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I0237 WORKGROUP 5
MEETING NOTES

MEETING	**I0237 WORKGROUP 5**
DATE	**22 January 2026, 13:00**
LOCATION	**Via Teams**

Presenter	Representing	Initials	Role
James Hardy	REC Code Manager	JaH	Lead Change Analyst
Lorna Mallon	REC Code Manager	LM	Regulatory Specialist (Chair)
Bailey Robb	REC Code Manager	VCS	REC Performance Assurance
Keisha Patel	REC Code Manager	KP	REC Technical Services
Jonathan Hawkins	RECCo	JoH	Director of Market Design

Full attendee list available upon request.

1 INTRODUCTIONS

The chair welcomed attendees to the fifth I0237 Workgroup meeting.

LM reminded attendees that notes are non-attributable and the group's composition is Supplier-led with limited representation from Ofgem, the Energy Ombudsman, Citizens Advice, and the REC Code Manager. Attendance has grown since the Working Group began and Energy Suppliers were asked to ensure the right colleagues attend and to maintain internal feedback loops. LM and JaH reiterated the offer of bilateral meetings for Energy Suppliers needing further walkthroughs.

2 CONFIRMATION OF AGENDA

The chair presented the agenda for the meeting and invited any additional items of business for consideration, but no items were raised.

3 ACTION LOG

LM ran through the actions log, confirming the actions that had been closed since the previous meeting and provided an update on the status of all and open actions. A full list with the latest status can be found in the meeting slides (Slides 4-5).

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4 MEETING NOTES

4.1 DATA OVERVIEW, SOURCES AND LIMITIONS

LM provided a detailed overview of the data used to support the Working Group's discussions and emerging proposals. The analysis drew on multiple data sources in order to mitigate known limitations within any single dataset. These sources included count-based DTN flow data for electricity and gas, CSS extracts covering withdrawals, annulments and the use of the Erroneous Switch (ES) flag. The data was provided by Performance Assurance (PA) reporting, and bespoke data provided by ElectraLink following approval via the DTS User Group.

Electricity data was supplemented by residual flows from MPRS to Gaining Suppliers that remain in place following CSS go-live, allowing greater confidence in assessing re-registration timelines for electricity than for gas. Gas analysis was acknowledged as more constrained, due to reliance on Notification of Old Supplier Information market messages (NOSI) and the fact that not all Gas Suppliers use the DTN. ElectraLink data enabled some historical trend analysis, with selected datasets extending back to 2020, while the most recent extracts covered activity up to October 2025. PA data was available up to June 2025.

LM highlighted several known limitations. Most notably, the absence of MPXN-level linkage across datasets prevents confirmation of individual case outcomes, such as whether an ES flag ultimately resulted in a completed ES resolution. In addition, Consumer contact records and Third-Party interactions fall outside the scope of available flow data and were therefore excluded from this phase of analysis. SDEP reporting was also intentionally excluded pending the delivery of R0122 improvements, as current reporting was considered insufficiently robust.

Workgroup Members noted that Performance Assurance data is widely recognised as directional rather than definitive. LM confirmed that this was the rationale for including multiple data sources and reiterated that improving assurance reporting remains within scope of the Working Group's remit, both in the short term and as part of the longer-term CSS solution. It was also agreed that external market factors, such as reduced Switching during COVID-19, the energy price crisis and Ukraine, significantly influence overall volumes and should be considered when trying to interpret trends. LM explained, that, for this reason, the analysis deliberately avoided framing findings as a proportion of total market Switching, focusing instead on ES process performance in isolation.

4.2 ERRONEOUS SWITCH TIME LIMIT (REDUCTION FROM 24 TO 12 MONTHS)

LM presented analysis on the timeframe within which ES are identified and raised. The data demonstrated that the vast majority of ES cases are initiated within the first six months following the original Switch, with a consistently small residual tail beyond twelve months. This pattern was observed across both electricity and gas, albeit with greater confidence in electricity data due to superior data coverage.

LM proposed reducing the allowable timeframe for raising an ES from 24 months to 12 months. The Working Group agreed that this reduction was justified and aligned with improved Switching speeds, modern Consumer expectations, and the direction of travel toward greater automation under CSS. Workgroup Members noted that older cases often involve increased complexity, weaker audit trails and poorer Consumer outcomes, and that encouraging earlier identification would benefit both Consumers and Energy Suppliers.

LM confirmed that this change could be progressed as a standalone REC Change Proposal ahead of CSS implementation, allowing benefits to be realised sooner. Workgroup Members emphasised the importance of clear drafting, guidance and communication to ensure Parties are fully aware of the revised limit, and that appropriate escalation routes remain available for exceptional cases, such as Ombudsman determinations.

