RETAIL ENERGY CODE

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01	Proposal Plan
02	Impact Assessment
03	Consultation
04	Final Recommendation

CHANGE REPORT

I0278 – Establishing the Safe Isolation Provider (SIP) as a Standalone REC Metering Party

DOCUMENT VERSION	1.0
PROPOSED IMPLEMENTATION DATE	TBD
IMPLEMENTATION APPROACH	TBD

RESPONSIBLE COMMITTEE	METERING EXPERT PANEL	CHANGE PATH	SELF-GOVERNANCE
PRIORITY STATUS	HIGH	URGENCY	STANDARD
IMPACTED STAKEHOLDERS	SAFE ISOLATION PROVIDERS (SIPs), METERING EQUIPMENT MANAGERS (MEMs), ENERGY SUPPLIERS, DISTRIBUTION NETWORKS OPERATORS (DNOs)		

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OVERVIEW

This Issue seeks to formally recognise the SIP as a standalone REC Metering Party to align with Ofgem's Strategic Direction Statement, enabling easier access to certified SIPs, meeting market demand and ensuring safety standards.

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BACKGROUND

1 SUMMARY

The SIP role was introduced into the REC in June 2023 via Change Proposals R0021[1] and R0101[2] and was designed to:

- Streamline the De-energisation and re-energisation of supply points;
- Allow REC-accredited Metering Equipment Managers (MEMs), that are Meter Operator Agents (MOAs) or Electricity Metering Operatives (EMOs) to perform these tasks independently of Supplier; and
- Support the rollout of Low and Zero Carbon Technologies (LZCTs) such as heat pumps and Electric Vehicle (EV) chargers by reducing delays and coordination issues.

Currently, SIP is an additional role layered onto existing MEM's Accreditations. However, this structure has proven insufficient to meet market demand and ensure consistent safety standards.

To align with Ofgem's Strategic Direction Statement[3], RECCo recommends the formal recognition of the SIP as a standalone Party under the REC. Ofgem's Strategic Direction Statement explicitly calls for the establishment of the SIP as a standalone Party role. Formally recognising SIPs as a standalone Party would enable easier access to certified SIPs. It would also aim to:

- Address the growing scale of unregulated SIP activity;
- Mitigate associated Consumer safety risks;
- Enhance Consumer protection;
- Accelerate low-carbon technology deployment;
- Improve operational efficiency across the Energy sector; and
- Ensure the metering industry is equipped to support the UK's Net Zero ambitions.

During recent meetings, the Code Manager was informed by the Association of Meter Operators (AMO), the National Association of Professional Inspectors and Testers (NAPIT), the Department for Energy Security and Net Zero (DESNZ), and several DNOs and MEMs that a substantial amount of isolation work is occurring outside of established governance frameworks. While many of the electricians and organisations involved hold the necessary technical qualifications, they lack the operational structures required to become accredited SIPs, as they are not Qualified MEMs.

Key indicators of the scale of unregulated activity so far include:

- Bottlenecks in LZCT deployment due to limited SIP availability;
- Evidence of non-acceded installers conducting isolation work, particularly in the EV and heat pump sectors;

[1] R0021 – Allowing REC accredited MEMs to de-energise and re-energise supply points independent of the Supplier
[2] R0101 – Revision of the Implementation Date and approved solution for R0021
[3] Ofgem's Preliminary Strategic Direction Statement 2025/2026

- Delays in fuse upgrades and isolation tasks when independent installers cannot access SIP status.

These don't seem to be the only unregulated activities currently taking place. Efforts to quantify this issue are ongoing, including engagement with other industry bodies to access central data.

The demand for SIP is expected to grow substantially over the next decade, driven by the UK's Net Zero targets and the rapid expansion of LZCTs such as heat pumps and EV charge points. This growth will place increasing pressure on the availability of Qualified SIPs to support safe and timely installations.

Key indicators of future demand include:

- Heat pump deployment: the Heat Pump Association[4] projects over 600,000 installations annually by 2028, rising to 1 million per year by 2035. Each installation typically requires Safe Isolation Provider Work;
- Retrofit complexity[5]: a significant proportion of installations will occur in existing housing stock, where electrical upgrades and isolations are more complex and frequent;
- Workforce gap: current SIP capacity is insufficient to meet the projected demand. Based on modelling from the Seventh Carbon Budget[6] and concerns expressed by industry feedback, SIP demand could increase fivefold by 2030;
- Policy drivers: the Future Homes and Buildings Standard (2025)[7] and other decarbonisation policies will accelerate the rollout of LZCTs, further increasing the need for regulated SIPs; and
- Installer access: independent installers and small and medium enterprises will require direct access to SIP status to meet Consumer demand and avoid delays caused by reliance on supplier-led models.

