NON-CONFIDENTIAL CONSOLIDATED CONSULTATION RESPONSES

Consultation on the REC Annual Rating 2025/26

On 12 January 2026 the Code Manager issued a consultation to industry to seek feedback on:
a) Proposed Criteria for Annual Rating for DNOs and Suppliers for 2025/2026
b) Proposed introduction of Annual Rating for Metering Agents in 2025/2026.

The purpose of this document is to consolidate the responses and for the Code Manager to answer any questions raised within those responses.

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RETAIL ENERGY CODE

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RETAIL ENERGY CODE

1. Questions on the Proposed Solution

Question 1	We have considered several inputs in establishing our annual rating. For MEMs (MOAs and MAMs) we considered and propose to include: a) Compliance with maintenance of qualification processes b) Validated performance issues, through the application of PATs, with more serious PATs attracting a less favourable rating. These PATs primarily are driven by data cleanse performance, although we consider other sources (e.g. responses to investigation) c) COMCOP audit timeliness and outcome We also considered and discounted: • Customer feedback For AMIs and EMOs we considered and propose to include: a) COMCOP audit timeliness and outcome Compliance with maintenance of qualification processes We also considered and discounted: • Customer feedback • SMIS results 1. Do you agree with the sources of information used? A) Are there any sources that we should consider adding to this list? If so, why? B) Are there any sources we should consider removing or amending? If so, why?	
Respondent Details	**Response**	**Code Manager Comments**
SSE Energy Supply Limited	The biggest impact MEMs performance has on suppliers is felt in our settlement performance. We would like to see performance monitoring on: Fault investigation, Meter exchanges, Communications failure.	Thank you for your response and suggestions. The Code Manager agrees that all of these are key areas of performance.

		Faults In our annual report we identified that there should be a maximum timeframe for Fault Resolution, to enable the monitoring that you seek. This is being considered as part of: *I0197 Introducing a Process to Provide Updates During Fault Resolutions* Once the Code is amended, the Code Manager will propose to include this in the criteria, as suggested by SSE. **Meter Exchanges** Our current performance measurement approach is to assess the accuracy of MTDs via reconciliation, with these taking place in electricity and gas. Our criteria include PATs covering this. We validate that the performance issue is within the control of the entity before applying a PAT that would affect the annual rating. This exists so that ratings are fairly assigned. **Communications Failures** Communications failures are governed under the SEC, so the Code Manager considers this more appropriate for SEC Performance Assurance to cover. We will share these comments with this team.
ENGIE	As we are not a MEM, AMI or EMO we have not commented on this question.	Thank you for providing your rationale.

Siemens	Agree with the suggestions. Maybe consider adding OSM engagement, escalations and/or feedback?	Thank you for your response and suggestions. OSM (OAM under the REC) engagement and feedback is a way for Parties to raise any issues informally. While proactive engagement with your OAM can result in better awareness of the Code changes and offer a route to dispute resolution, lack of engagement would not necessarily mean that a Party is failing in meeting their Code obligations. Therefore, we have not included this as a criterion for how well they comply with the REC. Please note that serious escalations would be taken to the PAB. The PAB can then decide if PATs should be applied to bring the Party back into compliance. Therefore, serious escalations that have been validated will be included in the rating (if PATs / intervention was required by the Code Manager), while unvalidated or minor escalations will not unfairly lower Party score.
Octopus Energy	Yes, we agree with including MEM's/AMI's & EMO's in the Annual Rating. And with the proposed areas to include as these are in line with the supplier and DNO's Annual Ratings	Thank you for your response.
SP Energy Networks	We are supportive of PATs being applied to MEMs, AMI and EMOs. As key parties in the industry processes we support the monitoring of their performance as other parties are reliant on their processes.	Thank you for your response.
Calisen Metering Services Limited	Calisen are keen to ensure the introduction of any framework is only on the basis of transparent, comparable data, which is fair and consistently applied. We have the following, detailed questions, around the suggestions of including CoMCoP audit timeliness and outcome, and maintenance of qualification process, which we would like to be answered as part of the consultation outcome:	Thank you for raising this, we have broken down our response based on your queries. **Consistency** Following the introduction of change R0152 in November 2025, the audit regime has been updated. It is now consistently applied across all Parties, but we