4.3 GAINING SUPPLIER SLA (EIGHT WORKING DAYS)

The Working Group considered performance against the existing eight Working Day SLA for Gaining Suppliers to initiate and respond to ES activity. While some variability was observed across fuels and stages of the process, the data did not indicate systemic non-performance that would warrant immediate amendment of the SLA.

Workgroup Members acknowledged that Non-Domestic cases can be more complex and may involve additional investigation, including interactions with TPIs. However, the prevailing view was that the current SLA remains broadly appropriate in the short term, especially when supported by effective Consumer communication.

The workgroup agreed that any substantive review of SLAs should be undertaken in the context of the CSS solution, where bilateral dependencies and manual processes will be significantly reduced. In the interim, the focus should remain on improving Performance Assurance reporting and data quality to drive behavioural improvements without altering the formal SLA framework.

4.4 RE-REGISTRATIONS, OBJECTIONS AND USE OF THE ES FLAG

LM noted an issue concerning the interaction between the ES flag, Objection rights and standstill periods. While earlier understanding suggested that the ES flag bypasses Objections entirely, workgroup members advised that, in practice, Energy Suppliers continue to receive invitations to Object, with the principal change being the bypassing of the standstill period rather than removal of Objection rights.

Given this discrepancy, LM committed to reconfirming current operational behaviour with DCC, including whether Objections are always issued, how standstills are treated, and how ES-flagged Switches interact with pending Change of Supplier requests. LM also noted that the REC Schedules may be silent on this point, and that clarification through a separate REC Change Proposal may be required to reflect the current state of operation and avoid inconsistent interpretation.

Workgroup Members considered this issue significant due to indications that ES flag usage volumes do not align with completed ES outcomes. Workgroup Members expressed concern that misuse or misunderstanding of the ES flag could result in Energy Suppliers effectively bypassing legitimate protections, reinforcing the need for clearer rules and targeted assurance.

4.5 REJECTION REAONS AND DRAFT GUIDANCE DOCUMENT

LM provided an update on work to develop clearer guidance on Rejection reasons. A draft document has been produced for Domestic cases, drawing on legacy MRA content that has been streamlined, modernised and aligned to CSS principles. The guidance includes clearer definitions, structured examples and a stronger emphasis on using additional information fields to support transparency and assurance.

The analysis underpinning this work highlighted unexpectedly high Rejections for specific ES Reasons Codes, such as incorrect MPXNs, which may reflect underlying data quality issues rather than genuine contractual disputes. LM confirmed that the draft guidance has completed internal review and will be discussed with Ofgem prior to publication. Development of equivalent Non-Domestic guidance, including consideration of new reason codes to reflect TPI activity, will follow in due course.

4.6 RE-REGISTRATIONS SLA PERFORMANCE

Electricity re-registration performance was reviewed using DNO to Gaining Supplier flows that provide a more reliable indication of timing than gas data. LM explained that the analysis showed that re-registrations do not consistently complete within the expected two Working Day timeframe following acceptance of an ES.

The Working Group agreed that this does not warrant immediate corrective action, as it reflects structural limitations of the current bilateral flow model rather than isolated Energy Supplier underperformance. Instead, it was expressed that this supports the case for CSS-based solution, which would remove the need for re-registration flows and associated SLAs altogether.

Until the CSS solution is implemented, Workgroup Members agreed that REC Performance Assurance should continue refining reporting to ensure legitimate variations, such as the use of extended Switching routes, are not incorrectly flagged as non-compliance.

4.7 CUSTOMER SERVICE RETURNS

LM noted significant variation in the use of Customer Service Returns (CSRs) across Energy Suppliers. LM explained that some Parties do not use CSRs at all, while others rely on.

Given the lack of a consistent industry view on the purpose and value of CSRs, LM committed to engaging directly with a sample of Energy Suppliers to understand the problems CSRs are intended to solve and whether equivalent outcomes could be achieved through alternative signals or flags under CSS. No short, or medium, term changes were proposed, and LM confirmed that any future decision would be informed by this further engagement.

4.8 FRAUD PROVEN AND TECHNICAL REASON CODES

The Working Group discussed increasing volumes associated with the Fraud Proven and Technical reason codes. Workgroup Members agreed that clearer definitions are required to

ensure consistent application and to avoid masking other root causes, such as address or data quality issues.

LM confirmed that short-term guidance will be drafted to clarify when these reasons should and should not be used, including expectations around evidential thresholds and record retention. The definitions will also be updated via a CP. In the longer term, the CSS solution development will include discussions to ensure appropriate use and to support effective assurance activity.

