RETAIL ENERGY CODE

MEETING MINUTES

MEETING	**RECPAB_24_0730**
DATE	**30 July, 10:00am**
LOCATION	**Virtual Meeting (via Teams)**

Attendee	Representing	Initials	Role
Jon Dixon	PAB Chair	JD	Committee Chair
Amy Crowe-Lamont	Code Manager	ACL	Committee Secretary
Alice Williams	Consumer Representative	AWi	Committee Member
Andy Knowles	UNC Representative Alternate	AK	Committee Member
Angela Joyce	Supplier Representative	AJo	Committee Member
Daniel Tarasco-Fittock	Supplier Representative Alternate	DTF	Committee Member
David Brown	MEM Representative	DBr	Committee Member
Dorcas Batstone	Independent PAB Member	DBa	Committee Member
Fungai Madzivadondo	Distribution Network Operator	FM	Committee Member
Paul Saker	Supplier Representative	PS	Committee Member
Sally Hardman	GT Representative	SH	Committee Member
Simon Waltho	BSC Performance Assurance	SW	Committee Member
Steve Arthur	Independent PAB Member	SA	Committee Member
Steve Verdon	Independent PAB Member	SV	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
Shelley Rouse	Code Manager (OAM)	SR	Operational Account Manager
Nirav Vyas	Code Manager	NV	Performance Assurance - Data
Andrew Waghorn	Code Manager	AWa	Performance Assurance Data Lead
Anna Weeks	RECCo	AWe	RECCo Operations
Caroline Freimuller *(Attended for item 5,7)*	Code Manager (Change)	CF	Change Analyst
Lorna Mallon *(Attended for item 5,7,9)*	Code Manager (Change)	LM	Change Analyst
Rosalind Timperley *(Attended for item 6)*	REC Technical Services Manager	RT	REC Technical Services Representative
Saima Nazaw *(Attended for item 4)*	Supplier Party	SN	Chief Operating Officer of Supplier Party

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Attendee	Representing	Initials	Role
Tony Jordan *(Attended for item 4)*	Supplier Party	TJ	Supplier Party Representative
Gemma Hatvani *(Attended for item 4))*	Supplier Party	GM	Supplier Party Representative

1. REVIEW OF OPEN ACTIONS AND APPROVAL OF DRAFT MINUTES

The Chair welcomed attendees to the meeting of the PAB. Apologies were given for Karen Lee (alternate Paul Saker attending), Anne Jackson (alternate Andy Knowles attending) and Paul Everett (alternate Daniel Tarasco-Fittock attending).

The PAB unanimously **APPROVED** the minutes from the previous PAB meeting on 25 June 2024. Four actions (RECPAB_22_1220_05, RECPAB_24_0528_04, RECPAB_24_0625_01 and RECPAB_24_0625_03) were closed following a verbal update and information provided in the meeting papers.

Four actions (RECPAB_24_0227_01, RECPAB_24_0430_01, RECPAB_24_0528_05 and RECPAB_24_0625_02) either had their deadlines extended as a result of external factors and dependencies or the Code Manager will continue to track. Please refer to the Action Log for a status update.

2. PARTY ASSURANCE

The PAB was provided with a monthly update on Party and Service Provider Assurance activity, including application of the RFI PAT to disengaged Meter Operating Agents (MOAs) where they are required to confirm their plans to complete MHHS Qualification and how they will make the required changes to support the Code changes ahead of MHHS Migration. Here the Code Manager highlighted that work has been completed for MHHS Qualification preparation and gaining understanding of Parties plans for when they will be qualifying and ready for testing. Three instances have occurred where some MOAs have not engaged with the process. PAB Members were asked to approve the application of the RFI to these Parties.

The PAB was then provided an update in relation to the CDSP reconciliation work that is completed annually. The Code Manager explained that the annual reconciliation work is conducted by Xoserve, obtaining data from MEMs, and then reconciling it back with UK Link system. This focuses on three key data items: Meter Manufacturer, Meter Model and Meter Serial Number. When analysing the data, the Code Manager highlighted that there were some data quality issues. The Code Manager confirmed that 79% of total meter points in the gas market were covered in the data submitted by MEMs. The Code Manager requested that PAB approve the application of the RFI PAT to obtain the

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remaining data to improve coverage and also to understand why the data was not submitted by the Party on time. PAB Members were then provided information on a deep dive into the discrepancies by data item type. With this in mind, PAB Members were asked for the inclusion of CDSP reconciliation findings into Data Cleanse Sprint 3 to drive improvement once the coverage issue is resolved.