	• Is the audit regime consistently applied across all bodies who would be subject to assessment? If not, then we would suggest this needs to be in place with sufficient, comparable data, before this is progressed • What is the 'timeliness' related to – when the audit is completed, responses, completion of actions; it is unclear. How will it be determined if 'delays' are caused by disputes with the Auditor? • Including the scope and coverage of the audit i.e. field based audit vs desktop review? Do all parties consistently have this in order to provide a fair and comparable rating? • If findings and actions are determined as part of the audit, would these be taken into account as part of the assessment i.e. what if low level findings were identified (i.e. scored down on annual assessment), but they were all addressed within agreed timescales (or before), how would this be reflected in the annual assessment? • Is the date for the maintenance of qualification the same for all potentially impacted parties and time that it covers i.e. is the MOQ completed for the past year, looking backwards, but the annual assessment would be for the forward looking year – the timescales for completion of both, need to align Calisen are supportive of not including customer feedback in this assessment – unless a defined measure can be determined, which is consistent across comparable parties.	acknowledge that under the current proposal, some Parties would have been rated under the previous regime (those who had their audit before November 2025). We will inform the PAB of this and propose two options to reconcile those differences. The first is to postpone the rating until next year (when all the Parties would have been rated under the new regime). The second is to soft launch the rating (i.e. allow only Parties themselves to see the rating) and in the report to PAB, provide a separate analysis for Parties rated under pre-R0152 regime and post-R0152 regime. We will communicate the decision the PAB has taken on this. **Timeliness** The 'timeliness' relates to the actual audit assessment taking place. It is related to the REC Schedule 15, paragraph 7.5 which states: *The Metering Scheme Auditor and the approved person shall each use reasonable endeavours to ensure that any audits are carried out within one month of the target audit date.* Should the auditor need to rearrange the audit, this would not be identified as a delay by the Party. Where disputes with the auditor take place, we would expect Parties to raise this with us during the query window and we will seek to assess these delays on a case by case basis to ensure we do not penalise those who had engaged with the auditor reasonably and in a

		timely manner to resolve any issues. We also note that in the proposed criteria, a delay of less than a month will not result in a penalty on the rating. **Scope** Based on REC Schedule 15, paragraph 7.3, all Parties subject to the audit should be receiving a consistent scope and coverage of the audit. The Code states: *The Metering Scheme Auditor shall audit each Metering Equipment Manager's, AMI's and EMO's compliance by means of:* *(a) at least one field visit during which the Metering Scheme Auditor observes work in progress and reviews completed work to assess compliance with the CoMCoP and the metering company's own policies and procedures; and/or* *(b) a paper-based desktop audit to determine whether the metering company's policies and procedures are compliant with all applicable requirements of the CoMCoP.* We note that the only time the audit would not include a field visit is the audit of the new entrants to the market where a field visit would not be possible due to them not being accredited to carry out metering work prior to the completion of the desktop audit. In these circumstances, we would rate their desktop audit findings only. **Addressing COMCOP Findings**

		No, at the moment the proposed scoring does not include taking into account how quickly low-level findings were addressed. However, failure to address findings may result in escalations which would trigger action from Code Manager including PATs or other forms of intervention. **Maintenance of Qualification Timelines** Parties have different deadlines for submitting their Maintenance of Qualification. The reason for this is to allow the Code Manager to spread out the review work across the entire year and streamline the process for the Parties (allowing for quicker turnaround on any review feedback if applicable). The Maintenance of Qualification is an annual exercise so it would align with the dates that the annual rating is awarded. The Annual Rating would take into account your most recent MoQ submission – it is a retrospective rating and not a forward-looking one.
ScottishPower Energy Retail Limited	Yes, we agree with the sources of information used.	Thank you for your response.

Question 2	Currently, in DNO and Supplier ratings, all criteria are equal. To come up with a single rating, we take the lowest rating from any category (listed in Appendices A & B) and take this to be the overall rating. We propose that we apply this approach to DNOs, Suppliers and metering providers going forwards. 2. Do you agree with this approach? If not, what would you consider to be a fairer/more appropriate way to consolidate all categories into a single rating?	
Respondent Details	**Response**	**Code Manager Comments**
Anonymous Respondent	If there is consistency in the approach, then we are comfortable with the process. Though, for a MEM outside of an Audit year the data will be a year out of date, would an average of the categories results show a more rounded overall score for the annual rating?	Thank you for your response. Code Manager acknowledges the point raised around the audit data being out of date in some instances (where Parties did not have the audit in the same year as the Annual Rating). While this will not be real time data, the proposal includes using the most up to date audit data available. Thank you also for raising an alternative to the scoring system. As noted in response to ENGIE, we do not consider an average score would be sufficiently clear. However, the Code Manager will take this away and review in more detail before presenting a potential solution on how an 'points-based' score may look like. Any such proposal would be also subject to an industry-wide consultation.
SSE Energy Supply Limited	We would view a standard approach across all parties to be fair and uniform.	Thank you for your comment.
ENGIE	We have never agreed with this approach and we do not support it going forward. For suppliers, especially non-domestic suppliers, it has the effect of making performance	Thank you for continuing to voice your feedback.

