RETAIL ENERGY CODE

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REC ISSUE GROUP
MEETING NOTES

DATE	**08 December 2023, 10:00**
LOCATION	**By teleconference**

1 INTRODUCTIONS

The Chair welcomed attendees to the meeting of the REC Issue Group (RIG).

The Chair confirmed the agenda, asking for Any Other Business (AOB) to be raised at this time. The Chair highlighted that one AOB item was raised prior to the meeting, with two further AOB items being raised at this time. Later in the session, RIG members noted the following AOB items for discussion:

- Data validation issues on REC portal
- Expanding the attendees for the RIG
- February Release Date

2 DATA CLEANSE UPDATE

2A DATA CLEANSE SPRINT

The Code Manager Lead Analyst provided an update on the Data Cleanse sprint, which can be found on slide 6 of the pack here. The Code Manager Lead Analyst asked RIG members for their feedback on the sprint which was undertaken.

A RIG member asked whether, if for the next sprint, feedback provided by parties will be taken on board. The RIG member also highlighted that MTC cleansing may no longer be relevant, and that parties will also be carrying out other data cleanse work in preparation for MHHS.. The Code Manager Lead Analyst confirmed MHHS will be a key consideration in the reports selected to be included in the next Data Cleanse sprint.

2B DOMESTIC PREMISE INDICATOR

The Code Manager Lead Analyst provided an overview of the Domestic Premise Indicator (DPI), which can be found on slide 8 of the pack here.

The Code Manager advised that there are two live DPI's currently. One is populated in EES using the profile class, RIG members noted that this cannot be influenced by Suppliers and the other is in CSS. The Code Manager Lead Analyst suggested that having two DPI's which do not always align isn't helpful. They have also found by engaging with parties that the DPI in CSS may not always be accurate.

A RIG member asked if there was a way to identify what processes the DPI is used in. The Code Manager Lead Analyst advised the portfolio data they receive from CSS is based on the DPI. They elaborated if this is incorrect, it could result in inaccurate theft targets being issued and incorrect scoring being applied to these measures.

2C DATA CLEANSE REPORTING

The Code Manager Lead Analyst advised that the AR3C report was one of the reports used in the sprint, had seen a significant drop in the last few months. The next report discussed was the Invalid MAP ID report. The Code Manager Lead Analyst mentioned they had seen a 50% increase, which is really positive, especially considering that they have received less input than hoped from MAPs to help drive these numbers.

3 CADENCE OF ISSUSING PERFORMANCE ASSURANCE TECHNIQUES

The Code Manager Lead Analyst presented and update on the Cadence of Issuing Performance Assurance Techniques, which can be found on slide 11 of the pack here. RIG members were given the detail of the new approach being taken by the REC Performance assurance team when applying Performance Assurance Techniques.

A RIG member asked if a party receives an email indicating they have reached the threshold, does it mean no action will be taken or will an RFI be issued later. The Code Manager Lead Analyst advised if a party continues to breach the threshold and they haven't informed the Code Manager why, then a PAT would be issued in line with the time period. They mentioned before this, the party would have received two or more email notifications informing them the PAT will be issued if their performance doesn't improve.

Another RIG member commented in previous RIG's, the quality of the data being used has been discussed. They noted previous RFI's have been issued to parties, but when parties have looked at their own performance data, there has been a discrepancy in the data of the Code Manager and the party. They asked if the quality of data being used has been reviewed as part of this. The Code Manager Lead Analyst highlighted they try to use the central data as much as possible, but given how industry processes and systems are designed, it might not be optimal for this kind of Performance Assurance. They advised a PARC review was carried out and a consultation will be issued early next year. They

elaborated changes are being made to the Switch Meter Read Dispute process and data sets, to include an additional factor not included in the REC. The RIG member highlighted the importance of parties knowing their annual rating is based on accurate data, otherwise it's likely it won't have the desired effect. The Code Manager Lead Analyst confirmed the targets are set based on what is appropriate and relative to all parties performance.

Another RIG member asked if there was an update on the Objections data, which had been missing for a few months recently. The Code Manager Lead Analyst advised this was raised with the relevant Service Provider, however the data is still missing for this month. They elaborated this will be escalated again, to try and identify the reasoning behind this happening. The RIG member commented it would be useful if this is communicated to parties. The Code Manager Lead Analyst advised the bulletins might be an appropriate way of communicating this going forward.

