RETAIL ENERGY CODE

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PERFORMANCE ASSURANCE BOARD (PAB) HEADLINE REPORT

Date: 25/11/2025
Online

This Headline Report provides a summary of the matters discussed, and a record of the decisions made by PAB Members at the PAB meeting on 25 November 2025.

1 APPROVAL OF PREVIOUS MINUTES AND REVIEW OF ACTIONS LOG

The PAB unanimously **APPROVED** the actions and draft minutes from the PAB meeting held on 28 October 2025. PAB Members reviewed the open and overdue actions. Six actions were closed following information provided in the meeting papers or via a verbal update.

2 IT CAPACITY AND REC SERVICES PERFORMANCE MANAGEMENT – RECCO UPDATE

The PAB considered a report from RECCo on the planned scope and timetable of the quarterly RECCo updates on Service Providers. This includes on performance, capacity, and security for REC Services.

The PAB:

- **NOTED** the proposed scope and timings of RECCo's future updates on IT performance management and security.

3 I0265 – THEFT ASSESSMENT CALCULATOR USAGE AND SUSTAINABILITY ASSESSMENT

The PAB considered a high-level update from the Code Manager on REC Issue I0265 – Theft Assessment Calculator Usage and Suitability Assessment and its associated information request, which received eight responses.

The PAB:

- **NOTED** the update.

4 ROBOTICS SANDBOX UPDATE

Further to consideration last month and PAB action RECPAB_25_1028_05, the Code Manager presented the updated Robotics Sandbox Application to the PAB on behalf of a REC Party. The initial application relates to granting the REC Party a Derogation from the prohibition of using robotics in SDEP. The updated recommendation from the Code Manager outlined the proposal to allow Suppliers to participate if they agree to a Code of Practice.

The PAB:

- **APPROVED** the approach as outlined, and which will be further developed before the trial commences.

- **APPROVED** the development of acceptance criteria, a Code of Practice, and a Robotics Solution Assessment to support this approach by the Code Manager.

5 DEROGATION APPLICATION – SEALING PLIERS

The Code Manager presented a Derogation Application that had been received on 13 November 2025 from Stark Energy Serviced Ltd. The Derogation related to permitting the transfer of the existing sealing pliers from Siemens PLC to Stark Energy Services Ltd as part of the sale of the Siemens metering business to Stark.

The PAB:

- **APPROVED** the Derogation Application as set out in the paper, for a maximum period of up to two years.
- **APPROVED** the conditions proposed for the Derogation; and
- **APPROVED** the timescales for the Derogation.

6 QUARTERLY SANDBOX AND DEROGATION UPDATE

Following action RECPAB_25_0930_08 from the September 2025 PAB Meeting, the Code Manager presented a quarterly update paper on all Sandbox and Derogation Applications, including those in progress and those which have closed.

The PAB:

- **NOTED** the update; and
- **PROVIDED** feedback on the information required.

7 CRS PERFORMANCE CHARGES

The PAB considered a report from the Code Manager in relation to a Performance Charge for the Central Registration Services (CRS) for the period from 01 July to 30 September 2025. The paper detailed the breakdown of the charge for the PAB to consider.

The PAB:

- **APPROVED** the Performance Charges applied to the CRS Provider for the quarter ended 30 September 2025 in line with the REC Performance Charge regime introduced from 1 April 2023 and the Performance Charges scale approved by PAB in March 2025.
- **NOTED** that no exemption request was submitted by the CRS Provider for this period.

8 SERVICE PROVIDER ASSURANCE UPDATE

The PAB considered a report from the Code Manager in relation to several key updates on the performance of REC services from August to October 2025, including an update on direct assurance.

The PAB:

- **NOTED** the update.

9 QUALIFICATION UPDATE

The Code Manager presented an update to the PAB on several Qualification related matters. This included the withdrawal of accreditation for an AMI for non-conformance by failing to provide sufficient information to carry out an AMI audit, and on ISD V16 Publication Errors. Updates on the Enduring Qualification Activity and REC Qualification document update were also provided.

