RETAIL ENERGY CODE

MEETING MINUTES

MEETING	**RECPAB_24_0625**
DATE	**28 May 2024, 10:30am**
LOCATION	**In Person (Deloitte Offices) and Virtual Meeting (via Teams)**

Attendee	Representing	Initials	Role
Dorcas Batstone	Independent PAB Member	DBa	Committee Chair (Acting)
Amy Crowe-Lamont	Code Manager	ACL	Committee Secretary
Alice Williams	Consumer Representative	AWi	Committee Member
Angela Joyce	Supplier Representative	AJo	Committee Member
Anne Jackson	Gas Performance Assurance Framework Administrator Representative	AJa	Committee Member
David Brown	MEM Representative	DBr	Committee Member
Fungai Madzivadondo	Distribution Network Operator Representative	FM	Committee Member
Paul Everett	Supplier Representative	PE	Committee Member
Sally Hardman	GT Representative	SH	Committee Member
Simon Waltho	BSC Performance Assurance Representative	SW	Committee Member
Steve Arthur	Independent PAB Member	SA	Committee Member
Steve Verdon	Independent PAB Member	SV	Committee Member
Walter Carlton	Code Manager	WC	Performance Assurance Lead
Anton Moden	Code Manager	AM	Performance Assurance Lead
Lakshna Murali	Code Manager	LMu	Performance Assurance
Vaishnavi Sharma	Code Manager	VS	Performance Assurance Manager
Shelley Rouse	Code Manager (OAM)	SR	Operational Account Manager
Nirav Vyas	Code Manager	NV	Performance Assurance - Data
Andrew Waghorn	Code Manager	AWa	Performance Assurance Data & Analytics Lead
Mark Loveday *(Attended for items 1 and 2)*	RECCo	ML	RECCo Director of Operations

Attendee	Representing	Initials	Role
Anna Weeks *(Attended for items 1 to 5)*	RECCo	AWe	RECCo Operations
Joy Nnamani *(Attended for items 1 to 5)*	RECCo	JN	RECCo Operations
Lindsay Biginton *(Attended for items 1 to 5)*	RECCo	LB	RECCo Operations
Bilal Ali *(Attended for item 3)*	The DCC Representative	BA	Director of Customer Relationship Management (Interim)
Helen Tang *(Attended for item 3)*	The DCC Representative	HT	Business Continuity and Disaster Recovery Manager
Holly Law *(Attended for item 8)*	Code Manager (Change)	HL	Change Analyst
Elise Hardy *(Attended for item 8)*	Code Manager (Change)	EH	Change Analyst
Lorna Mallon *(Attended for item 8)*	Code Manager (Change)	LM	Change Analyst

1. REVIEW OF OPEN ACTIONS AND APPROVAL OF DRAFT MINUTES

The PAB was chaired by Dorcas Batstone, Independent PAB Member, at the request of Jon Dixon, PAB Chair, who was unable to attend. The Chair welcomed attendees to the meeting of the PAB. Apologies were given for Karen Lee and their alternate Paul Saker. The PAB Chair and PAB Members welcomed Angela Joyce to the PAB Committee as the new Supplier Representative.

The PAB unanimously **APPROVED** the minutes from the previous PAB meeting on 28 May 2024. Three actions (RECPAB_24_0326_08, RECPAB_24_0528_01 and RECPAB_24_0528_03) were closed following a verbal update and information provided in the meeting papers.

Six actions (RECPAB_24_0227_01, RECPAB_22_1220_05, RECPAB_24_0430_01, RECPAB_24_0528_02, RECPAB_24_0528_04 and RECPAB_24_0528_05) had their deadlines extended as a result of external factors and dependencies. Please refer to the Action Log for a status update.

2. RECCO SERVICES (CODE MANAGER, METERING AUDITOR ETC.) DEEP DIVE

The Code Manager has established PAB deep dives for key REC Services in 2023 and 2024. To support this, RECCo provided an update which consolidates performance and PAT information for the

relevant period. RECCo representatives provided PAB Members with an update on the following topics:

- RECCo Objectives
- Theft Objectives and Strategy
- Metering Objectives and Performance
- Scheme Objectives and Performance (i.e. Market Stabilisation and Prepayment Levelisation)
- Code Manager (RPS, RPA and RTS) Objectives and Performance

A PAB Member asked about the oversight of RECCo's performance of the RECCo Services and whether there was any independent review or assessment. The Code Manager advised that Performance Assurance has not typically focused on these RECCo Services given the nature, scope, governance and reporting arrangements. However, this could be reviewed for the future, with the PAB helping to determine the right balance of scrutiny of these services and the performance monitoring and assurance that is performed over other REC Services such as the Enquiry Services and CSS. The Code Manager currently assesses the completeness and accuracy of reporting as part of REC Service Provider assurance, highlighting any reporting issues identified. In addition, there is currently work underway analysing feedback on metering audits.