	against theft targets the chief determinant of annual ratings as these targets are the most difficult to meet for a non-domestic supplier, often through no fault of their own. While suppliers use best endeavours to meet energy theft Targets, it is not in the suppliers' control whether their portfolio yields a sufficient number of potential thefts to be investigated to reach the target. This particularly applies in the non-domestic market where, in the absence of a licence obligation to supply, suppliers are able to avoid particular market segments which present risks to revenue recovery (for example where theft or non-payment may be more widespread). A "lowest rating as overall rating" approach is therefore fundamentally flawed, as it gives too much weighting to targets the achievement of which is not necessarily within the supplier's control, and gives suppliers with low theft performance no credit for good performance in the other monitored areas. It effectively acts as a cap on performance for any supplier who does not have a portfolio that provides the necessary number of thefts to meet their target. Ideally, theft should not be included in the Annual Rating calculation for the reasons noted above, but in the absence of this, determining the Annual Rating from an average, or weighted average performance across different categories would be fairer and give the ratings more credibility. Alternatively, a "balanced scorecard" approach could be adopted that provides separate ratings across a number of areas.	We have previously adjusted our rating approach for I&C Suppliers based on feedback received, seeking to get the right balance between Theft being appropriately incentivised and fairness across different Suppliers with different portfolios. We already have the following in place to reflect the concerns that you have: • A de minimus, so that organisations with very small portfolios aren't affected by the natural variation in theft detection. • Different thresholds for domestic and non-domestic Suppliers Noting the continued feedback we will propose to the PAB options including: 1. Retaining a lowest rating approach. 2. Excluding theft from the rating. 3. A 'points based rating' Given the rating aims to assess compliance with the REC, we do not consider an average or weighted score would provide sufficiently clear picture as it may obscure critical variations or issues. Code Manager has noted your points on an alternative scoring system. Please see further comments on the rating and classification questions.

Siemens	Suppliers and DNOs are best placed to comment here.	Thank you for your response.
E.ON Energy Services UK Ltd /E.ON Energy Solutions Ltd	We agree with this approach	Thank you for your response.
Octopus Energy	If the intention is to ensure fairness and consistency across market participants, then the inclusion of DNOs should follow the same methodology currently applied to Suppliers and DNOs. Applying a different approach to MEMs would risk creating inconsistency in how performance is assessed across the industry.	Thank you for your response.
SP Energy Networks	We are supportive of this approach.	Thank you for your response.
Calisen Metering Services Limited	We do not have a comment on this aspect.	Thank you for your response.
ScottishPower Energy Retail Limited	Yes.	Thank you for your response.

Question 3	COMCOP audit is delivered every 2 years while Annual Ratings are awarded every year. To reconcile this difference, we propose the below approach: For companies who were not audited this year, we take the data from when the last COMCOP was completed (i.e. if it wasn't completed in 2025, we will take the most recent data from 2024). 3 . Do you agree with this approach? If not, what alternatives should we consider?	
Respondent Details	**Response**	**Code Manager Comments**
Anonymous Respondent	This makes sense, it's not ideal for data to potentially be a year out of date however it seems to be the most logical approach.	Thank you for your response.
SSE Energy Supply Limited	If COMCOP audits cannot be carried out each year this would seem a sensible approach.	Thank you for your response.
ENGIE	As we are not a MEM, AMI or EMO we have not commented on this question.	Thank you for your response.
Siemens	Agree.	Thank you for your response.
E.ON Energy Services UK Ltd /E.ON Energy Solutions Ltd	We agree with this approach.	Thank you for your response.
Octopus Energy	there is a concern regarding the "lowest score determines overall rating" approach. Where a party falls short on a single target, this can result in being fixed at that lower rating for the full 12-month period/24 month period, even if all other targets are achieved or subsequently improved. This may unintentionally create a disincentive effect — if an organisation recognises early in the year that it cannot recover one metric, it could reduce the incentive to prioritise performance in other areas.	Thank you for your response. The Code Manager understands the concern you express around the single target having disproportionate effect on the whole rating (even where multiple other metrics are met to a high standard). We will reassess whether an alternative scoring system would be beneficial – as you point out in your response as well – this approach would need to deliver benefits of a more fair/dynamic approach without making the process significantly more complex.

