RETAIL ENERGY CODE

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REVIEW OF ESCALATIONS AND SDEP UNDER THE REC

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FOR DECISION 	The Code Manager requests PAB **APPROVE** the proposed scope and activities of the Deep Dive on 'Review of Escalations and SDEP under the REC'

1 CONTEXT

1.1 OBJECTIVE

On 26 August 2025, PAB approved the 2025-26 Performance Assurance Operating Plan (PAOP) which included a Deep Dive on 'Review of Escalations and SDEP (Secure Data Exchange Portal) under the REC'. This activity was added to the PAOP as it was identified as a key area for the Code Manager to prioritise by PAB in June 2025 and by REC Parties in the Performance Assurance Webinar on 02 July 2025.

An effective escalations process is an important element of an efficient retail energy market, and where escalations are not appropriately resolved, it can lead to negative consumer outcomes over areas such as customer switching as well as accurate and timely billing. Additionally, an ineffective escalation process leads to additional costs for REC Parties to identify and resolve these inter-Party issues.

The objective of this Deep Dive is for the Code Manger to provide a measurement of how effective the escalation process is and identify opportunities for improvement.

Consequently, the direct beneficiaries of the outcome of this Deep Dive will be REC Parties – specifically Suppliers, DNOs and MOAs – who use the escalations process and SDEP to resolve inter-Party issues. We have directly engaged with several REC Party representatives to refine the scope of this paper; additionally, Paul Saker (EDF Energy), Chris Legg (Good Energy), and Donna Jamieson (IDCSL) have endorsed the scope of this paper and will continue to be involved in future activities.

2 DEEP DIVE ACTIVITIES

2.1 SCOPE



This Deep Dive will focus on the escalation process for inter-Party issues under the scope of the REC, with an emphasis on areas that will have an ultimate impact on consumers such as switching and billing. The scope of this review also encompasses the upstream causes and downstream consequences of the escalations process.

Firstly, this Deep Dive will analyse the root causes as to why escalations were initially raised, including why the issues could not be resolved through standard business processes and DTN flows, whether the correct initial and escalating actions were taken in SDEP, and cases where escalations were erroneously raised. This element of the review will include analysing the frequency with which each SDEP escalation

type was raised with data from C&C (the SDEP Service Provider), supplemented by qualitative feedback from Parties as to why these escalations were raised. The qualitative feedback will involve individual interviews and wider surveys with relevant REC Party contacts, based on the initial analysis from the quantitative output from C&C.

Secondly, this Deep Dive will review the effectiveness of the escalations process for different business areas, including a review of how often the escalations process leads to a successful outcome, and the timeframe for resolution. This element of the review will involve receiving data from C&C around the frequency of queries that required an initial escalation, further escalation levels, escalation to the Contract Manager via SDEP, and the typical timeframe for response. The data received from C&C will be supplemented by qualitative feedback from Parties on the causes of the delays to resolving escalations.

Finally, this Deep Dive will examine the downstream impacts of the current escalation process, including the direct cost to Parties of resource allocation to support the escalation process, and the ultimate impact on Parties and consumers caused by avoidable escalations and slow resolution. This element of the review will involve qualitative feedback directly from Parties, which will then be extrapolated based on the quantitative data received from C&C. Additionally, we will explore the different internal ways of working that Parties have implemented due to limitations within the SDEP software, as well as the differing expectations in how the case resolution lifecycle is managed, and how both these issues impact resolution timeframes.

For the avoidance of doubt, this review will include interactions between all relevant Parties, i.e. between Suppliers and Suppliers in SDEP, Suppliers and DNOs in SDEP, and Suppliers and MOAs in the Crossed Meter Resolution Portal (CMRP).

However, the scope of this Deep Dive will not include recommending specific SDEP technical changes. There are already a number of open REC Changes involving SDEP technical changes (including R0122, R0161, R0162, and I0285), hence this Deep Dive is focused on wider process improvements. However, it is likely that the cost and benefit analysis noted above could be used as part of the review of current and future SDEP technical changes.