4 R0037 – PREPAYMENT CREDIT BALANCE & DEBT TRANSFER PROCESS

The Code Manager Lead Analyst provided an overview of R0037 – Prepayment Credit Balance & Debt Transfer Process, which can be found on slides 13-15 of the pack here.

A RIG member asked if this just covers pay as you go customers, or does it also include classic prepayment processes. The Code Manager Lead Analyst confirmed it's for smart DCC enrolled SMETS 2 meters only. They elaborated for any other meters; the DAP process will be used.

The Code manager Lead Analyst advised the premise behind this CP, is to stop the consumer having to top up their meter twice. The RIG member asked if this process will be monitored by PAB. The Code Manager Lead Analyst advised the data flows haven't been defined yet, therefore this hasn't been discussed in detail with RPA, however they are aware this change is being progressed. They elaborated this will have to be monitored by PAB, once it's been implemented.

The Code Manager Lead Analyst explained this will potentially impact the gains and losses flows but are looking to identify a way for this to not impact non-domestic consumers, as the solution shouldn't impact parts of the market who do not operate these customers.

Another RIG member highlighted previous discussions had taken place around enhancing the DAP, specifically increasing the performance assurance of it. The Code Manager Lead Analyst advised they have excluded DAP as part of this solution, due to the process taking too long and it won't be completed within five days between switches. They elaborated another reason DAP was excluded is the trigger point is the objection,

and the solution tries to avoid the objection first. The RIG member asked if the process could be amended so the objection isn't initiated. The Code Manager Lead Analyst commented this was investigated, however the gaining Supplier doesn't always know it's in prepayment mode. They elaborated it's to give the losing Supplier enough information up front to let them make a decision quickly, rather than using DAP. The RIG member asked if the same information could be inputted into the existing flows, rather than creating new flows. The Code Manager Lead Analyst advised using the DAP process would mean gaining the consumers consent and watching the validation of the data. They elaborated this solution tries to avoid all of that.

Another RIG member asked why SMETS 1 meters have been excluded. The Code Manager Lead Analyst advised this was due to not all Suppliers work in SMETS 1 prepayment, however this might be tweaked to include all DCC enrolled meters. The Proposer confirmed they were happy for this to include all DCC enrolled metres.

Another RIG member asked what the timescales are for this to be implemented. The Code Manager Lead Analyst confirmed the proposed implementation will be November 2024.

Another RIG member mentioned this is a substantial change to the CoS process, and it will be implemented at a time where parties are preparing for MHHS. They asked if it was realistic to expect Suppliers to do both. The Code Manager Lead Analyst highlighted they are trying to make it as simple as they can for Suppliers, it's adding in the two data items at the bottom of the data flow.

Another RIG member asked if there's a disputed read and a Supplier amends for the billing for their customer, how would that work with the balances. The Code Manager Lead Analyst advised this will be added to the list of factors which need to be investigated.

Another RIG member asked what protections are going to be put in place to keep consumers on supply. The Code Manager Lead Analyst noted this change will help consumers who are going off supply, due to them not being able to top up their meter.

Another RIG member asked what would happen if the consumer doesn't want their credit to transfer. The Code Manager Lead Analyst advised the consumer will confirm this at the point of sale, it goes through a normal loss process, and it goes from their final bill. The RIG member asked if this would be a REC requirement. The Code Manager Lead Analyst confirmed this will form part of the legal text.

Another RIG member highlighted it could be beneficial if Ofgem were consulted in setting the cap for the credit/debt levels. They elaborated this would stop Citizens Advice or Ofgem putting pressure on the industry for not doing what they wanted. The Proposer mentioned a risk analysis could be undertaken to identify a reasonable credit/debt level cap. They highlighted the standard practice across all smart meters is they max out at

three digits; therefore, the credit/debit can't be more than 999. They proposed a risk analysis to identify why it can't be 999.

Another RIG asked for clarity on whether this will be issued at company group or MPID level. The Code Manager Lead Analyst advised their preference would be for this to be completed at MPID level, as it's easier.

