RETAIL ENERGY CODE

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REC CHANGE PANEL MEETING
MEETING MINUTES

MEETING	**RECCP_25_0506**
DATE	**06 May 2025, 13:00**
LOCATION	**By teleconference**

Attendee	Representing	Initials	Role
Lindsay Biginton	Retail Energy Code Company	LB	Chair
Ben Atkinson	Domestic Suppliers	BA	Committee Member
Dan Tarasco-Fittock	Non-Domestic Suppliers	DTF	Committee Member
Alex Travell	Electricity Networks	AT	Committee Member
Andy Clasper	Gas Networks	AC	Committee Member
Sebastian Eyre	Independent SME	SE	Committee Member
Lynne Fallon	Independent SME	LF	Committee Member
Paul Gath	Independent SME	PG	Committee Member
Faye Brookes Lewis	Consumers	FB	Committee Member
Cristina Ullastre	Ofgem	CU	Committee Member
Lorna Mallon	Code Manager	LM	Subject Matter Expert
Caroline Mettam	Code Manager	CM	REC Technical Services
Paul Witton-Dauris	Code Manager	PW	Head of Change
Florentina Monea	Code Manager	FM	Change Analyst
James Hardy	Code Manager	JH	Change Analyst
Holly Law	Code Manager	HL	Change Delivery Manager
Mica Thomas	Code Manager	MT	Change Analyst
James Rees	Code Manager	JR	Secretariat

1 INTRODUCTIONS

The Chair welcomed attendees to the meeting of the REC Change Panel (RECCP). The Chair informed Members apologies were received from Dave Wright, who will no longer be attending RECCP as a MEM representative, due the withdrawal of sponsorship from the AMO.

2 CONFIRMATION OF AGENDA

The Chair invited any additional items of business for consideration during the meeting; one additional item of business was raised.

3 APPROVAL OF PREVIOUS MINUTES

RECCP Members unanimously approved the draft minutes from the previous meeting held on 16 April 2025. The approved minutes will be published as 'final' and made available via the Portal no later than 07 May 2025.

4 ACTIONS LOG

JR provided Members with an overview of the Actions Log:

RECCP_25_0401_07_02 – The Code Manager to look at the timings potentially involved in discussing R0241 and send Members a placeholder for when the meeting can take place - Closed

JR informed Members an invite was sent to Members for an extraordinary RECCP Meeting to take place on Tuesday 08 July 13:00-15:00. JR advised this meeting will be discussing any RECCP requirements for R0241.

RECCP Members agreed this action can be closed.

5 I0213 – CREATION OF A MECHANISM TO ALLOW THIRD-PARTIES TO REPORT OBJECTION ACTIVITY

As the Lead Analyst for I0213, JH provided an overview of the Issue.

JH informed Members that under the REC, an Objection means a request from the losing Supplier to block a Switch Request for reasons permitted under the relevant Energy Supply Licence. JH advised common reasons for Objections may include outstanding debt from the Consumer, an on-going fixed term contract and wider contract terms, or an Objection following an Erroneous Switch.

JH informed Members Objections must only be requested if they are in line with the reasons permitted under the relevant Energy Supply Licence, and in accordance with obligations provided in the REC. JH noted Objection activity that is not in accordance with an Energy Supply Licence can have negative impacts on Market Participants, in particular Consumers. JH explained that REC Parties are currently able to raise the matter of non-compliant Objection activity by an Energy Supplier with the Code Manager. JH highlighted there is currently not a method for Third-Parties, who may be involved in the Switching process, to report non-compliant Objection activity.

JH informed Members that I0213 has been raised with a suggestion that the Code Manager should consider accepting notice and evidence from qualifying non-industry Parties, including Third-Party Intermediaries. JH explained a possible solution for this may include a new submission form, or page on the REC portal, which would allow Third-Parties to submit evidence of non-compliant Objection activity. JH confirmed that this solution option had been discussed with the Change Issues Group who expressed their desire for the most simple and cost-effective solution.