PAB Members:

- **NOTED** the contents of the update.

(ML left the meeting)

3. ADDRESS MANAGEMENT UPDATE AND CSS, CSS CERTIFICATE AUTHORITY AND SWITCHING OPERATOR DEEP DIVE

(BA and HT joined the meeting)

In line with the obligation placed on the Switching Operator (DCC) within paragraph 2.11 of the REC Address Management Schedule, the DCC Representative provided a report stating how it has complied with the published Address Quality that covered the previous financial year.

The DCC Representative provided an update on switching and confirmed that there were roughly 1.2 million switches submitted in May, all passing validation. PAB members were informed that 1.06 million switches were active at gate closure with the reason for the discrepancies being because of annulled switches. The DCC Representative highlighted that the average days to switch since go live sits at 4.49 days and in May, the average days to switch was 3.29 days. This is made up of consumer- initiated switches being, on average, submitted with a 4.31 lead time between request and supply start date and internal migrations which were submitted with, on average, 2.58 days between request and supply start date. The PAB members were informed that the Ofgem aimed for switches to take place within 5 days.

PAB members were then provided an update on Address Management. The The DCC Representative confirmed that 55.8 million addresses have been matched with 2.8 million left to match. DCC are eager to liaise with PAB to assess a set of options that can support in driving larger volumes of matches during 2024/25 to help close off the outstanding 2.8 million addresses. The The DCC Representative highlighted that they would like to speak with a group of DNOs to discuss best practice; they will schedule bilateral meetings from July onwards and confirmed that this engagement cadence would be shared with PAB members and next steps agreed.

The DCC Representative provided an update in relation to the Central Switching Service Business Continuity Disaster Recovery (BCDR) exercise. It was confirmed to PAB Members that a BCDR event was undertaken in the Pre-Production environment at the end of April 2024 which was a successful failover and failback exercise and not impactful to service users. DCC set out that the failover trial took 14 minutes, noting that Secured Active or Pending messages (0.25% of the total) did not automatically replicate and would need support from Energy Suppliers to return those switches to the appropriate state.

A PAB member asked for clarity around whether the messages were known about and if DCC were required to engage with industry in a real event to be able to replay the messages. The DCC Representative confirmed that all the different data types within the storage accounts were reconciled and accounted for, i.e. DCC could identify the messages that would need Energy Supplier intervention. Currently the only option for effective recovery strategy would be to ask for the messages to be resent. DCC have used this exercise as an opportunity to execute all of the scripts and the recovery procedures that were available for the different data types in the different states that they landed post failover, which left a small proportion of messages that required assistance.

The Code Manager highlighted that DCC have identified learnings from this event, but queried how BCDR plans, procedures and training will be updated to embed these learnings. The DCC Representative confirmed to PAB Members that a full test report has been prepared by the CSS Service Provider which is currently in the process of being finalised. In addition, DCC collaborated with their vendor NetCompany to validate all the data recovery and DCC offered to deliver a deeper dive to PAB Members if requested.

PAB Members:

- **NOTED** the contents of the update.

(BA and HT left the meeting)

4. EVOLUTION OF CRS PERFORMANCE CHARGE

The Code Manager provided an update to PAB Members highlighting the proposed changes to the CRS Performance Charges, to provide meaningful incentives to drive performance improvements to

the CRS service. This update included a proposed structure for the new performance charge that would mean that proportionate financial incentives exist to maintain the availability of the service, a key area for users. The Code Manager advised that the revised approach would be taken forward as a REC Change with input from PAB Members and consultation with Parties on the appropriate weightings for incentives.

A PAB member queried if the incentive has driven change and if there is the appropriate balance between incentivisation nature and getting focused attention at the correct levels in the organisations. The Code Manager commented that it does appear to have driven performance and be given appropriate attention at a senior level. RECCo confirmed that Gary Stuart, the DCC Senior Incentive Regime Manager, engages with the Performance Assurance team monthly around performance to discuss and challenge ahead of PAB updates. In addition, Ian Drummond, the DCC Director of Customer Relationship Management, has close visibility over Performance Charges as seen through previous presentations to PAB and ongoing discussions with Mark Loveday (RECCo).

