RETAIL ENERGY CODE

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01	Proposal Plan
02	Impact Assessment
03	Consultation
04	**Final Recommendation**

CHANGE REPORT

R0249 - CORRECTION TO CHANGE MANAGEMENT SCHEDULE REGARDING SUB-COMMITTEE VOTING

DOCUMENT VERSION	V1.0
PROPOSED IMPLEMENTATION DATE	27 June 2025
IMPLEMENTATION APPROACH	Big Bang

RESPONSIBLE COMMITTEE	Change Panel	**CHANGE PATH**	Self-Governance
PRIORITY STATUS	Low	**URGENCY**	Standard
IMPACTED STAKEHOLDERS	REC Committees		

LEAD ANALYST (SOLUTION LEAD)	SUBJECT MATTER EXPERT
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OVERVIEW

Section 20.4 of Schedule 5 Change Management currently states "decisions of the relevant Responsible Sub-Committee shall be made by a majority vote". This is factually incorrect as the Metering Expert Panel is subject to different voting arrangements.

CODE MANAGER RECOMMENDATION

The Code Manager recommends that the REC Change Panel:

- **APPROVE** the proposed change solution;
- **APPROVE** the proposed implementation approach; and
- **APPROVE** the proposed implementation date of 27 June 2025.

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BACKGROUND

1 SUMMARY

The REC Legal advisors have identified a potential conflict within the Code, wherein section 20.4 of Schedule 5 Change Management currently states "decisions of the relevant responsible sub-committee shall be made by a majority vote".

This conflicts with the Metering Expert Panel (MEP) Terms of Reference, which has a caveat which requires “that a majority of votes in two of the three representative categories (Suppliers, Network Operators, Metering Equipment Managers) are in support of the majority position.” There are also bespoke voting arrangements in the MEP Terms of Reference for the Guidance for Service Termination Issues Reporting (STIRG) document.

This change removes the conflict, keeps the MEP Terms of Reference as they are and allows for different voting arrangements as and when required within the Code.

2 PROBLEM STATEMENT

As a Category 1 document, Schedule 5 Change Management takes precedent over Category 3 documents such as the Metering Expert Panel Terms of Reference. This change removes conflict identified within the REC.

3 IMPACTS

CONSUMERS
None

RECCO / REC CODE MANAGER
REC Committees

REC DOCUMENTS / PRODUCTS
Schedule 5 Change Management

MHHS DESIGN
No impact

MHHS DATA SPECIFICATION
No impact

MHHS CODE DRAFTING
No impact

4 CROSS-CODE IMPACTS

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

5 PROPOSAL PLAN

Milestone	Activity	From	To
Change Proposal		**06-Mar-25**	**02-Jun-25**
	Code Manager Initial Assessment	March	April
	Business Case Assessment	April	April
	Consultation	April	May
	Solution Refinement	May	May
	Final Determination	May	June
Voting		**03-Jun-25**	**03-Jun-25**
	Appeal Window	04-Jun-25	18-Jun-25

This has been accepted in by the Code Manager as a Change Proposal, as it came with a fully formed solution. The Code Manager considered progressing this as a Housekeeping Change Proposal but felt it was beneficial for this change to be consulted on by REC Parties.

As there are minimal impacts expected to Parties, the Code Manager proposed to move this Change Proposal straight to consultation. This was approved by the REC Change Panel.

6 STAKEHOLDER ENGAGEMENT

The Code Manager presented this feedback from the REC Legal advisors to the MEP on 12 February 2025, to gain their views on whether the most appropriate course of action was to amend Schedule 5 Change Management, or to amend the MEP Terms of Reference to be a simple majority.

Feedback from the MEP was that the Change Management Schedule should be amended due to the bespoke voting rules recently introduced for the STIRG document. The Code Manager agrees with this assessment.