Without reform, the current SIP framework risks becoming a bottleneck in the UK's Energy transition. Establishing SIPs as a standalone REC Metering Party will help ensure the industry is equipped to meet this growing demand safely and efficiently.

2 PROBLEM STATEMENT

The current SIP framework poses several risks:

- Consumers, MEMs and unaccredited practitioners' safety. Unaccredited and unregulated isolation work increases the risk of unsafe installations and potential harm to Consumers. NAPIT highlighted to RECCo and DESNZ that 17 and 13 unregulated practitioners respectively died in 2023 and in 2024 due to unsafe isolation. With the right Party undertaking this work, there would also be less safety issues for the Consumer at their premises;

[4] The Heat Pump Association - Projecting the Future Domestic Heat Pump Workforce November 2024
[5] The Chartered Institute of Buildings – Energy Security and Net Zero Committee August 2023
[6] Climate Change Committee – The Seventh Carbon Budget, Section 1. Electricity
[7] House of Commons Library – Environmental standards for new housing September 2024

- Inequity. Independent Installers face longer wait times compared to supplier-led installations, creating a two-tier system;
- Low competitive market. Currently prospective Parties can be put off from applying to be a SIP as it appears they would need full MEM Accreditation which is often too far outside their current business operating model. Providing SIPs with their own pathway and requirements could result in more Parties becoming SIPs and therefore giving Consumers more choice in their provider; and
- Decarbonisation delays. The inability to scale SIP capacity undermines the timely deployment of LZCTs, threatening Net Zero targets.

3 IMPACTS

CONSUMERS
Electricity

REC SERVICE PROVIDERS
N/A

RECCO / REC CODE MANAGER
REC Performance Assurance

REC PARTIES AND SERVICE USERS
SIPs
MEMs
Energy Suppliers
DNOs

REC DOCUMENTS / PRODUCTS
Main Body
Schedule 1 – Interpretations and Definitions Schedule
Schedule 3 – Accession Agreement
Schedule 6 – Performance Assurance
Schedule 9 – Qualification and Maintenance
Schedule 14 – Metering Operations
Schedule 15 – Metering Accreditation
Consolidated Metering Code of Practice (CoMCoP)

MHHS
There is no impact on MHHS and no reliance on Data Integration Platform (DIP) interfaces or dependency on Market Segmentation (i.e. Smart/Advanced) should the SIP activities remain independent of MOA activities. This should be validated during the solution development.

4 CROSS-CODE IMPACTS

The Distribution Code Use of System Agreement (DCUSA) will not be impacted, however a number of guidance documents and articles on the DCUSA website may need updating to reflect the REC change.

This will need to be discussed at the Cross Code Steering Group (CCSG).

5 PROPOSAL PLAN

Milestone	Activity	From	To
Definition		**01 Oct-25**	**31 Jan-26**
	Solution Analysis	October	December
	Engagement with the Responsible Committee	October	December
	Solution Development	October	January
	Legal Drafting	October	January
	Update to the Responsible Committee	January	January

This Proposal Plan submitted to REC Change Panel only covers parts of the Definition milestone as the Code Manager plans to fully assess and scope the size of the problem being addressed under I0278.

6 STAKEHOLDER ENGAGEMENT

The Code Manager is utilising the REC Metering Expert Panel in their role as a critical friend to gather feedback from REC Parties. This is to ensure that several discussion points can be taken into consideration, such as whether there should be different SIP categories for doing the physical work and sending flows or whether a third Party should be used to send flows; how to best communicate on the transition period for current SIP Qualified Parties who may want to change their Accreditation to the new one; how to ensure the impact on the audit would be minimal and how to ensure there is enough resource for the Accreditation should there be a high volume of Parties wanting to become SIPs.

Throughout the progression of this Issue, the Code Manager is also planning to engage with:

- The REC Performance Assurance Board to ensure they have a full understanding of the resulting impact on the Market Entry process, the required level of assurance, and the most effective approach for communicating anticipated requirements to applicants;
- The REC Change Issues Group (CHIG) to gather suggestions and feedback when developing the solution;
- The REC Operational Account Managers (OAMs) to provide them with detailed information on the SIP process for both prospective SIP Parties and current SIP Qualified Parties to avoid confusion; and

- DCUSA to ensure guidance documents and articles on the DCUSA website are updated accordingly to reflect the REC change.