	However, we also acknowledge the practical challenges of introducing a more dynamic approach. Adjusting ratings throughout the year as individual targets are met or improved would introduce additional operational complexity and administrative effort. At this stage, we do not have a viable alternative model to propose that would balance fairness, transparency, and proportionality without significantly increasing that burden.	We will provide options to the PAB in relation to this, which you can see above in our response to question 2.
SP Energy Networks	We are supportive of this approach, however, feel that this should be an interim step, as the rating may not be reflective of current performance, with parties who have either improved performance or seen a degradation not being accurately reflected in the ratings. We cannot provide an alternative but feel that this should be investigated with industry parties to seek to implement a fully reflective process that incorporates an annual rating.	Thank you for your response. The Code Manager has noted your feedback. In our response to question 2 we have identified some alternatives and note that the ask for ongoing engagement and development in future years.
Calisen Metering Services Limited	As per Q1, we would suggest that the approach needs to be consistent and the same timescales applied to all – until the audit framework is stable, with sufficient comparable data, and completed across all parties consistently and transparently, we do not support the introduction of this assessment being based on retrospective data.	Thank you for your response. The Code Manager has noted your concerns. Please also refer to comments relating to your questions in other responses.
ScottishPower Energy Retail Limited	Yes	Thank you for your response.

Question 4	Our current framework provides a single rating per organisation, classifying these as: • No material weaknesses • Minor weaknesses • Moderate weaknesses • Severe weaknesses The rationale for this is that this provides a clear means of comparison across the various topic areas and business types. A consequence of this is the need to categorise various types of performance into groups. 4. Are there alternative approaches we should consider? What benefits and drawbacks would these have?	
Respondent Details	**Response**	**Code Manager Comments**
Anonymous Respondent	This categorisation makes sense.	Thank you for your response.
SSE Energy Supply Limited	We do not consider an alternative approach is necessary.	Thank you for your response.
ENGIE	While theft performance remains such a strong driver of the overall annual rating due to the "lowest rating as overall rating" approach, the current rating descriptions can give the misleading impression that a supplier failing to meet its theft targets has a "moderate weakness", whilst that same supplier could have met its qualification requirements and have had no PATs during the course of the year. This does not seem a representative portrayal of such a supplier's performance. Even if theft performance were not such a key driver of the overall outcome (for example if it was not included in the annual rating, or an averaging approach was used), the category names are too subjective, and too negatively expressed. Equally, to use terms such as	Thank you for your response. The Code Manager will reassess the labels associated with these classifications. We will consider names of categories that better represent the overall performance in line with the feedback provided. On the theft performance point, we have noted your feedback and provided a more comprehensive response in question 2.

	"Excellent, Good, Satisfactory and Needs Improvement" could also present issues, as satisfactory compliance should be recognised as good performance. Perhaps a star rating system could be used with 5 stars for a fully compliant party, down to one for a party that is struggling to meet its obligations. Using star ratings would avoid the need for the use of category descriptions that could be misinterpreted. But for the rating system to be effective, the issues we have highlighted around "lowest rating as overall rating" how theft performance is included need to be addressed.	
Siemens	Agree with the suggested framework. Maybe add an age multiplier so that the severity increases if an issue is not resolved, or at least in progress, after a year?	Thank you for your response. The Code Manager has specific escalations through Performance Assurance Techniques (PATs) applied to Parties who do not address Code-based obligations – therefore, where a Party does not resolve a particular performance issue, it would be managed through the Performance Assurance Framework and reflected in their Annual Rating should the escalations to Management Assertion or Action Plan be applied.
E.ON Energy Services UK Ltd /E.ON Energy Solutions Ltd	We believe the same approach should be taken as is already the case for suppliers and DNOs	Thank you for your response.
SP Energy Networks	We have identified no alternative approach; we believe that the current approach makes the rating clear.	Thank you for your response.
Calisen Metering Services Limited	As per Q6, we would like to understand the rationale underpinning the proposal; what are the expected benefits of introducing such a scheme and who would receive these benefits? RECCo have all the results of the audits and the maintenance of qualifications so what does this framework add? It would be good to understand if existing parties under the scheme feel there is a benefit to them of having	Thank you for raising this. We expect this to act as an incentive to Parties, strengthening the assurance activities already in place. The existing Supplier and DNO rating has already driven performance improvements, most notably in

	this – this would help us with our assessment of the proposal. Calisen suggest that instead of 'no material weaknesses' – the 'positive' outcome could be 'meeting expectations' or 'meeting requirements'.	engagement with energy theft processes, a critical activity that can directly impact the safety of the public. Whilst we don't have direct feedback from Parties that can describe the benefits, we have received feedback from PAB members on the benefits of this scheme. Thank you also for your alternative naming suggestion. The Code Manager will look to reassess the labels associated with the performance categories in line with industry feedback.
ScottishPower Energy Retail Limited	We are comfortable with the current ratings used by the REC.	Thank you for your response.

