MEETING MINUTES

MEETING	**RECPAB_24_1126**
DATE	**26 November 2024**
LOCATION	**Virtual Teams**

Attendee	Representing	Initials	Role
Jon Dixon	RECCo	JD	PAB Chair
Dorcas Batstone	Independent Member	DBa	PAB Member
Steve Verdon	Independent Member	SV	PAB Member
Steve Arthur	Independent Member	SA	PAB Member
Paul Everett	Supplier Representative	PE	PAB Member
David Brown	MEM Representative	DB	PAB Member
Paul Saker	Supplier Representative	PS	PAB Member
Fungai Madzivadondo	DNO Representative	FM	PAB Member
Tom Stuart	GT Representative	TS	PAB Member
Walter Carlton	Code Manager	WC	Performance Assurance Partner
Anton Moden	Code Manager	AM	Performance Assurance Lead
Vaishnavi Sharma	Code Manager	VS	Performance Assurance Manager
Andrew Waghorn	Code Manager	AWa	Performance Assurance Analytics Lead
Amy Crowe-Lamont	PAB Secretary	ACL	Committee Secretary
Lorna Mallon	Regulatory Specialists-Energy Codes	LM	Code Manager
Glenn Sheern	Regulatory Specialists-Energy Codes	GS	Code Manager
James Hardy	Change Analyst	JH	Code Manager
Cordelia Grey	Regulatory Business Partner	CG	DCC Representative
Lydia Bentley	Change Analyst	LB	

1 REVIEW OF OPEN ACTIONS AND APPROVAL OF DRAFT MINUTES

The Chair welcomed attendees to the meeting of the PAB. Apologies were given from Faye Brookes with no alternate attending.

The PAB unanimously **APPROVED** the actions and draft minutes from the PAB meeting held on 29 October 2024. PAB Members reviewed the open and overdue actions. Five actions were closed following information provided in the meeting papers or via a verbal update. Please refer to the Action Log for a full status update.

2 SUPPLIER IN BREACH OF CONTROLLED MARKET ENTRY CONDITIONS

The Performance Assurance Qualification Manager updated PAB Members on the matter where a Supplier has breached their Controlled Market Entry (CME) limit. Due to high risk scores on performance monitoring risk drivers, it would not be appropriate at this time to increase their CME limit or allow them to exit CME. Rather than increasing their CME limit, we propose to apply an Action Plan PAT on the Party to drive improvements in performance by March 2025; this Action Plan will require comprehensive detail on the steps being taken by the Party to resolve current performance failings, monthly reporting by the Party on key performance metrics and senior management attending PAB to provide a clear commitment and explain what is being done to improve Party performance. In addition, the Party will be subject to a hard limit of 40,000 RMPs which, should it be breached, will result in robust escalation action including suspending their access to CSS which would prevent them from acquiring new customers.

A PAB Member asked how we are addressing concerns around the Supplier's inability to adhere to the limit whilst having performance issues. The Code Manager explained that the elevated monitoring will allow the Supplier to demonstrate they are resolving the issues. If concerns are noted on their performance during this period, the Code Manager will consult PAB and apply additional techniques to prevent further detriment. The BSC representative added that BSC PAB have had similar concerns with this Supplier and also closely monitoring their performance. BSC has noted issues where whilst attempting to resolve issues, the Supplier has released updates into production which has created new issues. BSC would support application of the hard stop limit.

A PAB Member agreed that revoking access to CSS is a severe step and should be treated as a last resort and the Supplier should have an Action Plan in place to demonstrate improvement. The PAB Member picked up on the Supplier having a high volume of switch requests for supply points which already have a switch in progress. Another PAB Member expressed they continue to have concerns on the Supplier's ability to demonstrate progress in recent months and therefore was not in favour of leaving until March 2025 to take further action. The UNC representative asked if allowing them to continue to acquire customers will increase the risk for consumer detriment on wider Customer Facing Switching and Billing issues.

A PAB Member suggested they would like to invite the Supplier Senior Leadership team representative to attend the meeting in December to directly respond to concerns being raised by PAB.

The UNC representative mentioned they have not seen concerns with the Supplier's performance but acknowledged they had some performance reporting issues which may have masked this.

The BSC representative suggested joint action from BSC and REC PAB may help remedy the situation more effectively.

The UNC representative enquired if the PAB had the vires to limit the rate of customer acquisition by requiring the Party to slow down their marketing campaigns and activities. The Code Manager

explained that while we can set a limit on the rate of acquisition as part of the CME Conditions, we have no vires over the Supplier's marketing strategy. A PAB Member suggested that the impression of the Supplier's marketing approach was not conducive to PAB's confidence in the Party's ability to adhere to the Action Plans set by PAB.

PAB Members:

- **APPROVED** the Action Plan PAT to be issued with expectation for the Party respond confirming actions they are taking within 2 weeks.
- **APPROVED** to invite a Director / Senior Management representative to present the action plan to improve their performance at the December PAB meeting.

3 CRS PERFORMANCE CHARGE Q2 FY24-25

CS joined the meeting

The Code Manager calculated the Performance Charges applied to the CRS Provider for the quarter ending on 30 September 2024 in line with the REC Performance Charge regime introduced from 1 April 2023 and the Performance Charges scale approved by the PAB in March 2024. The Code Manager confirmed that no exemption request was submitted by the CRS Provider.

PAB Members:

- **APPROVED** the Performance Charges as calculated by the Code Manager.

4 R0210 THE EVOLUTION OF CRS PERFORMANCE CHARGE

LB joined the meeting.