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	1	27	27
	Retail Markets Impact	Innovation and Market Arrangements	2	17	33
	RECCo / REC Party / REC Service Provider Impact	Operational Effectiveness and Efficiencies	2	7	13
		Legal and Regulatory Compliance	2	14	28
Resource	Complexity / Effort / Duration		2	9	18
Strategic Alignment	Contribution to/ Alignment with the objectives of the REC		2	17	17
	Contribution to/ Alignment with RECCo's Forward Work Plan		2		17
Urgency *(The need to progress a change to meet a targeted date)*		Aligned to planned Code Roadmap activity	1	10	10
				Overall Priority Score (rounded)	163

Priority Status	HIGH
Change Proposal Type	STANDARD

This Issue was assigned a priority status of 'High' due to its priority scoring of 163.

SOLUTION

8 PROPOSED SOLUTION

The proposed solution is to create a standalone SIP Party category within the REC with the following features:

- Direct Accession Pathway. Allow Qualified individuals or organisations to accede to the REC as SIPs without requiring MEM status;
- Streamlined Accreditation. Introduce a simplified, centralised Qualification process (potentially via an umbrella Accreditation model) to reduce barriers of entry; and
- Clear Governance and Oversight. Establish robust compliance and assurance mechanisms to ensure safety and performance standards are upheld.

To ensure good governance, SIPs would need to be moved into the Auditable Party column of CoMCoP, rather than in the current Information column of the audit matrix. This is so SIPs are recognised as directly accountable for compliance with relevant standards. DCUSA will need to be updated accordingly. This revision is beneficial for:

- Metering Parties. It clarifies the delineation of responsibilities when SIPs are subcontracted or partnered, reducing ambiguity and improving audit readiness.
- Prospective SIPs. It establishes a clear and transparent compliance framework, supporting new entrants in understanding and meeting expectations from the outset.
- Auditors. It enables consistent, direct assessment of SIPs, improving audit efficiency and ensuring that safety-critical practices are being followed and evidenced.

This change would bring SIPs into alignment with other Metering Parties under CoMCoP, reinforcing safety, accountability, and Consumer protection, particularly as SIP activity scales to meet Net Zero delivery targets.

9 RISKS, ASSUMPTIONS, ISSUES AND DEPENDENCIES

9.1 RISKS AND ISSUES

No risks, assumptions, issues and dependencies have been identified by the Code Manager at this stage.

10 APPENDIX

CHANGE PROPOSAL	Link
RELATED CHANGES	I0270 – Clarification of SIP Qualification Requirements R0021 – Allowing REC accredited MEMs to de-energise and re-energise supply points independent of the Supplier R0101 – Revision of the Implementation Date and approved solution for R0021
ANY OTHER DOCUMENTS	Ofgem's Preliminary Strategic Direction Statement 2025/2026 The Heat Pump Association – Projecting the Future Domestic Heat Pump Workforce November 2024 The Chartered Institute of Buildings – Energy Security and Net Zero Committee August 2023 Climate Change Committee – The Seventh Carbon Budget, Section 1. Electricity House of Commons Library – Environmental standards for new housing September 2024 National Association of Professional Inspectors and Testers (NAPIT)

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11 GLOSSARY

TERM	DEFINITION
Cross Code Steering Group (CCSG)	means the group of that name described in Paragraph 3 of the Change Management Schedule.
Distribution Networks Operators (DNO)	means a person holding an Electricity Distribution Licence.
Electricity Metering Operative (EMO)	means a Party which is approved (or which is seeking approval) as such under the Metering Accreditation Schedule, being an entity which undertakes the installation, replacement, repair and maintenance of electricity Metering Equipment.
Energy Suppliers	means a person which is either or both an Electricity Supplier and/or a Gas Supplier.
Meter Operator Agent (MOA)	means a Party which has Qualified in that role under the Qualification and Maintenance Schedule. Where used in respect of a particular Metering Point, it means the MOA Appointed by an Electricity Supplier in accordance with the Metering Operations Schedule. The MOA is accountable for the installation, replacement, repair and maintenance of electricity Metering Equipment (either itself or by an EMO), and the MOA must also therefore be Accredited under the Metering Accreditation Schedule.
Metering Equipment Manager (MEM)	means, as applicable, either: (a) for electricity, a Meter Operator Agent (MOA); or (b) for gas, a Meter Asset Manager (MAM).
Safe Isolation Provider (SIP)	means a Meter Operator Agent which has been (and remains) accepted as a Safe Isolation Provider in accordance with paragraph 9 of the Metering Accreditation Schedule.