RETAIL ENERGY CODE

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MEETING MINUTES

MEETING	**RECPAB_25_0527**
DATE	**27 May, 11:00am**
LOCATION	**Virtual Teams**

Attendee	Representing	Initials	Role
Dorcas Batstone	Independent Member	DBa	PAB Chair Alternate
Steve Arthur	Independent Member	SA	PAB Member
Steve Verdon	Independent Member	SV	PAB Member
Angela Joyce	Supplier Representative	AJo	PAB Member
Paul Saker	Supplier Representative	PS	PAB Member
Anne Jackson	UNC Representative	AJa	PAB Member
David Brown	MEM Representative	DBr	PAB Member
Paul Everett	Supplier Representative	PE	PAB Member
Jacqui Neck	DNO Representative	JN	PAB Alternate
Marina Papathoma	GT Representative	MP	PAB Member
Alice Williams	Citizens Advice Representative	AWi	PAB Member Alternate
Andrew Waghorn	Code Manager	AWa	Performance Assurance Analytics Lead
Walter Carlton	Code Manager	WC	Performance Assurance Partner
Vaishnavi Sharma	Code Manager	VS	Performance Assurance Manager
Tanya Mason-Hawes	Code Manager	TMH	PAB Secretary
Bailey Robb	Code Manager	BR	Performance Assurance
Anna Weeks	RECCo	AWe	Senior Operations Analyst
Shelley Rouse	Code Manager	SR	Operational Account Manager
Simon Waltho	BSC Representative	SW	Performance Assurance Manager (Elexon)
Rosalind Timperley *(for item 2)*	Code Manager Technical Team	RT	Managing Consultant
Eve Marriner *(for item 2)*	Code Manager	EM	Operational Account Manager
David Morley *(for item 2)*	OVO	DM	Industry Codes Lead
Elise Handy *(for item 3)*	Code Manager	EH	Operational Account Manager
Lindsay Biginton *(for item 4)*	RECCo	LB	Service Delivery Manager, Operations

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Attendee	Representing	Initials	Role
Rachel Norberg *(for item 8)*	Code Manager	RN	REC Portal Product Owner
James Hardy *(for item 9)*	Code Manager	JH	REC Change Analyst

1. APPROVAL OF PREVIOUS MINUTES AND REVIEW OF ACTION LOG

The Chair welcomed attendees to the meeting of the PAB. Apologies were given for Jon Dixon as PAB Chair (with Dorcas Batstone taking the Chair as the alternate); Faye Brookes-Lewis of Citizens Advice Representative (with Alice Williams attending as the alternate); Fungai Madzivadondo (with Jacqui Neck attending as the alternate) and Beth Procter of SECCo.

The PAB unanimously **APPROVED** the actions and draft minutes from the PAB meeting held on 29 April 2025. PAB Members reviewed the open and overdue actions. Four 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. SANDBOX APPLICATION

RT, EM, and DM joined the meeting.

The Code Manager presented a Sandbox Application on behalf of a REC Party. The application relates to granting the REC Party a Derogation from the prohibition of using robotics in SDEP to facilitate a trial of bulk-resolution process to produce greater customer outcomes. The Code Manager informed PAB Members that the paper sought approval in principle subject to further activities taking place, including discussions with both the SDEP provider and RECCo and associated risk assessments. The Code Manager informed PAB that the SDEP Provider had advised them that the implementation of robotics could have a negative impact on its SLAs.

PAB Members queried the associated risks and downstream impact on other parties. The Code Manager explained the pre-requisites that will be put in place, namely the ability to suspend the robotics SDEP account and that the robotics only work during working hours of 9am to 4pm with staff on hand to support if any issue were to arise.

A PAB Member questioned what communication had gone out to the wider REC community to make them aware of this application and the potential implications on them. The Code Manager advised that standard communications would follow once approval is granted and available to other Parties on the portal. The PAB Member requested feedback be provided around how the Sandbox is progressing over the intended two-year period.

PAB Members noted that the application aligns with Ofgem's encouragement for the use of AI and is an innovative and smart approach for the retail energy market. A PAB Member queried whether other Parties would apply for similar derogations as a result. The Code Manager advised that this is a trial and their advice to PAB in the event of a similar application in the future would be to reject it due to the increased risk to SDEP. Another PAB Member noted that they do not want others to see this as a way of bypassing the change process.

Several PAB Members noted their concerns on competitive disadvantage if other parties are prevented from applying for a similar sandbox. The Code Manager restated their advice is based on the need to minimise the risk of SDEP becoming slower by too many robotics users at once, and discussed mitigating actions including system monitoring and the ability to suspend robotics accounts should issues arise.

