RETAIL ENERGY CODE

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SANDBOX AND DEROGATION QUARTERLY UPDATE

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FOR INFORMATION 	The Code Manager provides quarterly updates on all Sandbox and Derogation Applications, including those in progress and those which have closed. The next update will be provided in September 2026. The Code Manager recommends REC PAB to: • **NOTE** the update.

1 SANDBOX AND DEROGATION REGISTER

REC Schedule 6 – Performance Assurance requires that Sandbox Applications are added to the Sandbox Register. The REC Portal holds the Sandbox and Derogation Register here - https://recportal.co.uk/group/guest/sandbox-and-derogation-2. This presents all complete Applications (i.e. where the applicant has provided the required information) which have been received and presented to the PAB for consideration and decision, including links to the relevant documentation, associated timescales and ongoing updates. These are further separated into 'Open' and 'Closed' Applications.

All Portal Users can access the Sandbox and Derogation Register. Additionally, new approved Sandbox and Derogation Applications are communicated in the Weekly Bulletin, following the issue of the relevant PAB meeting Headline Report at which they were discussed.

2 ONGOING SANDBOX TRIALS AND DEROGATIONS

The below table summarises the current live Sandbox and Derogation Applications that are in progress following submission and/or PAB approval. The Code Manager regularly engages with the responsible Party to receive relevant updates and understand any changes, for instance when it may close, whether an extension is required, or if an associated Change Proposal is being progressed. The latest updates are detailed below.

Reference	Title	End of Sandbox/Derogation Period	Code Manager Comments
RECSANDBOX_02	SGN H100	Two years from commencement of H100 trial (initially scheduled for late February/March 2026).	SGN, as the MAM for the H100 Fife Trial Project, were informed by the H100 Project at the start of February 2026 that the Go-Live date has been delayed. As of June 2026, this date remains delayed. The Suppliers involved have been informed through the monthly H100 stakeholder group meetings. The reason for the delay is related to the upstream processes as opposed to metering activities downstream of the ECV (meter installation or appliances). SGN will advise the REC Code Manager once the new date has been confirmed.
RECSANDBOX_03	OVO SDEP Robotics	From 30 November 2026, two years, or until the implementation or rejection of R0161 – Enabling	In early 2026, the Code Manager met with both applicant Parties and RECCo to discuss the best next steps. Consideration was given to the Digitalisation Strategy, the timeline for the procurement and delivery of new Enquiry Services, and the

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		Robotics for SDEP – whichever is sooner.	previously approved costs associated with the C&C works to be completed as part of the trials. RECCo confirmed that the Digitalisation Strategy will not benefit SDEP users for some time, although they highlighted that part of the strategy would be to improve the machine-to-machine capabilities of the system. They welcomed the trials continuing as planned, citing the learnings from the trials would be useful in steering the development of the enduring Solution. RECCo is comfortable with the development costs in the C&C impact assessment. Based on this, and their own desires to further enhance and improve exceptions management processes, and Consumer experience, both in the short to medium term, and into the future with the enduring solution, both OVO and EDF would like to proceed with their trials as planned.
RECSANDBOX_04	EDF Robotics	From 30 November 2026, two years, or until the implementation or rejection of R0161 – Enabling Robotics for SDEP – whichever is sooner.	As above.
RECSANDBOX_05	DEML SIP	From 24 February 2026, for a period of up to two years, or once a decision and outcome has been reached on REC Issue I0278, whichever is sooner.	DEML has provided its initial documentation in June 2026 to support the trial, which is currently being reviewed by the Code Manager. The first quarterly reports are expected at the end of Q3 and will be shared with the Code Manager and RECCo.
RECDER_15	GRDA Xoserve	Extension approved by PAB in October 2024 for it to continue for a period of up to two years, or until the	Xoserve has been working with Shippers who have a number of Supply Meter Points within their portfolio to understand the business reason for these remaining for an extended period after the SMP Status is changed from Live. The change of

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		REC issue is addressed and the necessary change is defined, whichever is sooner.	SMP Status updates the RMP Status to Terminated, and they would expect that Suppliers then deactivate the Registration. Xoserve has been engaging with the industry related to the circumstances that leads to this scenario. They have established that the Shipper (and Supplier) are conducting legitimate and comprehensive checks that will be and are time consuming. They have further investigated possible solution options and are currently assessing these. Once this has been established as a viable option (or otherwise), they will progress the related REC Change (I0219 Stranded RMPs in Defunct Suppliers) (and if needed, seek Privacy Impact Assessments (PIAs) from the Central Switching Service (CSS) (and formally from the GRDA).
RECDER_23	MHHS Supplier Exemptions	25 February 2027	Approved by the PAB in February 2025. PAB Members are able to view within the PAB Dashboard which Parties have requested an exemption, and whether they are meeting their obligation to not Register RMPs in the exempt segment.
RECDER_30	Next Gen – Transfer of Sealing Pliers	28 October 2027	Approved by the PAB, subject to conditions, on 28 October 2025. As this progresses to the end date, the Code Manager proposes to only update the PAB where necessary.
RECDER_31	Stark Energy Services Ltd – Transfer of Sealing Pliers	25 November 2027	Approved by the PAB, subject to conditions, on 25 November 2025. As this progresses to the end date, the Code Manager proposes to only update the PAB where necessary.
RECDER_32	OVO Energy – 2025-26 TDIS Adjustment	31 July 2026	Approved by the PAB on 16 December 2025. This Derogation applies to the 2025-26 TDIS Scheme Year only.

REC PAB INFORMATION

The Code Manager invites the PAB to **NOTE** the update.