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 July 2024.
- **NOTED** the actions resulting from the data analysis of the Risk Driver and PATs applied.
- **NOTED** the status of Party data submissions.
- **APPROVED** the application of the Request for Information (RFI) Performance Assurance Technique (PAT) to disengaged Meter Operator Agents (MOAs), where they are required confirm their plans to complete MHHS Qualification, else how they will make the required changes to support the Code changes ahead of MHHS Migration.
- **APPROVED** the application of the RFI PAT to all Parties who have not provided CDSP reconciliation data to do so and provide an explanation as to why they did not provide data as per the requirement set out in paragraph 2.24 of Schedule 14.
- **APPROVED** the inclusion of CDSP reconciliation findings into Data Cleanse Sprint 3 to drive improvement.

3. SERVICE PROVIDER ASSURANCE

The Code Manager highlighted that overall SLA performance across the board has improved in a sustained manner. There has been continued improvement in Service Provider performance, although some long running issues are still causing issues in some areas. Improvements in GES and GRDS performance since the deep dive have been sustained, and DCC's performance continues to improve. The Code Manager also confirmed closure of the Switching Go Live Work Off Plan and shared updates on DCC and RECCo's progress on the major switching incident response action plan. The Code Manager presented the causes of a missed release to the EES service as reported by the Service Provider, proposing an action plan for resolution for which it sought the PAB's approval. The Code Manager provided a brief update on the approval of changes to service levels for the CRS service, and the next steps.

PAB Members:

- **NOTED** the contents of the update.
- **APPROVED** the proposed resolution action plan for EES.

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RECPAB_24_0730_03	RECCo and the Code Manager should provide further training and guidance to C&C on Electricity Enquiry Services (EES) impact assessment steps, particularly that the provisional impact assessment includes the ability to agree the time needed for more detailed work. All constructive suggestions should be considered and implemented where necessary. This should be tracked as a PAB action.
RECPAB_24_0730_04	Following the delayed EES release, it was identified that there were delays between REC Change approval and RECCo Commercial approval. Changes to RECCo's processes to enable this should be tracked as a PAB action.

SW left the meeting.

SN, TJ, GH joined the meeting.

4. PERFORMANCE ASSURANCE DEEP DIVE ON A SUPPLIER PARTY

Following recurring concerns with a Supplier Party's performance against their REC requirements, the PAB referred the Party to Ofgem. Since then, Ofgem has taken further action against the Party, but the Party's performance information has not improved. We requested the Party to present to the PAB on how they are confident they are compliant with the REC. The Supplier Party Representative provided an overview on the following items:

- Introduction to the organisation
- Controls, Policies and Procedures in place for the 3 Risk Drivers

A PAB Member confirmed the difficulties with the current Change of Tenancy (COT) process and pointed the Party towards REC Change Proposal R0155 that is seeking to address this through codifying the documentary evidence of a COT that may be requested. The PAB Member ask the Supplier Party to explain how they view if a customer is out of contract as opposed to deemed on the basis of debt. The Supplier Representative confirmed that there are two distinct differences with out of contract meaning that a contract with a customer has been in place and it is expired beyond the terms. In such circumstances you would find that for a number of the final bills, the payments are not being received and therefore debt begins to build, and the Supplier Party would object to the switch on those grounds. Whereas sometimes there is no contract between the supplier and the consumer, so this is typically when someone takes over a premise where the organisation is already supplying and therefore the Party would not object.

A PAB Member then queried what the timescales are around COT. The Supplier Party confirmed that Ofgem has conducted an independent audit which has now been completed and the COT process was the focus area. The Party explained that the audit identified where the Party was compliant, had already made improvements to achieve compliance, and further actions planned to become compliant. The Party contended that there was a high level of fraudulent activity targeting the Party by other participants and intermediaries which has increased in recent months. PAB Members asked the

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Party to provide the formal outcome of the audit for their review. The Party provided this documentation after the meeting, and it is currently being reviewed by the Code Manager.

PAB Members

- **NOTED** the contents of the update.
- **APPROVED** for the Supplier Party to provide the outcomes of the independent audit that has been completed.
- **APPROVED** for the Code Manager to outline to the Party clear next steps and a performance assurance action plan.

RECPAB_24_0730_01	A Supplier Party to provide REC PAB the results of the independent audit completed on instruction from Ofgem no later than 10 August.
RECPAB_24_0730_02	The Code Manager to outline options for applying further PATs for a Supplier Party to further understand and address performance concerns.