PAB Members:

- **CONSIDERED** the Sandbox Application received and the consideration points set out in the paper;
- **APPROVED** granting the Sandbox trial and Derogation in principle (noting that a further Impact Assessment will be carried out, with implementation of system pre-requisites to be prioritised by RECCo Ltd based on wider activities);
- **APPROVED** the pre-requisites and conditions proposed for the Derogation;
- **NOTED** that the use of robotics will be subject to the SDES Provider being able to establish a satisfactory solution that will enable robotics to be suspended if needed;
- **APPROVED** the timescales for the Sandbox trial and Derogation as two years from commencement, or until the implementation or rejection of R0161 – whichever is sooner (noting, prior to commencement SDEP system upgrades will first be required followed by a three-month monitoring period to establish baseline system performance); and
- **CONFIRMED** that PAB recognise that while the risks created by enabling use of robotics on the SDEP are considered low, they cannot be fully mitigated.

RT, EM, and DM left the meeting.

3. DATA ACCESS REQUESTS

EH joined the meeting

The PAB was presented with two Data Access Approval requests. One was for the Office for National Statistics, and the other was for the Uniform Network Code (UNC) Performance Assurance Framework Administrator (PAFA). The PAB determines requests because the PAB is responsible for specifying REC Party, Non-Party REC, REC Service User and REC Service Provider information security and data protections under the REC.

The Code Manager explained that the Office for National Statistics requested data for their future population and migration statistics, including MPANs and addresses, to understand household distribution across England and Wales. PAFA requested data for smart metering performance

investigation, including meter type and DCC service flag, to assess smart metering performance across electricity and gas.

One PAB Member recused themselves from voting on the data access request for PAFA due to their involvement with that entity.

PAB Members:

- **APPROVED** the data access request for the Office for National Statistics**;**
- **APPROVED** the data access request for the PAFA;
- **APPROVED** the Code Manager's proposed alterations to the Electricity Data Access Matrix;
- **APPROVED** the Code Manager's proposed alterations to the Service User Categorisation and Assessment Document; and
- **APPROVED** the Code Manager's implementation date of these changes for 06 June 2025.

EH left the meeting.

4. CHANGE MANAGEMENT PERFORMANCE UPDATE

LB joined the meeting.

The Code Manager presented the review of a sample of changes and the corresponding benefits achieved post implementation as well as the progress of previously agreed actions. This review also detailed the overall findings discovered through the process, particularly identifying where the change process could be improved further. The Code Manager explained that the sample selected for this review was based on a list put forward by the Change Team and Performance Assurance Team, which considered time since implementation to allow time for benefit realisation. They also ensured the sample covered changes implements delivered both via the former and new change processes to review the effectiveness of the new process.

A PAB Member queried whether there had been any consideration of the length of time taken for development and delivery whilst determining the sample of Changes reviewed. The Code Manager advised that this wasn't a criteria for selection but that they would make that recommendation for future reviews to allow insights into what causes longer timescales and how it impacts outcomes, whilst taking into consideration the time that Parties need to implement solutions should not be taken as a measure of the Change process itself.

PAB Members fed back that it is often difficult to quantify the time taken versus the benefits gained for those involved, and that it would be useful to gain feedback from both the Change Team and the Parties to which the Change relates on their satisfaction with the Change process and the achievement of the benefits stated. The Code Manager noted that during the review process, it was discussed that carrying out a Stakeholder Survey (both pre and post-implementation) may be beneficial. Further, PAB Members fed back that it might also be beneficial for a Change to be

implemented in a staged process, allowing it to be aborted at an earlier stage should they foresee the Change being rejected at a later date.

PAB Members:

- **NOTED** the update.

NEW ACTION: The Code Manager to share PAB feedback with the Change Team on the Change Management Performance Update and add to the Management Actions being tracked with the Change Team.

LB left the meeting.

5. CRS PERFORMANCE CHARGES

The PAB considered the Code Manager's recommendation to approve the Performance Charges applied to the CRS Provider for the quarter ending 31 March 2025 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.

No exemption request was submitted by the CRS Provider.

The PAB noted that DCC's performance has been improving, suggesting that the performance charges and reputational pressure may be having a positive effect.

PAB Members:

- **APPROVED** the Performance Charges applied to the CRS Provider for the quarter ending 31 March 2025 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.

6. OPERATING PLAN

The PAB considered the Code Manager's update on the Operating Plan. The Code Manager advised PAB that the forward look on both the PAB agenda and Performance Assurance Operating Plan have been consolidated.

PAB Members:

- **NOTED** the update.

7. PARTY ASSURANCE UPDATE

The PAB considered an update on Party Assurance from the Code Manager. The PAB noted the key updates on Market and Party performance since last month, with the data review and reporting based on the data received by 1 May 2025.

The Code Manager provided PAB Members with a verbal update on Section 1.2 of the Party Assurance paper concerning the registration misalignment following revocation of regulatory alliances with certain DNOs and current cross-code issues that require resolving as a matter of some urgency. The Code Manager was required to intervene and, through RECCo, consulted RECCo's legal advisers on REC / DCUSA precedence and options for resolution.