DTF asked if a report was made and after investigation, the Code Manager agreed action was required, would there be a Performance Assurance approach taken on the Supplier. JH advised after speaking to the Proposer, a Performance Assurance approach would be their preferred solution, however this will

form part of the impact assessment, and Parties will be able to raise what their expectations would be from the reports. JH mentioned Performance Assurance around Objection activity already exists, meaning this one could be linked into it.

JH provided Members with an overview of the milestones within the Proposal Plan:

Milestone	Activity	From	To
Definition		**03 Mar-25**	**31 July-25**
	Solution Analysis	March	April
	Impact Assessment	May	May
	Solution Development	June	July
Change Proposal		**01 Aug-25**	**06 Oct-25**
	Business Case Assessment	August	August
	Consultation	August	September
	Final Determination	September	September
Voting		**07 Oct-25**	**07-Oct-25**
	Appeal Window	08 October	22 October

RECCP Members noted the contents of the Proposal Plan and:

- **AGREED** to approve the Proposal Plan for I0213.

6 R0225 – CLARIFICATION ON TDIS PORTFOLIO TRANSFERS ON SALE

As the Lead Analyst for R0225, FM provided an overview of the Change.

FM informed Members that the Theft Detection Incentive Scheme (TDIS) exists to incentivise Energy Suppliers to resolve Energy Theft. FM advised Section 3.8 of Annex 3 of Schedule 7 – Energy Theft Reduction, sets out actions the Code Manager should take where one Supplier takes over the supply contracts of another.

FM informed Members that prior to setting these actions out, the Code states 'if, following the date of the market share figures on which the Theft targets were calculated but before the end of the TDIS reporting year, an Energy Supplier purchases all (or substantially all) of an Energy Suppliers supply contacts, then the Code Manager..' FM explained the term 'substantially all' in this section requires clarity or additional explanation to allow consistent understanding across all REC Parties.

FM informed Members Schedule 7 – Energy Theft Reduction currently has wording on the transfer of theft targets on portfolio sale, however which sales would qualify as ambiguous. FM noted there have been multiple instances of Parties requesting this transfer in cases where the legal advice is that this would not apply.

FM informed Members the Code Manager legal counsel was consulted on the meaning of 'substantially all' and currently there is no definitive meaning of the phrase. FM highlighted as this Change Proposal is only adding clarity around the instances when the Energy Theft Targets are being transferred between Suppliers from a portfolio sale, the Code Manager did not conduct a Party impact assessment. FM advised that on 07 March 2025, the Code Manager conducted an industry consultation until 28 March 2025. FM advised only one response was received.

FM noted that the respondent welcomed the proposal to provide clarity and a consistent approach for transferring TDIS market shares between Parties following a portfolio sale, as the phrase 'substantially all' could cause inconsistencies in determining the legal import or meaning in the context of what the Schedule aims to achieve.

FM advised that one amendment to the proposed legal drafting was made based on the response received to consultation to allow consistency around the Code.

FM provided Members with an overview of the milestones within the Proposal Plan and advised they would be voting to approve the proposed change solution, proposed implementation approach and proposed implementation date of 27 June 2025.

Milestone	Activity	From	To
Definition		**14-Jan-25**	**25-Feb-25**
	Solution Development	**Completed**	**Completed**
Change Proposal		**25-Feb-25**	**29-Apr-25**
	Business Case Assessment	**Completed**	**Completed**
	Consultation	**Completed**	**Completed**
	Final Determination	May	May
Voting		**06-May-25**	**06-May-25**
	Appeal Window	May	May

RECCP Members noted the contents of the Change Report and:

- **AGREED** unanimously to approve the proposed change solution:
- **AGREED** unanimously to approve the proposed implementation approach; and
- **AGREED** unanimously to approve the proposed implementation date of 27 June 2025

7 R0233 – INTRODUCTION OF AN ENERGY THEFT UNIT (ETU) UNDER THE REC

As the Lead Analyst for R0233, FM provided Members with an overview of the Change.

FM informed Members that whilst there are existing measures under the REC, such as the Energy Theft Tip-Off Service (ETTOS) and the Theft Detection Incentive Scheme (TDIS) which seek to provide information on likely instances of Energy Theft and the incentives to investigate them, there are currently insufficient enforcement mechanisms and coordination with law enforcement agencies. FM noted that Energy Theft is a criminal offence, however perpetrators are rarely prosecuted. FM advised while this is in part due to limited police engagement, anecdotal feedback suggests that some Energy Suppliers are also concerned about potential reputational damage of pursuing cases.

