RETAIL ENERGY CODE

MEETING MINUTES

MEETING	**RECPAB_24_0430**
DATE	**30 April 2024, 10:00am**
LOCATION	**Virtual via Teams**

Attendee	Representing	Initials	Role
Jon Dixon	RECCo	JD	Committee Chair
Amy Crowe-Lamont	Code Manager	ACL	Committee Secretary
David Brown	MEM Representative	DBr	Committee Member
Dorcas Batstone	Independent PAB Member	DBa	Committee Member
Steve Arthur	Independent PAB Member	SA	Committee Member
Paul Everett	Supplier Representative	PE	Committee Member
Alice Williams	Consumer Representative	AWi	Committee Member
Paul Saker	Supplier Representative	PS	Alternate Committee Member
Tom Stuart	Gas Transporters	TS	Alternate Committee Member
Walter Carlton	Code Manager	WC	Performance Assurance Lead
Anton Moden	Code Manager	AM	Performance Assurance Lead
Vaishnavi Sharma	Code Manager	VS	Performance Assurance Manager
Nirav Vyas	Code Manager	NV	Performance Assurance - Data
Lakshna Murali	Code Manager	LMu	Performance Assurance
Andrew Waghorn	Code Manager	AWa	Performance Assurance Data & Analytics Lead
Shelley Rouse	Code Manager (OAM)	SR	Operational Account Manager
Elise Handy (*Attended for items 4,7,8,9,10)*	Code Manager (Change)	EH	Change Analyst
Eve Marriner (*Attended for items 7,8,9,10)*	Code Manager (Change)	EM	Principal Regulatory Consultant
Lorna Mallon *(Attended for items 7,8,9,10)*	Code Manager (Change)	LMa	Principal Regulatory Expert
Holly Law *(Attended for items 8,9,10)*	Code Manager (Change)	HL	Change Analyst

Attendee	Representing	Initials	Role
Anna Weeks *(Attended as an observer)*	RECCo	AWe	Senior Analyst, Operations
Aiyesha Andrade *(Attended for item 3)*	RECCo	AA	Senior Analyst, Operations
Pete Davies *(Attended for item 4)*	RECCo	PD	Director, Data, Technology and Transformation
Jonathon Hawkins *(Attended for item 9)*	RECCo	JH	Director of Operations Programmes
Bilal Ali *(Attended for items 2,9)*	DCC	BA	Head of Service Management
Robbie McMillan *(Attended for item 2)*	DCC	RM	Regulatory Business Partner
Cordelia Grey (*Attended for item 9)*	DCC	CG	Regulatory Business Partner

1. REVIEW OF OPEN ACTIONS AND APPROVAL OF DRAFT MINUTES

The Chair welcomed attendees to the meeting of the PAB. Apologies were given for Sally Hardman (with alternate Tom Stuart in attendance), Karen Lee (with alternate Paul Saker in attendance), Kat Higby (with no alternate in attendance), Fungai Madzivadondo (with alternate Jacqui Barton in attendance), and Anne Jackson (with no alternate in attendance).

In addition, the PAB Chair and PAB members would like to thank Andy Knowles for all his contributions to the Performance Assurance Board as he moves onto a different role and resigns as the Supplier Representative on the committee. The Code Manager is running the selection process for his replacement, with nominations closing on 10 May 2024.

After incidental drafting amendments processed by the Code Manager, the PAB unanimously APPROVED the minutes from the previous PAB meeting on 26 March 2024. Three actions (RECPAB_23_1128_07, RECPAB_23_1219_07, RECPAB_24_0227_03) were closed following a verbal update and information provided in the meeting papers.

2. R0063 SUMMARY AND ADDRESS MANAGEMENT UPDATE

BA and RM joined the meeting.

The DCC Representative provided a summary update for R0063. This included the underlying reasons behind delays to R0063, and what DCC is doing to manage the slippage and deliver by the new implementation date of 28 June 2024. The DCC team have been achieving the interim milestones and hold weekly sessions with senior level team members and the service provider to gain assurance and confidence over the service provider's progress. DCC added that they speak to REC Technical Services on a weekly basis confirming that they expect to report a green status throughout the project to go live.

A PAB member highlighted that DCC have enhanced support measures now which provides confidence for delivery on 28 June 2024, however, wanted to understand further which of the measures were not in place for the April release. DCC confirmed that the additional measure is the implementation of the senior level weekly updates both from DCC and the service provider, ensuring that the project is proceeding to plan. The PAB Chair confirmed that DCC have provided the management assertion to the Code Manager.

