considered an update from RECCo Operations on the CRS Improvement Plan, including on Address Data Quality. The paper also included an update on I0200.

The PAB:

- **NOTED** the CRS Improvements Plan – Address Data Quality update.
- **NOTED** the update on the new governance change proposal.
- **NOTED** the update on I0200.

9 DATA CLEANSE UPDATE

The Code Manager presented an update to the PAB on the Data Cleanse. The PAB were updated on the responses that were received from a number of Parties to the Enquiry PATs that were issued in August on their performance in the Sprint 4 mid-sprint review. The Code Manager also informed the PAB that Sprint 5 is due to commence from the beginning of November and outlined potential items of focus for inclusion in Sprint 5. The Code Manager sought feedback from PAB Members on the proposed data cleanse methodology enhancements.

The PAB:

- **NOTED** the update.

10 PARTY ASSURANCE UPDATE

The Code Manager provided updates surrounding the Annual Rating publication, the non-accredited organisation that had carried out meter point disconnections, and the deappointment of the MEM who is exiting the market. The PAB were also informed of a CME breach by a Gas Supplier and the steps the Code Manager had taken to address this. The Code Manager also updated the PAB on several Energy Theft Reporting matters.

The PAB:

- **APPROVED** the design of the TDIS peer comparison measure.
- **APPROVED** the peer comparison to be reported to Parties on an anonymised basis initially, before phasing in a non-anonymised approach.

11 RISK REGISTER UPDATE

The PAB considered a report from the Code Manager in relation to the annual review of the Retail Risk Register, in line with the Performance Assurance Operating Plan. The Code Manager proposed a number of suggested amendments to the Retail Risk Register.

The PAB:

- **APPROVED** the changes proposed by the Code Manager in RECPAB_25_0930_07A to be issued for industry consultation via the REC Category 3 Change Process.
- **APPROVED** the consultation template attached in RECPAB_25_0930_07B to be issued to REC Parties.

- **APPROVED** the draft timetable for consultation and refinement before the final Risk Register is presented to the PAB for approval at the October meeting.

12 SERVICE PROVIDER ASSURANCE

The PAB considered a report from the Code Manager in relation to several key updates on the performance of REC Services. Additional updates were provided to the PAB on the misreporting identified on the CRS Performance metrics through the Direct Assurance activity. This impacts the CRS Performance Charge for 01 April 2025 to 30 June 2025, therefore, the Code Manager will work with the CRS Provider and bring an update to PAB at the October meeting.

The PAB:

- **NOTED** the update.

13 OPERATING PLAN

The Code Manager updated the PAB on the Operating Plan, detailing the actions taken for the month of September and the planned activities for the next few months. The Code Manager advised the PAB of the new format following the approval of the Performance Assurance Operating Plan 2025-26, noting it should now make tracking activity easier for PAB Members.

The PAB:

- **NOTED** the update.

14 ANNULMENTS PROCESS

A Supplier representative PAB Member raised concerns on behalf of a Party regarding the use of the Annulments Process. The Party are concerned that the Annulments Process is being used for customer win back activity and sought clarification from the PAB on whether this was acceptable under the Annulments Process. It was noted that the Party had also raised the matter for further clarification with Ofgem.

The PAB:

- **APPROVED** that the Code Manager review CSS switching data to see whether the Party concerned is an outlier, and if they are, to apply the relevant PATs to check compliance with the Annulments Process.

15 AOB

The Code Manager updated the PAB on the British Gas Theft Calculator Derogation which the PAB were due to receive an update on this month. The Code Manager advised that they had reverted to the REC Theft Calculator and, as such, this Derogation could now lapse. It was noted that there is a call for evidence on I0265 on wider improvements to the REC Theft Calculator.

The Code Manager agreed to reflect on how the PAB could be kept updated on ‘in-flight’ Derogations, with a proposed plan to be brought back to a future meeting of the PAB.

The Code Manager updated the PAB on the registration data misalignment between CSS and an ERDS Provider that had impacted approximately 1000 customers. The DNO’s ERDS now aligns with CSS meaning no future switching will be impacted. There are 500 or so instances where the history of suppliers

in ERDS is incorrect, with the DNO working to update the history manually. The Code Manager continues to meet regularly with the DNO and DCC to bring this matter to a close.

The Code Manager updated the PAB on the recent Provisional Orders that had been issued by Ofgem in relation to two Parties, and advised they were closely monitoring these in relation to the REC.

The PAB Chair informed the PAB of a recent workshop held by Ofgem regarding key performance indicators (KPIs) for Code Managers. The PAB Chair noted a fuller update will come to a later PAB Meeting regarding the accountability and KPIs for Code Managers reporting into Ofgem and how this applies to RECCo / the REC.

The PAB Chair informed the PAB of a current Ofgem consultation regarding Unidentified Gas (UIG). The PAB Chair provided background to PAB Members, and it was agreed that the PAB Chair would share a draft response to the consultation on the PAB collaboration space to allow PAB Members to provide comments and feedback before submission in advance of the October 10th deadline.

16 NEXT MEETING DATE

The next meeting of the PAB will be held online on 28 October 2025.