FM informed Members this proposal seeks to introduce a new Energy Theft Unit (ETU) under the REC, which will be provisioned by the City of London Police and will be introduced under Schedule 7 – Energy Theft Reduction. FM explained the aim of the Unit will be to mitigate safety risks, financial loses and the operational impacts of Energy Theft. FM noted the minimum commitment to the ETU is for an initial period of three years, which allow a full end to end process to take place.

FM informed Members that in addition to the ETU, there is a parallel Change Proposal looking to establish an Energy Theft Referral Assessment Service (RAS) under the REC. FM noted this Change Proposal is R0234 – Introduction of an Energy Theft Referral Assessment Service under the REC. FM highlighted the RAS will play a crucial role in supporting a dedicated Police team tackling Energy Theft, by acting as the initial filter and coordinator of cases, ensuring only high quality, actionable intelligence reaches the Police Unit.

FM informed Members this proposal was initially outlined in RECCo's Outlined Business Case, and during November-December 2024, RECCo conducted a Consultation with Industry on the proposal, therefore, the Code Manager determined a Party Impact Assessment was not necessary. FM explained the Consultation for R0233 was circulated on 19 March 2025. In total 7 responses were received from 5 Energy Suppliers and 2 Distributor Network Operators.

FM provided an overview of the responses received to the Consultation, where the majority of respondents agreed with the proposed solution, with some additional clarifications and points being raised.

FM highlighted one respondent noted that in their experience, Energy Theft cases are more prevalent in Domestic Premises, rather than Non-Domestic Premises. However, as outlined in the solution section of the Change Report, this perception is not supported by the data available via the operation of the TDIS.

FM highlighted that a respondent noted a request for further clarity around resourcing and staffing of the ETU. FM advised this is an operational detail which will be confirmed in discussions with the City of London Police, the progression of which is itself dependent upon timely progression and acceptance of this Change Proposal. RECCo will update stakeholders at an appropriate point, but these operational details do not form part of the proposal.

FM highlighted one respondent requested more precise costings to Energy Suppliers and Networks. FM advised the detailed cost breakdown for the mobilisation period and three-year operational commitment was detailed in the Original Business Case and in the RECCO budget, both of which have been through industry consultation.

FM noted one respondent suggested that the current trial of three years could be reduced to an initial term of 12 months. FM advised the initial three-year commitment was determined through preliminary discussions with the City of London Police. This duration was taken to ensure sufficient security for recruiting members for the proposed term and to allow a reasonable period for pursuing investigations and, where appropriate, see these cases through to prosecution.

FM informed Members one respondent welcomed further input into the development of the working practices expected to be adopted by the ETU, the respondent considered the current scope of the proposal to be of benefit to a proportion of REC Pparties, rather than all. FM highlighted, as noted in the Change Report, the cost of Energy Theft is currently socialised across all Consumers, therefore, all Consumers would benefit from each case of theft that is detected, investigated and prosecuted irrespective of who the registered Energy Supplier is, or in which sector.

FM provided Members with an overview of the milestones within the Proposal Plan and advised they would be voting to approve the proposed change solution, proposed implementation approach and proposed implementation date of 27 June 2025.

Milestone	Activity	From	To
Definition		**13 Jan-25**	**28 Feb-25**
	Legal Review	**Complete**	**Complete**
Change Proposal		**28 Feb-25**	**06 May-25**

	Business Case Assessment	**Complete**	**Complete**
	Consultation	**Complete**	**Complete**
	Solution Refinement	**Complete**	**Complete**
	Final Determination	May	May
Voting		**06 May-25**	**06 May-25**
	Issued for Authority Decision	**07 May-25**	**07 May-25**

RECCP Members noted the contents of the Change Report and:

- **AGREED** unanimously to approve the proposed change solution:
- **AGREED** unanimously to approve the proposed implementation approach; and
- **AGREED** unanimously to approve the proposed implementation date of 27 June 2025

8 QUARTERLY UPDATE ON ISSUES

HL informed Members that 50 issues have been raised since the improvements following the Code Manager review in June 2024. HL advised 12 are at the Initial Assessment stage, 13 are at Solution Development, 10 are out for Service Provider or Party Impact Assessment, 6 have progressed to CP's, 5 have been rejected or withdrawn and 4 are currently on hold.