In line with the obligation placed on the Switching Operator (DCC) within paragraph 2.11 of the REC Address Management Schedule and, the DCC Representative provided a report stating how it has complied with the published Address Quality that covered the previous financial year. PAB Action RECPAB_24_0326_01 also required the Address Management plan to be brought to April PAB for information for PAB members.

A PAB Member welcomed the progress that had been recorded in the past year and noted that there had been some success with the help of consultants, however, highlighted that address management is still an issue which impacts the end-consumer.

Another PAB Member highlighted that within CSS there is the ability for Suppliers to manually update addresses. There is a concern that those manually updated addresses are not reflected within the DNO's database and so over time greater misalignment with the Meter Point Location addresses that the DNO holds. DCC confirmed that they will liaise within the CSS team to understand if there is anything that DCC can do to identify and differentiate between what is received via the manual workaround route.

PAB Members:

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

RECPAB_24_0430_01 – DCC to provide an update on if they are able to identify any differences between what is received via the manual workaround route to avoid misalignment in data for address management**.**

BA and RM left the meeting.

3. COMCOP LESSONS LEARNED

AA joined the meeting.

RECCo led the Metering Consolidation project in order to streamline metering Codes of Practice by merging four separate legacy Codes into a single consolidated metering code, CoMCoP. The RECCo Representative provided PAB Members with a review of the project and confirmed that whilst the project was completed, numerous concerns had been raised and the initial review identified areas for improvement, including limited stakeholder engagement and tight timelines. The RECCo Representative confirmed that a further, comprehensive review of the legal text of CoMCoP is underway to address these concerns. The phased review will conclude in October 2024, and focuses on clearer obligation assignments, eliminating redundancies, and ensuring alignment with the RECCo.

PAB Members' attention was drawn to the proposed recommendations for future reviews, which emphasise collaboration, broader stakeholder engagement, and extended timelines for critical stages.

PAB Members:

- **NOTED** the contents of this paper and considered the proposed recommendations for future reviews.

AA left the meeting.

4. OPEN DATA (R0148)

EH and PD joined the meeting.

RECCo and Code Manager Representatives provided PAB Members further clarity of the Change Proposal and the impact that the Change Proposal is likely to have on the role that the PAB plays as the responsible committee in the Data Access Request process.

The Code Manager highlighted that the Open Data project commenced in 2023 and was to align with Ofgem's data best practices resulting in work being carried out on the metadata catalogue. The Code Manager advised that there were four classifications which each data item may be given (always open, conditionally open, personal, and restricted). This classification was carried out with other Code Bodies and Switching Data Service Providers. PAB Members were informed that R0148 does have synergy with the R0118 process which is intended to simplify data access with the category 3 change process being used. The Code Manager highlighted that the milestones for the Change Proposal will be finalised towards the end of May and then complete impact assessment with service providers with timely updates being provided to PAB, as appropriate, as to how the project is tracking against the implementation timetable.

PAB Members

- **NOTED** the contents of this paper.

EH and PD left the meeting.

5. MHHS QUALIFICATION UPDATE

SR joined the meeting.

The REC Code Manager and BSCCo for Elexon Representatives provided an update on queries raised by some Suppliers on the scope of MHHS Qualification and their ability to meet the requirements as currently set out based on their business model. PAB Members were provided a development plan and approach to help better understand the extent of the matter and develop an appropriate solution to manage similar requests.

Commented [SY1]: @Crowe-Lamont, Amy this should be REC Code Manager and Elexon Representatives

A PAB Member highlighted that it is important to ensure that the qualification obligations support suppliers to develop systems and operational capabilities required whilst not impacting settlement or the customer experience for those customers that could be subject to being erroneously switched into the arrangements. PAB Members acknowledged the request to join the deep-dive session to discuss the requests presented in this paper, risks they pose under each Code and potential mitigations. Invites have been sent by the Code Manager for 09 May 2024 from 09:00 to 11:00.

PAB Members:

- **NOTED** the contents of the update.
- **NOTED** the invitation to join the deep-dive session.

SR 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 key updates on Market and Party performance and updates made to the Risk Register.

The Code Manager provided PAB members with an overview of the approach for Annual Rating which incorporates lessons learnt and feedback from last year. The update focuses on Party performance from 1 April 2023 to 31 March 2024. PAB Members were shown how the Code Manager plans to measure annual rating for the latest performance year. To do this, the Code Manager suggests the annual rating is made up of four categories (performance data, data cleanse, market entry and qualification, and energy theft).

