RETAIL ENERGY CODE

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01	Proposal Plan
02	Impact Assessment
03	Consultation
04	Final Recommendation

CHANGE REPORT

I0236 – REC PARTY AUTO DE-ACCESSION PROPOSAL

DOCUMENT VERSION	V1.0
PROPOSED IMPLEMENTATION DATE	TBD
IMPLEMENTATION APPROACH	Big Bang

RESPONSIBLE COMMITTEE	Change Panel	CHANGE PATH	Self-Governance
PRIORITY STATUS	Low	URGENCY	Standard
IMPACTED STAKEHOLDERS	All REC Parties, Code Manager		

LEAD ANALYST (SOLUTION LEAD)	ASSURANCE LEAD	SUBJECT MATTER EXPERT
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OVERVIEW

This Change proposes that any Party who has acceded to the REC but not Qualified within 12 months of accession and not contacted the Code Manager within 6 months to confirm they intend to pursue Qualification can be expelled from the REC.

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BACKGROUND

1 SUMMARY

It has been identified that there are around 80 Parties who have acceded to the REC, who have not Qualified in any role and have not contacted the Code Manager in 6 months or longer.

This Change proposes that any Party who has acceded to the REC but not Qualified within 12 months of accession and not contacted the Code Manager within 6 months to confirm they intend to pursue Qualification can be expelled from the REC.

This should reduce confusion for Parties when looking at which other organisations have Qualified for roles under the REC.

2 PROBLEM STATEMENT

There are many Parties who have acceded to the REC but not Qualified within 12 months of accession, and who have not contacted the Code Manager within 6 months. This may cause confusion for Parties in knowing which other organisations have Qualified for roles under the REC.

3 IMPACTS

REC PARTIES AND SERVICE USERS
All REC Parties

REC DOCUMENTS / PRODUCTS
REC Main Body
Schedule 19 - Market Exit and Supplier of Last Resort

RECCO / REC CODE MANAGER
REC Code Manager

MHHS DESIGN
No impact

MHHS DATA SPECIFICATION
No impact

MHHS CODE DRAFTING
Indirect impact

There is indirect impact to the MHHS Code Drafting as this change proposes amendments to Schedule 19 – Market Exit and Supplier of Last Resort but does not directly touch or impact the MHHS drafting.

4 CROSS-CODE IMPACTS

There are no cross-code impacts associated with this change.

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5 PROPOSAL PLAN

Milestone	Activity	From	To
Definition		**14-Jan-25**	**10-Apr-25**
	Legal Review	January	February
	Code Manager Assessment	February	March
	Impact Assessment	March	April
Change Proposal		**11-Apr-25**	**16-Jun-25**
	Solution Refinement	April	April
	Business Case Assessment	April	April
	Consultation	April	May
	Final Determination	May	June
Voting		**17-Jun-25**	**17-Jun-25**
	Appeal Window	18-Jun-25	01-July-25

6 PRIORITY STATUS AND URGENCY

PRIORITISATION MATRIX

Category	Significance / Resource impacts / Urgency	Further selection / breakdown	Score (0-3)	Weighting	Weighted Score
Impacts	Consumer Impact	Indirect	0	27	0
	Retail Markets Impact	Innovation and Market Arrangements	1	17	17
	RECCo / REC Party / REC Service Provider Impact	Operational Effectiveness and Efficiencies	3	7	20
		Legal and Regulatory Compliance	1	14	14
Resource	Complexity / Effort / Duration		3	9	28
Strategic Alignment	Contribution to/ Alignment with the objectives of the REC		0	17	0
	Contribution to/ Alignment with RECCo's Forward Work Plan		0		0
Urgency *(The need to progress a change to meet a targeted date)*		Other Planned Activity	0	10	0
				Overall Priority Score (rounded)	78

Priority Status	LOW
Change Proposal Type	STANDARD

SOLUTION

7 PROPOSED SOLUTION

The solution proposes amendments to the REC Main Body Section 17 – Ceasing to be a Party, and to Schedule 19 - Market Exit and Supplier of Last Resort.

The REC Main Body Section 17 amendments detail that a Party can be expelled from the REC as long as the following conditions are met:

- the Party has not Qualified for one or more roles under the REC;
- it has been 12 months (or longer) since the Party acceded to the REC;
- it has been 6 months (or longer) since the Party last confirmed to the Code Manager that the Party intends to become Qualified; and
- the Code Manager gives notice to the Party.

It also specifies that any Party expelled from the REC in this way can re-apply to become a Party.

The amendments to Schedule 19 - Market Exit and Supplier of Last Resort are limited to sections 1 Introduction and 2 Expulsion of Parties, and are consequential to the changes to the REC Main Body to ensure there are no conflicts within the Code.

8 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to I0236 can be found here.

9 APPENDIX

CHANGE PROPOSAL	Link
LEGAL DRAFTING	Link

10 GLOSSARY

TERM	DEFINITION
Qualified	means: (a) for a REC Service, that a Party or an organisation which has entered into an Access Agreement has successfully qualified (and remains qualified) to use that REC Service under the Qualification and Maintenance Schedule; or (b) For the role of Electricity Supplier, Gas Supplier, Distribution Network Operator, Gas Transporter, Meter Asset Manager or Meter Operator Agent, that a Party has successfully qualified (and remains qualified) in that role under the Qualification and Maintenance Schedule. The words “Qualify”, “Qualification” and similar expressions shall be interpreted accordingly.
REC Parties	means each 'Party' under and as defined in the Retail Energy Code. ‘REC Parties’, ‘Parties’ and similar expressions shall be interpreted accordingly.