A PAB Member raised concerns around the gaps in the processes and the lack of timeline for resolving such matters. The Code Manager advised that, unfortunately no agreement has been reached yet but that they are monitoring it closely given the potential detrimental impact it may have on the affected consumers and suppliers. PAB Members noted that consideration should be given to alignment between industry codes to enable other codes to automatically suspend registrations should one code do so. Further, PAB Members registered their frustration that they are unable to do more under the REC around this sort of issue which impacts both consumers and other Market Participants, whilst approving the following actions:

1. RECCo to seek legal advice to confirm the effective from date of the alliance termination to determine remedial action required.
2. If it is determined that the delay was due to incomplete action by the DNO, indicating the Switch Requests received before CSS received a valid alliance termination request, PAB require the DNO to resolve the misalignment within its systems.
3. If it is determined that the DNO took sufficient action as prescribed under the REC, indicating the Switch Requests in question should have been rejected by CSS, PAB require RECCo and DCC to resolve the misalignment within CSS.
4. PAB request the REC Change team to incorporate lessons from this experience to clarify the Code requirements and process and prevent similar issues in future as part of REC Change Issue I0248.
5. For Switch Requests that were in-flight (i.e. validated by CSS before the alliance termination became effective), the DNO is required to resolve the misalignment within its systems.
6. The DNO is also required to review its systems functionality to ensure it aligns with the REC to prevent data misalignment with CSS in future.

The Code Manager also provided PAB Members with a verbal update on the approach to Annual Rating and advised that it is proposed to be similar to prior years in terms of the timing and publication of materials. The Code Manager sought approval of the approach from PAB to allow a paper to be brought to the June PAB.

Several PAB Members confirmed they are in favour of publishing a wide set of pertinent performance information, while accepting that if too much is published it may dilute the message.

One PAB Member voiced their concerns with the proposal, expressing their frustration around the lack of progress towards the evolution of greater transparency. They felt underwhelmed by the current

approach and queried what may drive the change to greater transparency and accountability. They expressed frustration with the pace of change, noting the Code had now been in place for four years and has had plenty of time to understand its audience and to start tailoring some of the messages and learn from some of the key challenges and opportunities the Code has faced. The PAB also discussed the importance that both stakeholders and Parties are consulted to ensure their views can be fed into any potential change going forwards. The Citizens Advice representative also noted that there is benefit in the consultation going to wider stakeholders but would have to see how that would impact the current timelines. A PAB Member abstained from voting on the recommendation for the Annual Ratings process to be consulted upon, due to the above concerns.

The RECCo representative advised that the proposed approach had been discussed with the PAB previously, whereby a Change would be raised to progress this transparently, enabling Parties and stakeholders to be properly consulted and their views considered, and this remains the expectation. The RECCo representative further assured PAB Members that RECCo is aligned with the proposals, but that it is important that the audience is understood, and the detail is explained properly. The RECCo representative advised this will be discussing with the PAB Chair in June, in advance of the next PAB.

The Code Manager provided the PAB with further information around the threshold change for risk driver 8.11 with the monitoring period being increased from one month over threshold to two months. The Code Manager believes this will prevent parties from being over threshold during contract change months, rather ensuring focus is on those parties where there may be specific issues that require investigation.

PAB Members:

- **APPROVED** the actions recommended by the Code Manager in Section 1.2 of the Party Assurance paper to resolve the misalignment of registration data between CSS and a DNO's registration system.
- **APPROVED** the consultation to seek Party views on the Annual Rating Proposal as outlined in RECPAB_25_0527_07A and allow the Code Manager to submit a paper by 20 June for the PAB to understand the feedback and approve the criteria at the June PAB meeting.
- **APPROVED** the proposed PATs to be issued to relevant Parties as outlined in Section 3.
- **APPROVED** the proposed change in the threshold for risk driver 8.11 (Non-Domestic Objections) to reduce the impact of peaks noted around the contract renewal window.

8. UPDATE ON DATA RETENTION RELEASE

RN joined the meeting.

The Code Manager provided an update on the REC Portal data retention release which is the removal of files uploaded to Portal that are older than 60 days.

PAB Members:

- **NOTED** the update.

RN left the meeting.

9. R0238 CHANGE REPORT

JH joined the meeting.

The Code Manager presented an update to the Performance Assurance Report Catalogue (PARC) following the annual review. The Change Proposal presented sought to implement these updates, thereby introducing the newest version of the PARC.

The PAB:

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

JH left the meeting.

10. AOB

The Code Manager updated the PAB on Change R0173 relating to improvements to the Theft Detection Incentive Scheme (TDIS). Ofgem had approved the change on 22 May 2025, and the Code Manager and Change Team are working through when is best to implement the change as the new Theft Year has already begun. Further, the Code Manager highlighted from Ofgem's letter of approval that there is already a provision with the REC to allow PAB to conduct a specific level of review on the quality of the theft data reported.

PAB Members:

- **NOTED** the update.

11. NEXT MEETING DATE

The next meeting of the PAB will be held in-person on 24 June 2025.

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