A PAB Member requested further clarity to be provided around why the Code Manager is proposing to remove the measures based on Parties being above threshold against a risk driver and what the implications of this would be. The Code Manager confirmed that if a Party is above threshold for a particular risk driver, this would lead to the application of Performance Assurance Techniques (PATs) – initially to validate and gain further information (via Queries and Requests for Information) and then, should a breach or non-compliance be identified where action is required, this would result in application of further PATs including Action Plans and Management Assertions. Therefore, any underperformance will be highlighted via this input to the overall rating. The Code Manager noted this both avoided double-counting (from both risk driver and subsequent PAT) and potential challenges with including outcome-

based risk drivers. The PAB Members were supportive of this approach and clarification, emphasising that it is important to apply the criteria fairly. In addition, PAB Members agreed that it is important to demonstrate that every Party is subject to that same rating scheme whether domestic or non-domestic and regardless of the size of their portfolio.

The Code Manager provided information on the indicative timeline for industry engagement in relation to the Annual Rating with the next step being for the Code Manager to present the criteria to RIG members in May to gain feedback. The Code Manager confirmed that the plan is to deliver the Annual Rating as a peer comparison, however, this is dependent on PAB approval, Some PAB members suggested the annual rating data should be non-anonymous for public sharing.

The Code Manager emphasised that the REC is about delivering great retail arrangements and making things better for both consumers and other market participants. However, the Code Manager currently has very little information on what is and isn't working for consumers. The Code Manager is considering three options to get a better view on consumer outcomes, for the benefits of assurance, change management and potentially the RECCo Forward Working Plan. PAB Members agreed that there is a need to look at the broader approach to maximise the value of the activity rather than merely discharge legacy obligations. A PAB member queried whether this would be similar to the existing SMIS survey that takes place shortly after a key event (in this case Smart Meter Installation) or be a more general survey. The Code Manager indicated that the expectation is that this would be delivered following a consumer outcome, although further work to define this is planned and at this stage the Code Manager has not ruled out any particular options.

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 April 2024.
- **NOTED** the actions resulting from the data analysis of the Risk Driver and PATs applied.
- **NOTED** the status of Party data submission.
- **NOTED** the Service Provider assurance data review and reporting based on the data received by 08 April 2024.
- **NOTED** the status of Service Provider data submission.
- **APPROVED** the Annual Rating approach and criteria for 2023-2024.

7. DEROGATIONS AND CHANGE PROPOSAL R0152 UPDATE

EM, LMa and EH joined the meeting.

The Code Manager provided PAB Members with a high-level overview of the Sandbox and Derogation Applications to be discussed at this month's PAB and any updates on pre-existing Applications. The Code Manager highlighted changes to the Sandbox and Derogation register on the REC portal to increase accessibility of the information in relation to expired and open derogations so that Parties are able to access all associated documentation in one central location.

The Code Manager provided an update on the request for an extension to Derogation 19, CoMCoP revision. The Code Manager proposed that the existing derogation is extended to cover the further clauses added within R0152 with the caveat that there are regular and frequent updates as required from the Change Team via the standard change management update agenda item as R0152 progresses.
PAB Members:

- **NOTED** the contents of the Sandbox and Derogation Update.
- **NOTED** the update provided for R0152.
- **APPROVED** the Derogation extension request for DER_19.
- **APPROVED** the conditions proposed for the Derogation extension request for DER_19; and
- **APPROVED** the timescales for the Derogation extension request for DER_19.

8. CHANGE MANAGEMENT OPERATIONAL UPDATE

The Code Manager provided the PAB with an overview of the five live Change Proposals where PAB is or is likely to be the Responsible Committee.

PAB Members:

- **NOTED** the update on the Change Proposals relevant to the PAB.

9. R0092/92A SUMMARY

JH, BA, CG joined the meeting.

DCC had raised R0092 to change the service levels associated with its role as the CRS Provider. The Code Manager and RECCo Representative provided an update to PAB Members, explaining that they had engaged with industry on the appropriateness of the changes through a working group, with detail of that engagement in the Final Change Report. The Code Manager concluded that the changes proposed by the DCC are not appropriate as they reduce the required level of performance below what is required by CSS Users, so raised an alternative Change Proposal, R0092A, which includes clarifications and reductions to service levels that were supported by industry. Some service levels proposed under R0092 remain unchanged under R0092A, and others have been modified but to a lesser degree.

DCC requested the Code Manager provide a clear rationale in terms of the recommendation that is made and the differences between the two change proposals. The Code Manager and RECCo Representative presented their analysis and conclusions to PAB Members, confirming that there was an assessment of each proposal against the benefits and drawbacks in relation to REC objectives. This impact assessment and feedback from the working group drove the need for R0092A to be raised via the formal change process. RECCo confirmed to PAB Members that each of the reports was then consulted on forming the basis of its rationale for the change proposal. During the consultation process there were four responses, three of which were from CSS Users and one from the CSS Provider. The DCC disagreed with the Code Manager's rationale for the change proposal, however, did not provide sufficient evidence within the

consultation period. The RECCo Representative confirmed that the three CSS Users who provided responses all agreed with the assessment completed by the Code Manager.