The Lead Change Analyst presented the proposal for REC Change Proposal R0210 for the Evolution of the CRS Performance Charge which relates to the Performance incentive regime introduced by R0025. They explained that the proposal is to introduce weighting to the metrics which form part of the CRS performance charge to focus the incentive on more critical areas. The change was raised in September 2024, and the solution was developed closely across the Code Manager team, the legal team and the DCC team as the CRS provider. The aim is to implement this change to apply for the performance charge year starting on 01 April 2025.

This change has been impacted assessed by the CRS provider; although no impacts are noted with the CRS technical solution it will have financial impacts on the CRS Provider.

The Change team conducted a Party consultation where a DNO and a Supplier responded and broadly agreed with the change and recognised the benefit this change will deliver for CSS users. The DNO response suggested higher weighting for the User Support metrics which were considered but not progressed.

The PAB Chair queried if the low level of responses should be a concern. The Change Analyst explained they were not surprised by a low response rate as while this change is in the interest of CSS users, it does not directly impact their operations or obligations under the REC.

The CRS Provider acknowledged they support this change and appreciated being involved in the solution development.

PAB Members:

- **APPROVED** the proposed change solution.
- **APPROVED** the proposed implementation approach; and
- **APPROVED** the proposed implementation date of 28 February 2025.

CS, LB left the meeting.

5 ASSURANCE DECISIONS SUPPORTING R0155

GS, LM, JH joined the meeting.

The Code Manager gave an overview of the process thus far to develop the assurance requirements as part of the change solution which was aligned to the approach approved by PAB in July.

The Supplier representatives supported the adjustments made in response to the feedback from Parties. They recognised they are proportionate considering the reporting burden on Parties whilst having the ability to dive deeper where the reporting indicates any potential issues.

The Code Manager highlighted the next steps will be to respond to the consultation feedback and proceed with committee and authority decision as planned.

PAB Members:

- **DISCUSSED** the proposed approach and then determined the assurance approach to be included in response to the R0155 change consultation.

GS, LM, JH left the meeting.

6 PARTY ASSURANCE

PAB Members were provided with a monthly update on Party Assurance activity, including application of the proposed Performance Assurance Techniques (PATs) to be issued to the relevant Parties this month. PAB Members were also provided an updated approach for the New Meter Technical Details Data Cleanse Reporting, including the interaction with the bulk population update by the MHHS Programme and the focus on exceptions arising after the bulk population cut-off date.

PAB Members:

- **APPROVED** the proposed Performance Assurance Techniques to be issued to relevant Parties as outlined in Section 2.
- **APPROVED** the process outlined in Section 4 to exit unqualified MOA MPIDs in MDD.
- **APPROVED** the inclusion of MOA MPIDs intending to exit the market in the process outlined in Section 4.
- **APPROVED** the Enquiry PAT to Suppliers with higher proportion of successful switches (gains) with Change of Occupier (CoO) to understand the drivers as outlined in Section 5.

- **APPROVED** the proposed approach for the New MTD Data Cleanse Reporting including the preferred target approach and the associated target level.

RECPAB_24_1126_01- Performance Assurance team to liaise with Change team to produce an update for PAB Members for I0200.
RECPAB_24_1126_02- Explore potential for cross-code collaboration by Code bodies to take co-ordinated action and escalation over non-performing Parties.

JS joined the meeting.

7 DIP ONBOARDING REC PAB NOVEMBER 2024

The DIP Manager set out it is responsible for the DIP and all its functions and is working with the MHHS Programme and the Code Bodies to ensure they have the assurance they require from the DIP Manager on Parties ability to use the DIP to meet Code obligations. The DIP Manager explained that to become a DIP user, a Party had to complete DIP onboarding which is separate from the MHHS Qualification managed by the Code Bodies but has synergies with it. The DIP Manager also set out it is responsibilities to provide reporting to support monitoring and governance activities.

The DIP gave a walkthrough of the DIP onboarding process which includes assurance of Pre-Integration Testing (PIT) completed by the Party, the verification of DIP information security requirements, the review of the Qualification Assessment Document (QAD) which contains DIP-specific sections, and review of Qualification Testing completion. In addition to these checks, the DIP Manager will also confirm an organisation is Code qualified before promoting them to production.

The Code Manager added that the Code Bodies are reliant on the DIP Manager to assure Parties can meet the requirements set out in the DIP rules including non-functional requirements to use the DIP to send interface flows to meet their REC obligations. Therefore, the Code Manager is working collaboratively with BSC and the DIP Manager to ensure these are built into the Qualification process to appropriate hand-offs in place where required.

PAB Members:

- **NOTED** the content of the update.

RECPAB_24_1126_03- Code Manager to recirculate the PAB Paper Expectations document and remind external presenters of PAB expectations for the content and detail of presentations.

JS left the meeting.

8 SERVICE PROVIDER ASSURANCE

While some long-running issues continue to impact overall service provider performance, there has been a decline in recent performance by the Enquiry Services. Specifically that both EES and GES experienced a decline in performance in October. However, mitigating measures are now in place that

are expected to prevent these issues from recurring. The Code Manager will monitor performance to confirm these mitigating measures are effective, and if not take further action.

The ERDS and GRDS continue to meet performance SLA targets.

The CRS Provider's performance remains consistent with the previous month.

PAB Members:

- **NOTED** contents of the update.

9 OPERATING PLAN

The Code Manager confirmed all activities for November have been completed and updates provided in various papers noted within the operating plan paper.

The PAB approved that due to shorter timescales in December, the Party Assurance update will be deferred to January unless there are any urgent matters to flag at PAB.

The Code Manager also briefly gave an overview of the plan for the December meeting which will be in person.

PAB Members:

- **NOTED** contents of the update.

10 NEXT MEETING DATE

The next meeting of the PAB will be held in person on 17 December 2024.

DRAFT