Question 5	We have also considered adding a positive Rating – 'Above Expectations' which would capture any activities where Parties have demonstrated a particularly good performance that exceeds regular BAU. The aim of this would be to promote best practice across the industry in relation to switching, metering and other REC activities. Our proposal currently is that we do not have a positive rating, as we have been unable to identify objective, relevant and measurable criteria that would allow us to fairly apply positive ratings to some Parties. 5. Are there any metrics that we could consider to identify positive performance? If so, please describe how these could be fairly implemented in a rating system.	
Respondent Details	**Response**	**Code Manager Comments**

Anonymous Respondent	N/A	
SSE Energy Supply Limited	With the amount of information and industry data we have, we are unable to identify any metrics to be used for a positive rating.	Thank you for your response.
ENGIE	We do not agree with the introduction of an “above expectations” rating. The aim of a performance assurance regime should be to ensure that parties to the code meet their obligations under that code, and if necessary call out in a fair and non-discriminatory way those that do not. If suppliers exceed mandated service levels they can use this themselves to promote their services to consumers but we do not see it as the role of a code manager to do this on their behalf, and such an approach presents significant risks if the allocation of the rating is not done fairly (for example by relying on theft performance which is not a level playing field for all suppliers as noted above).	Thank you for your response. Following the industry feedback and challenges outlined, the Code Manager will recommend to the PAB that ‘Above Expectations’ classification should not be included in this year’s Annual Rating. Additionally, we point out that a key role of the REC is to support the industry in sharing best practice and recognise, incentivise good behaviour that leads to better consumer outcomes.
Siemens	Maybe allow the auditors to feed-back positive comments. Not sure that this could be consistently rated.	Thank you for your response and criteria suggestion. Unfortunately, in the current COMCOP regime, it is not possible for auditors to feedback positive comments so the Code Manager would not be able to implement this change as part of the Annual Rating 2025-2026.
E.ON Energy Services UK Ltd /E.ON Energy Solutions Ltd	We agree by not having a positive rating it just assumes everyone is non-complaint to a certain degree. For those companies with no issues, perhaps it is a “Compliant” rating. We don’t believe there should be anything more than this, good practise examples can be shared in other ways and would be really useful for other parties to understand what that looks like but if its beyond the obligations then it should not form part of the compliance rating.	Thank you for your response and alternative category name suggestion. The Code Manager will reassess the labels associated with these classifications in line with industry feedback. Please see the Code Manager comments to other participants in question 4 for more details.

		In relation to 'Above Expectation', the Code Manager will recommend to the PAB that this not included as part of the Annual Rating 2025-2026.
Octopus Energy	One proposed suggestion could be a "shout Out" to anyone delivering 70% or more on Domestic Targets Theft Targets, and something similar on I&C targets as that is going above and beyond. And is a measurable target.	Thank you for your response and positive/Above Expectation scoring suggestion. While we do not plan on including the 'Above Expectation' rating as part of Annual Rating 2025-2026, we will review how we can recognise good performance and Parties exceeding their targets.
SP Energy Networks	We are supportive of this approach but agree that this would be difficult to apply whilst being objective and reflective. As of this point we are not aware of any tracking on 'best practice.' Maybe this is a long-term aspiration, if there is scope to share best practice then this could feed into a revised rating at a later point when there is some evidence available. Thought would need to be given as to how 'best practice' is defined and any cost associated with any recommendations.	Thank you for your response.
Calisen Metering Services Limited	Calisen are not supportive of this proposal. The ratings need to be transparent, comparable and supported by the defined outcomes – not with an 'add on' because of some 'other' positive aspects. How would best practice be identified, who would assess this, would submissions have to be made to show a company has gone 'above and beyond' and who would judge this – we strongly disagree that this would be fair. Having 'no material weakness' across all aspects of the framework should be considered 'positive'. See comments in Q4 and Q9	Thank you for your response. The Code Manager has noted your concerns and following feedback from the industry on this, we will be proposing to the PAB that no 'Above Expectations rating' is included.

ScottishPower Retail Energy Limited	We believe the current “No Material Weaknesses” rating captures where parties have complied with all the REC objectives and no issues have been raised against their performance in the market. A new “Above Expectations” ratings may be beneficial for industry. However, we cannot identify any particular benefits.	Thank you for your response.

