RETAIL ENERGY CODE

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CHANGE PROPOSAL PLAN

R0147 – PREPAYMENT LEVELISATION

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RESPONSIBLE COMMITTEE	CHANGE PANEL	CHANGE PATH	AUTHORITY DETERMINED

DEADLINE FOR ALTERNATIVE CHANGE PROPOSALS	14/11/2023

LEAD CHANGE ANALYST



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CHANGE OVERVIEW

This Change Proposal seeks to introduce the necessary governance and charging arrangements into the Retail Energy Code, to reconcile the impact on Domestic Energy Suppliers of levelling the cost of standing charges to Domestic Consumers paying by means of a Prepayment Meter with those paying by Direct Debit.

This proposal is being raised on a contingent basis pending the decision of the Authority on whether to modify the standard conditions of the Gas and Electricity Supply Licences to levelise standing charges. That decision is expected in January 2024. This Change Proposal is being progressed in anticipation of the reconciliation of levelisation costs being administered by the Retail Energy Code Company.

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KEY MILESTONES

	FROM	TO
SOLUTION DEVELOPMENT COMPLETED	In progress	12/10/2023
IMPACT ASSESSMENT PERIOD	13/10/2023	08/11/2023
PRELIMINARY CHANGE REPORT ISSUED	14/11/2023	14/11/2023
RESPONSIBLE COMMITTEE REVIEW	21/11/2023	21/11/2023
CONSULTATION	22/11/2023	13/12/2023
FINAL CHANGE REPORT ISSUED	20/12/2023	20/12/2023
RESPONSIBLE COMMITTEE DECISION	16/01/2024	16/01/2024
AUTHORITY DETERMINATION REQUESTED	17/01/2024	17/01/2024

1 SCOPE

1.1 IN SCOPE

This document details the plan for the impact assessment and consultation for this Change Proposal following the completion of the solution development by RECCo. The change has been identified as an 'Urgent' change with a 'critical' priority and the plan has been developed with this in mind.

1.2 OUT OF SCOPE

The activities and consultations required for the development of the policy for prepayment levelisation, licence condition modifications and methodology for the calculation of standing charges and adjustments are out of scope of this plan as they are the responsibility of Ofgem.

2 REQUIRED ACTIVITIES AND STAKEHOLDER ENGAGEMENT

2.1 CROSS CODE ENGAGEMENT

No cross-code impacts are envisaged.

2.2 SOLUTION DEVELOPMENT

The Change Proposal has been raised with a draft solution expected to be provided by RECCo at a similar time to the publication of this Initial Assessment Report and the Change Proposal Plan. The RECCo project team will confirm requirements, roles and responsibilities of Service Providers and agree the proposed solution design. The confirmed proposed solution will be provided following an industry workshop hosted by RECCo on 10 October 2023.

2.3 IMPACT ASSESSMENT

The plan allows for 15 Working Day impact assessments to be requested from the Code Manager Service Providers and Energy Suppliers. Both impact assessments will be triggered on 13 October 2023.

2.4 PRELIMINARY CHANGE REPORT DEVELOPMENT AND CONSULTATION

A Preliminary Assessment will be carried out following the impact assessment period. This will consider the IA responses and support the development of the case for change and Code Manager's recommendation. The Code Manager will work with RECCo project team to refine the solution where appropriate.

The Preliminary Change Report will be published on 14 November 2023. This will be reviewed by the Change Panel before being issued for a 15 Working Day industry consultation, that will be issued on 22 November 2023 to align with the Ofgem timetable for the Statutory Consultation on the licence condition modifications.

2.5 FINAL CHANGE REPORT

A Final Assessment will be carried out to review the consultation responses and identify impacts affecting the Change Report and the Code Manager's Recommendation. The Final Change Report will be published on 20 December 2023 for a recommendation to be made to the Authority by 16 January 2024.

2.6 RAID

2.6.1 RISKS AND ISSUES

REF.	RISK	NOTES	MITIGATION
R0147.CPP.R001	Milestones in this change plan could not be met due to the expedited nature of the plan	Milestones have been planned to support the urgency of this change and the Ofgem timetable. There is therefore, little contingency in the plan for unforeseen activities	The Code Manager and RECCo will resource appropriately to reflect the criticality and urgency of the Change Proposal
R0147.CPP.R002	REC Change Proposal is not approved by Change Panel		Continued engagement with relevant stakeholders during the development and referral of the CP

R0147.CPP.R003	Solution requirements are not confirmed by Ofgem, and may need to be adjusted following impact assessment		RECCo engaging with Ofgem to confirm requirements and agree approach for changes required

No issues have been identified that may impact the progression of this Change Proposal Plan.

2.6.2 ASSUMPTIONS AND DEPENDENCIES

REF.	ASSUMPTION	NOTES	HOW/WHEN TO VALIDATE
R0147.CPP.A001	The proposed solution for this Change Proposal is being led and developed by RECCo	RECCo is engaging with the Code Manager and industry as part of the development of the proposed solution	Closed – engagement has started, an industry workshop is scheduled for 10 October 2023
R0147.CPP.A002	The procurement of the IT solution will be managed by RECCo independently of this plan		Closed – confirmed by RECCo during initial assessment
R0147.CPP.A003	Accurate portfolio information will be available from Suppliers		Open – to be validated through impact assessment

REF.	DEPENDENCY	NOTES	STATUS
R0147.CPP.D001	The proposed solution will need to be provided to the Code Manager by 12 October 2023 in order to meet timetable set out in this plan	If the proposed solution is not available the impact assessments cannot be triggered, which will have a direct impact on the remainder of the plan.	Open

R0147.CPP.D002	RECCO and the Code Manager will need to prioritise resource against this plan in order to meet the required decision and implementation date.	If the Change Proposal does not follow the required timetable, alignment with the statutory consultation on the licence condition modifications and decision dates.	Open
R0147.CPP.D003	RECCo to procure and provide the IT solution ahead of the start of the new scheme on 01 April 2024.		Open