4.9 WITHDRAWALS AND ANNULMENTS

Data on withdrawals and annulments was presented by LM to illustrate their continued use across both Domestic and Non-Domestic markets as mechanisms to prevent a potential ES before the Switch completes. While the analysis did not assess these volumes as a proportion of overall Switching, LM explained that the data demonstrated that they remain an important preventative tool.

The Working Group agreed that no process changes are required at this stage. However, LM offered to include clearer signposting within guidance to ensure operational teams recognise withdrawals and annulments as preferred preventative options where applicable.

5 FEEDBACK ON EXISTING PROCESSES

5.1 SDEP – USABILITY AND ROUTING

LM led a discussion on the SDEP portal and forthcoming R0122 improvements. Workgroup Members requested consideration of whether SDEP cases should be separated into Domestic and Non-Domestic queues, noting the operational burden of triaging mixed cases within specialist teams. It was acknowledged that a Domestic/Non-Domestic dropdown already exists but is used solely for internal assignment rather than functional routing.

LM noted that similar proposals had been explored historically but were not progressed due to data quality concerns, particularly around the Domestic Premise Indicator, and the fact that many organisations operate blended teams. LM agreed to review previous proposals, assess whether data quality has improved sufficiently, and consider the operational impacts on Market Participants, including MOAs, before bringing an initial view back to the Working Group.

5.2 ESCALATION ROUTES AND SIGNPOSTING

LM clarified that where issues cannot be resolved through SDEP escalation, General Queries or Contract Management screens, Parties may raise concerns via REC Performance Assurance in limited and appropriate circumstances. It was noted that many operational teams are not aware of these escalation pathways.

Consequently, LM committed to adding clearer signposting within the ES guidance, outlining escalation routes, expected thresholds for escalation, and the types of evidence that support effective triage. This was considered particularly important for identifying systemic issues rather than individual case disputes.

5.3 CHANGE OF OCCUPIER FLAG AND POTENTIAL MISUSE

Workgroup Members raised concerns regarding patterns where multiple Objections are raised against a Switch before a subsequent attempt is submitted with the Change of Tenancy flag, effectively removing the ability to Object. While acknowledging that legitimate new occupier scenarios exist, Workgroup Members indicated that the pattern may also reflect system behaviour or sales channel practices, including TPI involvement.

LM agreed to gather evidence from Energy Suppliers to assess the scale and nature of the issue and to engage with REC Performance Assurance on whether interim reporting could identify unusual sequences, such as repeated Objections followed by a Change of Tenancy flag. It was agreed that CSS assurance design should explicitly include monitoring of Change of Tenancy flag usage to discourage inappropriate behaviour while safeguarding legitimate Consumer moves.

5.4 WITHDRAWAL & ANNULMENT PROCESSES

As discussed in 4.9, the Working Group agreed that the current requirements are sufficient in terms of ES obligations.

6 AOB

No items were raised under AOB.

7 NEXT STEPS AND DATE OF NEXT MEETING

LM outlined the forward agenda for the next session:

- Updated Rejection and Technical reasons guidance;
- Early MHHS impacts;
- Consumer billing considerations; and
- Objections after agreed ES, including correct ES flagging.

The next meeting is scheduled 19 February 2026 (13:00 – 14:30).

8 NEW ACTIONS RAISED

Item	Responsible	Status
Reconfirm with DCC whether ES-flagged Switches bypass Objections or only standstill; and assess whether REC Schedule appropriate accounts for this and determine whether a separate REC Change is required.	LM / JaH	Update at next meeting (February)
Publish Domestic Rejection Reasons Guidance and add a Technical Reasons clarification and scope fraud-related guidance.	LM	Discussion and draft to be shared with Ofgem; publication after this engagement.
Investigate SDEP Domestic/Non-Domestic split feasibility and review prior Change Proposals and impacts.	LM	Initial view to be presented at a future meeting.
Add clear escalation signposting to the Guidance Document (i.e. Code Manager, OAMs, Performance Assurance).	LM	To be included in next guidance document update.
Review Energy Supplier evidence on CoO flag use patterns. Code Manager to explore interim reporting by Performance Assurance and include in CSS assurance scope.	LM / BR	Update at next meeting (February).
Energy Suppliers to provide further feedback with the Code Manager on the Change of Occupier flag and its potential misuse.	Energy Suppliers	To be submitted ahead of the February meeting.
Draft REC Change to include short terms solutions, including to reduce ES time limit from 24 to 12 months ahead of the CSS solution.	LM / JaH	Drafting to commence, timetable to be shared at a future meeting.