Question 6	We consider the transparency of performance information to be an important principle. We plan to gradually increase the level of transparency in our work, to provide predictability to Parties. We plan to continue with our approach for DNOs and Suppliers, sharing ratings with peers. In 2025-26 we plan to share the metering ratings with individual Parties only: • Each Metering Party can see their own rating only Following this initial phase, in 2026-27, we would like to make the ratings available to other Parties on the below basis: • Each Metering Party can see their own rating • Each Metering Party can also see how their peers are rated In the later stages, there may be changes (for instance that the ratings are made available to consumers or Suppliers who choose which metering agent they want to contract). This is not currently in the pipeline for this year or next year. 6. Do you agree with the proposed level of transparency? If not, why not?	
Respondent Details	**Response**	**Code Manager Comments**
Anonymous Respondent	Agree with this proposal.	Thank you.
SSE Energy Supply Limited	The level of transparency for MEMs should be the same as for suppliers and DNOs for consistency	Thank you for your response.
ENGIE	As a supplier we would have some interest in seeing Metering Party ratings, but only if these were very transparent and fairly allocated, as there is a risk that ratings that were based on criteria that were not in fact reflective of a Metering Party's overall performance could lead to sub-optimal contract decisions to the detriment of consumers. There could be some benefit in suppliers being able to gain assurance that a Metering Party was fully	Thank you for your response. The Code Manager has noted this feedback and openness to seeing the Metering Agents ratings at a later stage. Please refer to Code Manager's comments on the methodology and controls for a more detailed explanation of how the ratings would be allocated.

	compliant with all its basic code obligations through a rating process.	Please also note that while we wanted to signal the potential to share these ratings with Suppliers, there is currently no plan to do so, and this year's Metering Agent's ratings will only be shared with Parties themselves.
Siemens	Elexon do an anonymised peer comparison, we suggest this as a starting point.	Thank you for your response and suggestion. Anonymised peer comparison exists for DNOs and Suppliers under the REC and this is the route the Code Manager expects to take for Metering Agents as well once the rating is a fully operational process for Metering Agents.
E.ON Energy Services UK Ltd /E.ON Energy Solutions Ltd	Unlike for suppliers and DNOs, a published rating may have commercial impacts for a MEM party.	Thank you for your response. The Code Manager understands your concern around any publications or sharing of the Metering Agents Annual Rating. Please also note that while we wanted to signal the potential to share these ratings with Suppliers, there is currently no plan to do so, and this year's Metering Agent's ratings will not be visible to anyone other than the Party themselves.
Octopus Energy	Yes we agree with the approach for the next two years. For the later stages we would prefer if this was put back on the table for discussion once this first stage has gone live, as we have some concerns over this. For example if the customer only sees the high level outcome and it was based on a COMCOP audit from 2 years ago, is that the right piece of information to give them and would it drive their behaviour? This feels like it needs more thought than the initial inclusion of MEM's	Thank you for your response. The Code Manager has noted your feedback, and we plan on consulting on the approach annually and/or prior to implementing any changes in how we share the data. Additionally, at this stage, there is no plan to share the information with the consumers/general public.
SP Energy Networks	We are supportive of transparency, however if the intention is to 'rollover' the rating for COMCOP which is every 2 years	Thank you for your response.

	cognisance will need to be given to the fact that the rating may not be appropriate in the intervening year when a rating is not provided. This is particularly relevant if this is to be shared with Suppliers and Customers.	The Code Manager has explored two options in relation to reconciling the difference in timing between COMCOP and Annual Rating. Option 1 was to leave the category as unmarked for the years where the COMCOP audit was not completed (i.e. these Parties would be rated based on the remaining criteria). Option 2 was to rollover the COMCOP rating (i.e. use the most recent audit data even where that data is over a year old). Following discussions with metering experts within the REC, it was determined that Option 2 was the preferred one, and therefore it was put forward in the consultation. At the moment, there is no plan to share the information with the consumers/general public, and such a change would be consulted upon before the implementation.
Calisen Metering Services Limited	Calisen would like to understand the rationale underpinning the proposal; what are the expected benefits of introducing such a scheme and who would receive these benefits? If these were clearly articulated and stated, it may be easier to understand and assess the need for the introduction of this framework. We suggest that RECCo undertake research to identify any other Codes where a rating or assessment is provided and their approach, how that framework operates, as part of the evolution of this proposal. We would be interested to hear the outcome.	Thank you for your response. We have set out some of the benefits in previous questions. Further analysis of metering performance is available in our 2024/25 Annual Report, which highlights that significant numbers of metering providers perform well against their COMCOP requirements, however there are a number that do not. This includes a basket of measures to address this, including this rating approach. We note the commercial impacts that you indicate and reiterate our commitment to consult each year on changes to this rating approach, e.g. increasing sharing, even if they are consistent with a previously signalled intent. We are keen to engage with metering Parties throughout this process.