The PAB:

- **APPROVED** the withdrawal of accreditation for the AMI for non-conformance.
- **NOTED** how the Code Manager will operate the REC Qualification process, as outlined in the *Qualification and Maintenance Schedule*, during and after the MHHS transition.
- **NOTED** the changes to the REC Entry Assessment Information Pack and Entry Assessment Forms further to the annual revision and update.

10 PARTY ASSURANCE UPDATES

The Code Manager presented an update to the PAB on Party Assurance as part of the active cycle month. The Code Manager also detailed the planned activity related to the review of unqualified MEMs, with details on the proposed PAT to address the issue outlined in the paper.

Additional updates were provided on the Erroneous Switch Peer Comparison analysis and Smart Meter Installation Survey (SMIS) results. The update also included the Code Manager's proposed approach to TDIS verification, updates to the Theft Target Methodology and proposed changes to the PARC which have been identified during the annual review.

The PAB:

- **APPROVED** the application of the PATs as set out in Section 1 of the paper.
- **APPROVED** the proposed approach to TDIS verification.
- **APPROVED** the application of PATs to Suppliers that have unqualified MEMs appointed to RMPs on 31 December 2025 as outlined in the paper, including an Enquiry PAT and subsequently an Action Plan PAT.
- **APPROVED** the proposed updates to the PARC resulting from the Annual Review.
- **NOTED** the updates to the Theft Target Methodology that will be progressed via a Category 3 change.

11 CROSS-CODE COLLABORATION DEEP DIVE

The PAB considered a report from the Code Manager outlining the scope of a deep dive into 'Better Cross-Code Integration' across REC, BSC, SEC, and UNC, with the objective of establishing more effective collaboration mechanisms for managing underperforming Parties and enhancing overall performance assurance. The paper also contained an indicative timeline of activities for PAB's consideration.

The PAB:

- **APPROVED** the proposed scope and plan for the deep dive on Better Cross Code Integration.

12 CODE MANAGER SOLR OBLIGATIONS

Further to action RECPAB_25_1028_10, the Code Manager presented an overview of the Supplier of Last Resort (SoLR) process. This included the role of the REC in the event of a SoLR and outlined the activities for which the REC Code Manager is responsible.

The PAB:

- **NOTED** the presentation.

13 ANNULMENTS DECISIONS

The PAB considered a report from the Code Manager in relation to the allegations of potential misuse of the annulments process by a REC Party. The Code Manager outlined the requirements on Suppliers, the investigation work undertaken, including the statement of facts established, the supporting legal advice, and the next steps for PAB to consider.

The PAB:

- **DETERMINED** that, based on the information provided to it, there is no evidence of the REC Party failing to meet the standards expected under the REC.
- **DETERMINED** that, as a result, no PATs would be applied.
- **DETERMINED** that the Code Manager would notify Ofgem of the process, including sharing the relevant PAB paper and the decisions reached.

14 AOB

The Code Manager advised the PAB that due to the timelines for data submission, and the December PAB happening earlier in the month, the dashboards will not be published in advance of the PAB papers being published. The Code Manager advised they would update PAB on any significant matters verbally at the PAB meeting, but that they would move any actions/PATs to the January PAB meeting as is consistent with the approach in previous years.

The PAB Chair requested PAB Member's suggestions for 'deep dive' topics that could be covered at the in-person December PAB Meeting. There were suggestions on the changes that MHHS has brought and their effect on the PAB, as well as the recent Address Management workshop held by DCC and RECCo.

The PAB Chair raised the DESNZ consultation on potential new obligations to be placed on non-domestic suppliers to try and extend the Smart Meter mandate from 1 January 2027. The PAB Chair advised that there would be a new Schedule under the REC, with an obligation placed on the REC Code Manager to monitor adherence. The consultation closes on 12 January 2026. The PAB Chair committed to sharing the response to the consultation with PAB Members.

15 NEXT MEETING DATE

The next meeting of the PAB will be held in-person on 16 December 2025.