DCC reiterated that they have always supported having an incentive regime for switching. This was highlighted in their response for R0025 and Ofgem consultation and why they wanted to work with industry throughout the development of R0092. DCC noted that industry representatives agreed that the gate closure is not within DCC's control, however, noticed that the change proposal does incorporate elements of financial incentives in respect of that. DCC queried this and wanted to understand further what drove that decision. The RECCo representative confirmed that this clarification had been provided as part of the Change report in response to DCC's comment on this in the consultation process. The RECCo representative confirmed that DCC did assert during the working group that gate closure was outside of DCC's control, but that the working group did not agree this position and concluded that it should be part of a service level on an end-to-end basis. In addition, the working group did not consider the financial incentivisation related to gate closure, focusing on the appropriate service levels required based on how users of CSS interacted with the service. It was concluded was that DCC remain responsible for the end-to-end delivery of gate closure and remain incentivised to do so.

The DCC representatives stated that they considered the change met the criteria for an urgent change but had taken a significant time to progress by the Code Manager. They considered that the Code Manager had not facilitated timely progression of this change proposal. The RECCo Representative identified that at the point of the change being raised the Code Manager recommended that it was split into two changes, one that was simpler that could be implemented rapidly, and a more complex one that would require engagement with industry and therefore a longer change process. DCC opted to continue to progress this as a single change, which has resulted in all proposals progressing to a single timeline.

Lastly, DCC raised that they have formally written to Ofgem with regards to their concerns around this topic. DCC advised they had provided all their comments as part of the R0092A change process but remained of the view that the alternative proposal was not an appropriate solution. The DCC representatives also suggested that the change report contained some factual inaccuracies. The RECCo and Code Manager representatives noted that DCC had been provided the opportunity to raise concerns on factual accuracies as part of the process to develop the Final Change Report but had not provided them in the designated timeframe. All comments raised during the development of these proposals and in consultation responses had been addressed. PAB Members noted DCC's concerns, and the PAB Chair asked that DCC provide details of any factual accuracies to the Code Manager.

A PAB Member queried if DCC were a part of the working group. The Code Manager confirmed that there were several DCC members within all working groups. DCC confirmed that they will share further comments in relation to the report with the Code Manager.

PAB Members acknowledged that the Change Proposal will be determined by the Authority, and the PAB's role is therefore to provide a recommendation as the relevant responsible committee, rather than to make the decision on whether or not to implement R0092 or R0092A.

PAB Members voted to recommend to the Authority:

- **REJECTION** of the proposed change solution R0092.
- **APPROVAL** of the alternative change solution R0092A.
- **APPROVAL** of the proposed implementation approach; and
- **APPROVAL** of the proposed implementation date of 08 November 2024.

RECPAB_24_0430_02 – DCC to provide the Code Manager with their additional comments for R0092/R0092A change report, however, noting that this is outside the formal consultation process and for information.

BA, JH, and CG left the meeting.

10. DATA ACCESS APPROVALS

HL joined the meeting.

The PAB was presented with one Data Access Approval request. The PAB decides 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.
The Code Manager confirmed that they will provide information as to why the applicant did not request GES access at the time of applying for EES access. This is with the aim to ensure the Code Manager is proactive in the application process. A PAB Member also queried if the applicant already had MPRN address and other details included in its existing data set. The Code Manager confirmed that they will provide clarification.
PAB Members:

- **APPROVED** the proposed alterations to the Gas Data Access Matrix for Tenants Save Money. **APPROVED** the implementation date of 24 May 2024 for Tenants Save Money.

RECPAB_24_0430_03 – The Code Manager to provide clarity on why the party is now requesting GES Access and what data line items the Party already has visibility of.

EM, LMa, HL, and EH, left the meeting.

11. PAB FORWARD PLAN

The PAB discussed and agreed the forward plan.

12. AOB

- It was highlighted to PAB Members that the Ofgem consultation on the separation of CRS from the DCC licence will be take place from 7 May 2024.

- Finally, the PAB Chair noted that there have been a series of consultations from the Department of Security and Net Zero in relation to smart electricity systems. Within the proposal it is clear that the structure of the tariffs will be governed under the Retail Energy Code moving forward. This will require Suppliers to build an API and provide third parties with access to certain tariff information.

13. NEXT MEETING DATE

The next meeting of the PAB will be held virtually on 28 May 2024.