	Each party currently gets the outcome of their completed audits, submissions etc and would be well aware of their position if under scrutiny from the Performance Assurance team, therefore it's unclear why this extra framework is needed. Whilst we acknowledge that there would be steps to get to the future outcome of ratings being shared, we are concerned around potential impacts to the competitive environment in which MEMs operate in, if this was introduced – particularly given the proposals to share peer related information. We are not suggesting that this is a reason for not progressing, but suggest the commercial impacts will need to be well discussed and thought through, so as not to cause detriment to parties.	We have been operating an Annual Rating as part of our framework for several years. The work to enable this started with the REC PAB in 2020, the initial phase of which culminated in a research report that indeed covered a review of the use of similar systems in other regulatory arrangements, including Energy Codes. This was published in March 2021 and is available to Parties. We note your suggestions and will consider whether incremental analysis is required in future years. Any changes to the framework in future will be subject to consultation.
ScottishPower Retail Energy Limited	We'd welcome the ability for suppliers to see the ratings of metering agents they contract with.	Thank you for your response.

Question 7	Our annual rating process involves classifying organisations based on the source data we review. To do this we need to set criteria that allow us to allocate organisations into specific ratings. We have set out the detailed criteria in Appendix A that we propose to use for Metering Parties and Appendix B for Suppliers and DNOs. We have also proposed the following changes to the DNO and Supplier criteria which we flag below: A) Not meeting M10 MHHS criteria on time would result in a Severe Weakness rating B) Payment method levelisation – missing, late or invalid data submission would result in Moderate Weakness rating C) Payment method levelisation and TDIS – late payment into the scheme would result in Severe Weakness rating 7. Do you have any specific comments on the appropriateness of the criteria we propose, particularly how we propose to set rating boundaries?	
Respondent Details	**Response**	**Code Manager Comments**
Anonymous Respondent	No specific comments to add.	Thank you for your response.
SSE Energy Supply Limited	We have no comments.	Thank you for your response.
ENGIE	Any use of M10 MHHS criteria in REC Annual Rating would need to take into account how much the suppliers failure to meet the M10 criteria was within their own control and not due to last minute changes in portfolio or inability to remedy issues that require site access, for example. It would also have to be aligned with any sanctions being applied in such circumstances by Ofgem and/or or Elexon and not lead to double jeopardy. As a non-domestic supplier with no prepayment meters we have not commented on payment method levelisation as a criterion.	Thank you for your response. The Code Manager plans to implement controls to ensure Parties are not penalised for things outside their control. Particularly of importance here would be the query window which allows Parties to discuss their rating and flag to the Code Manager any circumstances outside the Party's control that influenced the outcome.
Siemens	No comments.	Thank you for your response.

E.ON Energy Services UK Ltd /E.ON Energy Solutions Ltd	No comments.	Thank you for your response.
SP Energy Networks	Appendix A We have identified no issue with this. Appendix B We seek clarification on the requirement to include DNO criteria for the following: A) I/DNO have already met the M10 MHHS criteria, not sure of the intent of including this. Is this intended to be a short-term inclusion in the Annual rating as would this not be part of qualification for new entrants. B) Payment method levelisation – DNO do not submit data for this and therefore cannot be included in a rating for this. C) Payment method levelisation and TDIS – DNO do not submit payment into these areas and therefore cannot be included in a rating for this.	Thank you for your response. On Appendix B, the i/DNOs who have met the M10 criteria without delay would be rated as 'No Material Weakness'. For those who were not subject to the migration and are new entrants, this criterion would not apply. We intend these criteria to only apply this year. Payment method levelisation and TDIS are not applicable for DNOs – thank you for raising this as a point of clarification.
Calisen Metering Services Limited	Calisen does not understand including the M10 date as this is now in the past and there could be a whole multitude of reasons why a participant has not met this date. This does not seem like a fair or comparable measure. All Programme Participants have sufficient scrutiny under the Programme that we do not agree it seems reflective to include this now.	Thank you for your response. We will consider with the PAB the appropriateness of the M10 criteria, considering the comments that you have and those of others responding to the consultation.

Question 8	To ensure our ratings are fair, we plan on implementing the below controls: • Query Window (allows the Parties to see a draft rating and query with the performance team where they do not understand the basis for the rating) • Additional materials published on criteria and methodology to help you understand the criteria and ratings • Consultation on the criteria on annual basis to ensure they remain relevant and fit for purpose We propose to continue this process for DNOs and Suppliers and implement it for metering ratings. 8. Are the controls proposed proportionate? If not, how should we adapt our approach?	
Respondent Details	**Response**	**Code Manager Comments**
SSE Energy Supply Limited	SSE is happy with the proposed approach providing the timeframes are sufficient and any changes are published in a timely manner.	Thank you for the response.
ENGIE	We agree with the controls proposed, but these should not be a substitute for addressing the fundamental flaws with the annual rating system that we reference in our responses to questions 2 and 4	Thank you for your response. Please see Code Manager's comments in regard to issues raised in question 2 and question 4.
Siemens	Having a query window is a very good idea. We would appreciate the additional materials and consultation.	Thank you for your response.
E.ON Energy Services UK Ltd /E.ON Energy Solutions Ltd	We agree the controls are proportionate. The query window will be critical for allowing a party the opportunity to challenge weaknesses that were outside its direct control and we expect that pragmatism will be shown so as to not unfairly penalise.	Thank you for your response.
SP Energy Networks	We believe that the controls are proportionate.	Thank you for your response.
Calisen Metering Services Limited	We suggest there would need to be an escalation process for resolving any challenges or disagreements – not just a query window, but a process for agreed and resolving issues.	Thank you for your response. In regard to escalations – any Code Manager decision can be appealed to the Performance Assurance Board (PAB) in line with existing procedures. The Annual Rating therefore