PAB Members

- **NOTED** the contents of the update.
- **AGREED** with the Code Manager's approach to take this forward as a REC Change in readiness for April 2025.

5. RISK REGISTER AND 2024/25 PAOP 1ST DRAFT APPROVAL

PAB Members were provided an update on the Code Manager's review of the current Risk Register and proposed updates to the document. The REC Retail Risk Register sets out the key areas of focus for the PAB, both relating to consumer outcomes and market effectiveness. To support achievement of the objectives of the Code, the Code Manager proposed some changes to allow Performance Assurance to focus on addressing assurance over more strategic and systemic risks, with reducing focus on process compliance. The PAB discussed the lack of clear outcomes identified in the majority of areas, and the need to develop in this area to enable better prioritisation of changes, benefits realisation and assurance.

The Code Manager led a workshop-style ideation session to gain the PAB Members' views on performance over the past year, and their review on the PAB priorities for the next 12 months. The purpose was to provide PAB Members the ability to adjust plans and input into documents, such as the Performance Assurance Operating Plan. The ideation session covered the key areas listed below, with PAB Members considering key activities and achievements in each area, ongoing concerns and potential 2024/25 priorities:

- Consumer Outcomes
- Effective Retail Market Operations
- Innovation and Change

PAB Members:

- **NOTED** the contents of the update.
- **CONSIDERED** progress to date, ongoing concerns, and future priorities for performance assurance.

(AWi, AWe, JN and LB left the meeting)

6. PARTY AND SERVICE PROVIDER ASSURANCE

The PAB was provided with a monthly update on Party and Service Provider Assurance activity, including Annual Rating Criteria and Data Cleanse Sprint 2 mid review.

The Code Manager informed the PAB that in line with the decisions from May PAB, Maxen Power was meant to provide a performance update to the PAB in relation to various areas that have been monitored. The Code Manager confirmed that they have been in discussions with the Party and OAM, but following the Ofgem provisional order, Maxen Power are currently in the middle of a full independent audit of their processes. The Party will share the outcomes and findings of the audit with the Code Manager shortly and on that basis the Code Manager has deferred the presentation to next month so that a fuller update can be provided.

The Code Manager highlighted that feedback has been considered from April PAB and RIG to develop its approach for the Annual Ratings for 2023-2024. The Code Manager will share with REC Parties in advance so they see the annual rating as robust, appropriate and something they have had input into. The Code Manager shared the proposed criteria to be applied to performance data for the year 01 April 2023 until 31 March 2024 to determine Energy Suppliers' Annual Ratings. The Code Manager highlighted that in line with previous years, the Annual Rating will be made up of multiple categories, with the most significant performance category driving the overall rating. The Code Manager has already held a PA webinar which covered Annual Ratings, further briefings and explanatory guidance will be provided, and Annual Ratings will be discussed during the upcoming PA Checkins.

For the Data Cleanse sprints, the Code Manager highlighted that to make it easier for Parties to understand the approach to each data cleanse report, Parties have been categorised into three groups. PAB Members were informed of the methodology for data cleanse and how the Code Manager will track specified metrics with different approaches based on the assessment of risk relating to the data items. The Code Manager confirmed that any changes to this grouping would be agreed with the PAB.

PAB Members:

- **NOTED** the key updates on Market and Party performance since last month.

- **NOTED** the data review and reporting based on the data received by 1 June 2024.
- **NOTED** the status of Party data submission.
- **NOTED** the approach to Data Cleanse Sprint 2 mid-review.
- **APPROVED** the proposed Annual Rating Criteria.

7. MHHS QUALIFICATION

The Code Manager conveyed the update received from MHHS Programme on the following actions due this month – RECPAB_24_0528_01 and RECPAB_24_0528_02. MHHS Programme provided an update on the status of the MHHS Change Request (CR44 and CR45) which are expected to help manage the risks to the programme. The Programme informed PAB that this is the current MHHS baseline, so it is not undertaking an Impact Assessment of not having these CRs in place. Both actions from May have been closed, however, PAB has determined to keep the action (RECPAB_24_0227_01) open until MHHS Programme can demonstrate the steps it is taking to mitigate risks introduced by MHHS Design on REC arrangements. PAB has recorded a risk (R829) within the MHHS Programme RAID log that MHHS Design removes processes to fix data misalignment within the Registration Service and the Central Switching Service. This can have significant impact on downstream REC processes. PAB has also raised actions for the REC representative at the MHHS Programme Steering Group (PSG) and the BSC representative in relation to this. These are recorded below as RECPAB_24_0625_01 and RECPAB_24_0625_02.