2.2 PLANNED TIMEFRAMES

Activity	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26
Launch Activity	PA Webinar, PAB Paper to Approve Scope								
SDEP Data Provision		REC CM Sends Data Request IA	C&C Respond to Data Request IA			C&C Provisions Data*			
Workstreams 1 - 3		Conduct Interviews	Quantitative Feedback (e.g. Surveys)			Form Initial Recommendations, Review Output with Parties		Finalise Recommend-ations	
Close Activity								Report Final Recommend-ations to PAB	Implement Recommend-ations, Report to Industry

*Assumption that data is provisioned by 13 March 2026; subsequent activities may be moved sooner or later depending on when data is provisioned

3 NEXT STEPS

3.1 PAB DECISION

At the Performance Assurance Webinar on 09 October 2025, the Code Manager presented the planned scope of the Deep Dive to REC Parties and other industry attendees. Based on the feedback from this Webinar, and further in-depth feedback from the representatives listed in Section 1.1, the Code Manager has refined the proposed scope of the Deep Dive for PAB to approve.

PAB DECISION

The Code Manager requests PAB **APPROVE** the proposed scope and activities of the Deep Dive on 'Review of Escalations and SDEP under the REC'.

4 ADDITIONAL INFORMATION

4.1 PA WEBINAR SURVEYS

02 July 2025

Rank	Please rank the REC Process activities in the order of priority:	Weighted Score / 7
1	Escalations and SDEP	6.00
2	Electricity Metering Data	5.40
=3	Data Quality / Cleanse	4.33
=3	Objections Process in Switching	4.33
5	Energy Theft	3.33
6	Gas Process Improvement	2.87
7	Prepayment	1.73

09 October 2025

Rank	Overall, I believe the escalation process for REC-related inter-Party issues is (select one):	%
1	Partially Effective	70.6%
=2	Mostly Effective	11.8%
=2	Rarely Effective	11.8%
4	N/A	5.9%

Rank	Overall, I believe that for resolving REC-related inter-Party issues, SDEP is (select one):	%
1	Partially Effective	52.9%
2	Rarely Effective	23.5%
3	Mostly Effective	11.8%
4	N/A	11.8%

Rank	My Party regularly uses the following SDEP Process Types (select all that apply):	%
1	Erroneous Transfers (PT0013/20/34/35/47/48)	76.5%
2	Disputed Meter Reading (PT0012/33/45/46)	58.8%
3	Crossed Meters (PT0027/55/66/77)	47.1%
=4	Elec Address Management (PT0030/74)	41.2%
=4	Gas Replacement Readings (PT0057)	41.2%

Rank	My Party regularly uses the following SDEP Process Types (select all that apply):	%
=4	Elec Supplier Data Error Resolution (PT0064)	41.2%
7	E.T. GSoP Paym. Cust. Details (PT0061/62)	29.4%
=8	Misdirected Payments (PT0023/38/53/54)	23.5%
=8	Smart PP CoSNo Communication Notification (PT0059/60)	23.5%
=10	Other	17.6%
=10	N/A	17.6%

Rank	I believe that the following escalation processes are not operating effectively (select all that apply):	%
1	Erroneous Transfers (PT0013/20/34/35/47/48)	50.0%
2	Crossed Meters (PT0027/55/66/77)	42.9%
3	Disputed Meter Reading (PT0012/33/45/46)	35.7%
=4	Elec Address Management (PT0030/74), Gas Replacement Readings (PT0057)	28.6%
=4	Elec Supplier Data Error Resolution (PT0064)	28.6%
=4	None	28.6%
7	E.T. GSoPPaym. Cust. Details (PT0061/62)	14.3%
=8	Misdirected Payments (PT0023/38/53/54)	7.1%

Rank	I believe that the following escalation processes are not operating effectively (select all that apply):	%
=8	Smart PP CoS No Communication Notification (PT0059/60)	7.1%

Rank	When resolving REC-related inter-Party issues, I am often impacted by (select one):	%
1	Difficulty in obtaining responses from other Parties	60.0%
=2	Other Parties not following Code/Guidance	13.3%
=2	Tools (e.g. SDEP) don't support effective case management	13.3%
=4	Unclear Code/Guidance on correct resolution steps and escalations	6.7%
=4	Lack of support when issues are escalated to the Code Manager	6.7%
6	Other	0.0%