		would not require additional escalations pathways in our view.
ScottishPower Energy Retail Limited	Yes.	Thank you for your response.

Question 9	Do you have any other comments on the Annual Rating for Metering Agents, Suppliers or DNOs?	
Respondent Details	**Response**	**Code Manager Comments**
Anonymous Respondent	No further comments.	
SSE Energy Supply Limited	No.	
ENGIE	No further comments.	
Siemens	No comments.	
E.ON Energy Services UK Ltd /E.ON Energy Solutions Ltd	No further comments.	
SP Energy Networks	No further comments.	
Calisen Metering Services Limited	We suggest that resource implications for both RECCo and impacted parties would need to be considered if this is introduced. It's also unclear from this consultation if there would need to be actions to 'increase your score' or you would have to have the same assessment for the whole year? We would like this to be clarified as part of the consultation outcome.	Thank you for your response. We have broken down our response based on the themes/questions you have raised. **Increasing your score** We expect this to be a single, retrospective assessment for the whole year. After the rating is awarded, due to the retrospective nature of it, there is

	We have the following query around definitions – is 'no material weakness' consistent across the inputs i.e. the definition of a material weakness, is this the same in a CoMCoP audit versus submitting your maintenance of qualification late? How would issues be dealt with around IT system issues which impact the submission of say audit evidence or maintenance of qualification evidence? To ensure parties are not impacted where they may have a delay in submitting information? Calisen attended the AMO on 26th Feb where a presentation about this proposal was provided. Otherwise we have not seen much in terms of engagement around this subject – which could potentially be significant and impactful to our business. On the REC portal there is only this consultation document, nothing else – i.e. no background info, the pack that was used etc. We would have expected a raft of information to support such a significant proposal – which is new to MOA/MEMS.	no way to increase it until the new accrual period begins. **Query around definitions** 'No material weakness' rating indicates full compliance and meeting your obligation without any issues. In that respect, it is the same for both COMCOP and MoQ. Then, 'Minor Weakness' would indicate a minor issue (for CoMCoP we propose to define it as minor failings, for MoQ we consider this to be a slight delay on the submission). This is a weakness that impacts the quality but does not necessarily cause serious harm to consumer or significant breach of the Code. Moderate Weakness would indicate a greater issue or a performance that needs addressing. For MoQ we would consider this to be a significant delay on submitting the required document to the REC (more than 1 month). Severe Weakness would indicate a fundamental failing in meeting the regulatory obligation – for CoMCoP we propose this is when a Party is found to have major failings. We welcome input from Parties on whether they agree with the criteria for each of these categories – we seek to validate if Parties agree with how we define a severe failing for example vs a failing that should be rated as a minor weakness. **Issues around IT issues/submissions** Where the REC is at fault (for example due to an IT issue affecting the portal and preventing Parties from

		uploading their Maintenance of Qualification), Parties will not be penalised. Before issuing a draft rating, we will seek to amend it for any organisation where we are aware they have been impacted by an IT issue. The 'Query window' control will also allow Parties to flag to us directly where issues outside of their control may have impacted their performance (IT or otherwise). Where this is the case, we will amend the rating to avoid unfairly penalising Parties for circumstances outside their control. **Engagement** Thank you for sharing this feedback. We appreciate that additional background information here would have been beneficial to Parties who have not previously seen the rating. While the information about the rating was included in the REC bulletin, Performance Assurance webinar, and on the consultation, we appreciate Parties may wish to understand more details and background information. We also appreciate in the amount of information shared, it is challenging for Parties to pick out what is the most relevant to them. Going forward, when introducing a significant proposal, we will aim to additionally publish any materials we talk through on our website and link this with the consultation, as suggested. We will aim to increase the amount of background information we provide to ensure Parties fully understand their obligations and any new proposals.
ScottishPower Energy Retail Limited	No.	

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