SN, TJ, GH left the meeting.
SW, LM, CF joined the meeting.

5. ASSURANCE DECISIONS FOR R0137 AND R0155

The Code Manager highlighted that two significant changes could bring about major improvements in non-domestic energy markets and explained the context. The Code Manager presented three options for performance assurance over each of them, alongside relevant benefits, and sought to obtain the PAB's views as to the preferred options. The Code Manager recommended an approach with preventive controls and associated assurance for R0137, with regular sample checking being undertaken for R0155.

The Code Manager commenced by walking PAB Members through R0137, a change to introduce a mandatory TPI Code of Conduct which will be delivered as an accreditation scheme. The Code Manager emphasised that for this to work Suppliers must only use those TPIs that are accredited. The Code Manager suggested low, medium, and high assurance options to discuss with PAB Members to understand their views and gain a steer to support next steps in the change process. PAB Members agreed that they welcome the approach of compliant by design (Option 2), meaning that it is built in to the organisations' processes rather than reliant on Performance Assurance Techniques. It is intended to be as cost effective as possible and proportionate.

The Code Manager then moved onto the change that relates to the COT process (R0155). PAB Members were informed that two elements need to be protected: the valid customer, meaning that they should be allowed to switch and negotiate a new contract and then the Supplier being protected from invalid requests. PAB Members agreed that they welcome the approach to have continuous

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monitoring where the Code Manager will assess the volume of switches with a CoO flag and assess the acceptance ratio (Option 2) and then should there be an event where the Code Manager sees a high objection rate, then PATs will be applied with PAB approval. As this change sets out to deliver benefits to the consumer, a PAB member flagged there is value in conducting assurance at the time of implementation (Option 1) to ensure Suppliers have implemented the new processes in line with Code requirements. Thus, the steer from PAB Members was to apply a combination of Option 1 and 2 for R0155.

PAB Members:

- **NOTED** the contents of the update and provided views to the Code Manager on the preferred options.

LM, CF left the meeting.

RT joined the meeting.

6. RTS DEEP DIVE

In line with the Performance Assurance Operating Plan, a representative from REC Technical Services (RTS) provided a deep dive into the function of RTS. This update provided an overview of the service deliverables, drilled down into activities most closely associated with the remit of the PAB and shared information on the continuous improvement of the activities from RTS.

PAB Members:

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

RT left the meeting.

LM, CF joined the meeting.

7. CHANGE MANAGEMENT UPDATE - R0069

The PAB is the Responsible Committee for R0069 as the change relates to the obligations around access to the data and data protection. At this Preliminary Change Report stage, the PAB was asked to provide a decision on the Change Report in order to progress to consultation.

PAB Members:

- **APPROVED** the Preliminary Change Report and that it contains sufficient information and detail to progress to Consultation.

LM, CF left the meeting.

8. 2024/25 PAOP 2ND DRAFT APPROVAL

The PAB was provided an update on the approach taken to develop the Performance Assurance Operating Plan (PAOP). This included insights from work performed to date and a list of potential

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activities, along with an estimate of resource requirements. To facilitate the discussion, the scope of the PAOP for next year (commencing on 1 September 2024) was provided to PAB Members.
PAB Members:

- **NOTED** the contents of the update.
- **CONSIDERED** the proposed activities along with the resource estimates that could form part of the PAOP for 2024-25 and provided a steer on the scope.

LM joined the meeting.

9. TPI UPDATE

The PAB Chair provided an update on the background to R0137 which is to mandate the TPI Code of Practice. This highlighted that the Change Panel accepted the Initial Assessment Report and Change Plan for R0137 with key milestones for the remainder of the calendar year. As this is predominantly a performance assurance matter, it was discussed whether the PAB should be the "responsible committee" to oversee the progression on R0137. It was also emphasised to PAB Members that as this proposal raises competition considerations, it is anticipated that the decision will be referred to Ofgem. The PAB Procedures document will be updated to include procedures in respect of:

- any decision as to whether to recognise or not recognise, or remove recognition of, an Industry-Recognised Accreditation Body and thereby the accreditation of TPIs granted by it; and
- any appeal of a decision to accredit or not accredit an applicant or to suspend or withdraw accreditation from an Accredited TPI under the REC Services Accreditation Scheme.

Changes to the PAB procedures have not yet been drafted and will form part of the R0137 solution.

PAB Members:

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

LM left the meeting.

10. PAB FORWARD PLAN

The PAB discussed and agreed the forward plan.

11. NEXT MEETING DATE

The next meeting of the PAB will be held via Teams on 27 August 2024.

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