HL provided Members with the Issues that are currently at the initial assessment stage. HL explained these Issues have recently been raised and will be assigned to an analyst or have been assigned to an analyst and are going through an initial assessment. The activities include confirming and validating the Issue, such as meeting with the Proposer and Service Provider, consolidated Code Manager assessments and preparation of Change Plans and Reports.

HL provided Members with the Issues that are currently at the Solution Development phase. HL explained these Issues are currently going through Solution Development activities, such as information requests, facilitating working groups, progressing issues through the Theft Issues Group (TIG), defining and development through the Change Issues Group (CHIG) and Technical Assessment.

HL provided Members with the Issues that are currently at the Impact Assessment stage, either a Service Provider or Party impact assessment. HL advised once they have gone through the impact assessment stage, they will be progressed to a Change Proposal. HL provided Members with the Issues that have progressed to a Change Proposal. HL noted I0194 – CSS Change to Allow Prevent of Registration by Market Segment was resolved without needing to be progressed to a Change Proposal, due to there being no impact on REC products.

HL informed Members that I0228 – ECOES API for Export MPAN Creation at Scale and I0231 – Shared Sites in Electricity Enquiry Service (EES) are currently on hold, as capacity is required from the Service Provider to conduct an impact assessment. HL advised I0174 – Mandating ETTOS Follow Up is currently on hold following the outcome of another Change Proposal that Ofgem need to respond to. HL highlighted I0190 – Related Meter Point RMP Status Rules is on hold due to the solution for I0191 – Introduction of SLA for Supplier De-Registration on Disconnected Meters should resolve I0190 too.

9 CHANGE PROPOSAL TRACKER

HL provided Members with a number of updates regarding REC Changes and Issues.

HL informed Members the Authority expect to be able to provide a decision on R0137/A – Introducing Third-Party Intermediary (energy broker) Assurance and Accreditation by 16 May 2025. HL advised if the Change Proposal is approved, the Code Manager will need to raise a change to update the dates inside the legal text. These currently state TPI accreditation opens 01 October 2025, and the obligation does not come into force for Energy Supplier until 01 April 2026 and will need amending to remain 6 months and 12 months from implementation. HL asked if RECCP would be happy for this to be progressed as a Housekeeping Change for inclusion in the June 2025 Release. Members raised no concerns on this and approved this approach.

HL informed Members R0215 – Schedule 30 Switch Meter Reading Problems – Rejections and Timings has progressed from an Issue to a Change, and the Consultation is now open. No changes have been made to the legal text between Impact Assessment and Consultation.

HL informed Members the Code Manager, as the Proposer has withdrawn I0214 – Multiple Switch Requests Increasing Objection Rate, as there are no adequate solution options and minimal Consumer detriment.

HL informed Members that the Code Manager has now raised I0254 – Non-Domestic Change of Occupier Reporting (R0155 Solution). This will now go through a period of assessment by the Code Manager, with a proposal plan being presented to the Change Panel in June.

10 ANY OTHER BUSINESS

10.1 EXTENSION TO PLAN AND SUB-COMMITTEES

HL informed Members that the Code Manager often presents a part Change Plan to RECCP that goes up until the end of the Definition stage. Where a Sub-Committee has been identified as the Responsible Committee, currently the Code Manager must take the Change Report for Consultation to that Committee, and an extension to plan to Change Panel, with the dates for the next process stages. HL advised having to take the extended plan to Change Panel is an extra step that the Code Manager thinks is unnecessary and causes delays.

HL informed Members the proposal is that in these scenarios, the Code Manager takes the extension to plan and the Change Report for Consultation to the responsible Sub-Committee, and they will have delegated authority to approve. HL highlighted if RECCP are in agreement, a change to Schedule 5 will be raised.

Members raised no concerns on this and approved this approach.

No additional business was discussed. The Chair closed the meeting.