7 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	1	7	7
		Legal and Regulatory Compliance	3	14	43
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)	93

Priority Status	LOW
Change Proposal Type	STANDARD

SOLUTION

8 PROPOSED SOLUTION

The proposed solution for this change is to amend section 20.4 of Schedule 5 Change Management from “decisions of the relevant Responsible Sub-Committee shall be made by a majority vote” to “decisions of the relevant Responsible Sub-Committee shall be made in accordance with the terms of reference of that committee”.

9 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0249 can be found here.

PRELIMINARY ASSESSMENT

10 SUMMARY OF IMPACT ASSESSMENT ACTIVITY

No Service Provider or Party impact assessment was conducted as part of this Change.

11 RISKS, ASSUMPTIONS, ISSUES AND DEPENDENCIES

No risks, assumptions, issues or dependencies has been identified as part of this Change.

12 BUSINESS CASE ASSESSMENT

12.1 COSTS

There are no anticipated costs associated with this Change.

12.2 BENEFITS

INTANGIBLE BENEFITS	BENEFITS DESCRIPTION
REMOVAL OF CONFLICT WITHIN THE REC	The removal of this conflict within the REC ensures there is no ambiguity or confusion when Responsible Sub-Committees are voting on Changes assigned to them.
MAINTAINS THE APPROPRIATE BESPOKE VOTING ARRANGEMENTS	Resolving the problem statement in this way, as opposed to amending the MEP Terms of Reference, maintains the appropriate bespoke voting arrangements used by the MEP. These are not only the representative categories established by the MEP Terms of Reference (paragraph 5.8), but also the more bespoke voting arrangements in place for the Guidance for Service Termination Issue Reporting document. This Change also allows for future bespoke or different voting arrangements for any new Responsible Sub-Committees introduced under the REC.

12.3 COST BENEFIT ANALYSIS

As there are no costs associated with this Change Proposal and two intangible benefits, the Code Manager believes there is a positive case for change.

13 CASE FOR CHANGE

The Code Manager considers there is a positive case for change for implementing this Change Proposal on the basis that the proposed solution:

- Is both viable and implementable, and effectively resolves the problem statement;
- Has no associated costs and has proportionate effort required for implementation;
- Maintains the appropriate bespoke voting arrangements used by the MEP; and
- Removes conflict within the Code.

14 SUMMARY OF CONSULTATION RESPONSES

A consultation was circulated on 24 April 2025 to obtain views on the Change Report (For Consultation). In total one response was received from a Distribution Network Operator (DNO). The key themes from this response have been summarised and set out below.

14.1 SUMMARY OF RESPONSES

The DNO was supportive of this Change Proposal being implemented.

14.2 COMMENTS ON THE SOLUTION AND PROPOSED LEGAL TEXT

The DNO confirmed they were comfortable with the proposed solution and provided no comments on the legal text.

14.3 CASE FOR CHANGE AND CODE MANAGER'S RECOMMENDATION

The DNO confirmed they agreed with the Code Manager's assessment of the costs and benefits for this Change Proposal. They confirmed they agreed with the Code Manager's assessment of the Change Path (Self-Governance approval by the REC Change Panel) and with the Code Manager's minded to position to recommend approval of this Change Proposal.

14.4 IMPLEMENTATION DATE AND APPROACH

The DNO confirmed they agreed with the Code Manager's proposed implementation approach (Big Bang) and date (27 June 2025).

15 SUMMARY OF AMENDMENTS MADE FOLLOWING CONSULTATION

No amendments have been made to the Change Proposal following consultation.

16 APPENDIX

CHANGE PROPOSAL	Link
LEGAL DRAFTING	Link
CONSOLIDATED CONSULTATION COMMENTS	Link

17 GLOSSARY

TERM	DEFINITION
Responsible Sub-Committee	is described in Paragraph 2.2 of the Change Management Schedule.
Housekeeping Change Proposal	is a Change Proposal which satisfies the requirements of Paragraph 28 of the Change Management Schedule.