The Code Manager provided an update to PAB Members on MHHS Qualification including the items for decision.

PAB Members:

- **NOTED** the update on MHHS Programme Change Request (CR) 44 and 45, and the further actions required to manage the associated risk to REC arrangements.
- **NOTED** the update on the current status of the Qualification Testing Wave Allocation.
- **APPROVED** the principles for exemptions from Smart Market Segment requirements for MHHS Qualification, based on the recommendations made by the joint Performance Assurance Board (PAB) working group comprising of representatives from the REC PAB and BSC PAB.
- **APPROVED** the updates to the REC Assessment Criteria for MHHS Qualification to include Operational Testing requirements.
- **APPROVED** the approach for checking Party readiness to implement changes required under the REC, including Supply Number and DTN changes, in time for MHHS cutover.

RECPAB_24_0625_01 – The REC PAB require the REC representative at the MHHS Programme Steering Group (PSG) to raise the following on behalf of REC PAB:

Where MHHS arrangements go live without a process to correct data misalignment between the Central Switching Service (CSS) and the Registration Services, there is significant risk to REC arrangements as flagged to the Programme in R829. The REC PAB therefore require the MHHS Change Requests (CR) 44 and 45, or alternative provisions, to be implemented to ensure data misalignment can be corrected and avoid downstream issues on the REC arrangements.

RECPAB_24_0625_02 – The REC PAB request the BSC representative to raise the following matter at the BSC PAB meeting on 03 July 2024:

Where MHHS arrangements go live without a process to correct data misalignment between the Central Switching Service (CSS) and the Registration Services, there is significant risk to REC arrangements, as flagged to the programme in R829 by the REC PAB. The MHHS design removes processes currently in use to keep data within Registration Services aligned with CSS. Within the MHHS arrangements, there is greater reliance on registration services holding the correct information as it is responsible for processing agent appointments in a timely manner. Therefore, having processes to fix data alignment issues becomes more significant. As this also introduces risk to settlement, REC PAB would like to understand how BSC PAB are managing the associated risk, so it can consider any opportunities for a joint approach.

(SA left the meeting)

8. DATA ACCESS REQUEST

(HL, EH, LM joined the meeting)

PAB was presented with a Data Access Approval request for Housing Associations. PAB determines access requests because the PAB is responsible for specifying REC Party, Non-Party REC Service User and REC Service Provider information security and data protection requirements under the REC.

A PAB Member asked how these organisations were enabled to see their own data but prevented from seeing data on other organisations. There was a discussion on how this was implemented for non-domestic customers, who have some similarities. The Code Manager clarified that at the point of request the Energy Supplier is asked to confirm the MPxNs are associated with that customer, although there was some uncertainty if this validation was applied to all types of requests, and consistently across energy and gas. The updates to the Gas Data Access Matrix were approved, but the PAB requested clarity on the validation in place over these access requests and a briefing paper will be provided (**RECPAB_24_0625_03**).

PAB Members:

- **NOTED** the contents of the update.
- **APPROVED** the proposed alterations to the Gas Data Access Matrix, subject to updates on the validation of access.
- **APPROVED** the implementation date of 19 July 2024.

(HL, EH, LM left the meeting)

RECPAB_24_0625_03 – The Code Manager to provide an overview to the PAB on the validation in place over access requests from Housing Associations and similar organisations.

9. PAB FORWARD PLAN

The PAB discussed and agreed the forward plan.

10. AOB

The Code Manager highlighted that at a previous PAB meeting a data access request was approved for the Department of Education to have a quarterly report for gas data items within their school's portfolio. This is to enable the Department to support schools saving money through energy reduction and efficiency. This has been brought back to PAB as some data items would be more appropriate and therefore require the Data Access Matrix to be updated, for example, Meter Type which was originally provided would be replaced by Meter Mechanism Code. PAB Members approved this update to the request and the Code Manager confirmed that a Category 3 change form will be raised and circulated with PAB Members.

The PAB discussed the progress of TPI Accreditation and the associated Code changes, agreeing it would be beneficial for a detailed update to be scheduled for a future PAB meeting covering the changes and additional responsibilities this could mean for the PAB.

11. NEXT MEETING DATE

The next meeting of the PAB will be held via Teams on 30 July 2024.