Another RIG member asked if SDEP will be used for invoicing. The Code Manager Lead Analyst confirmed SDEP will be used, as it's trackable and it would help monitor Performance Assurance around this.

Action: The Code Manager to bring scenarios and a skeleton process to the next RIG meeting.

Another RIG member asked if SDEP is going to be used as part of this, it might be beneficial to add this to the changes that are in flight at the moment. The Code Manager Lead Analyst confirmed this will be picked up and investigated.

5 R0142 – AMENDMENT TO MULTIPLICATION FACTOR ENUMERATIONS TO SUPPORT HYDROGEN TRIALS

The Code Manager Lead Analyst provided an overview of R0142 – Amendment to Multiplication Factor Enumerations to Support Hydrogen Trials, which can be found on slides 17-21 of the pack here.

A RIG member asked when the deadline is for responding to the Impact Assessment. The Code Manager Lead Analyst advised the deadline for responses is 22 December.

No other comments were raised on R0142.

6 AOB

6.1 DATA VALIDATION ISSUES ON REC PORTAL

A RIG member noted they had been experiencing issues with uploading their monthly Performance Assurance submissions on the REC portal, particularly Theft files. They advised several colleagues have tried uploading reports to the portal, and it took a number of attempts to upload them before they passed the portal validation. Another RIG member confirmed they had experienced this issue when uploading their theft files. They advised that they understood there needs to be validation in place, however not everyone is technical minded and it's not easy to identify why the report is failing to upload.

Another RIG member mentioned they had spent an excessive amount of time processing these reports. They elaborated a request was made through their OAM to include more information in the PARC. Another RIG member highlighted this validation process was

implemented by REC PAB, however parties are suffering due to this. Another RIG member explained that after several conversations with the Code Manager, they still have issues when uploading reports.

Another RIG member noted some of the reports they submit through the portal are based on information they receive by other parties. They advised the portal is rejecting the report due to blank fields; however the party doesn't have the required information. They also suggested that there is an issue with the size of the files the portal is able to accept. They elaborated this means that parties need to break down their reports into several smaller reports, which takes up a lot more time.

A RIG member highlighted they are a PAB member, and will be airing these views from RIG members at the next PAB meeting. Another RIG member noted that when this is raised at PAB, they need to be made aware of the financial cost this is having on parties. They elaborated extra resources are being used or solutions need to be implemented to resolve.

The Chair highlighted in the REC wiki, on the portal there are a number of articles on file validation, which provide a lot of additional detail on the rejection reasons. They advised there are a number of templates in the Useful Documents list on the portal, which can be downloaded and filled in. They elaborated the portals file validation is triggered when it comes across the first error within the report, therefore if a report has multiple errors, it will only flag the first error it identifies.

The Code Manager representative confirmed a PARC change has been submitted, with the plan being for this to be issued as a consultation in early January 2024.

Post meeting note:

Links to File upload resources on the REC Portal:

- REC Wiki article on File Validation - here.
- REC Wiki article on the Performance Assurance Report Catalogue (PARC) - here.
- PARC templates - here. The File is named 'Sample Report Catalogue Files – Suppliers'.

6.2 EXPANDING THE ATTENDEES FOR THE RIG

The Chair explained the RIG was created to enable a safe place for REC parties to talk about operational issues. They highlighted after a year of the RIG and with the amount participation has increased since it was created, the suggestion is that Service Providers

or any other industry participants can be added as regular attendees going forward. The Chair asked for RIG members thoughts on this.

A RIG member mentioned they didn't have any concerns with non-REC parties being invited to the RIG, however, there needs to be caution that they are not privy to conversations they shouldn't be. They asked if there could be potential for RIG open sessions and RIG closed sessions. Several RIG members agreed with this point of view. The Chair explained non-REC parties can be invited if issues are going to be discussed which could impact them, rather than having regular attendees every month.

6.3 FEBRUARY RELEASE DATE

A RIG member explained there might be a bit of confusion around the February release date. They advised at the last TEP meeting, there was a change discussed where the implementation date was 24 February 2024. They noted REC changes usually go live on the Friday, with the DTN usually going live on the Thursday night prior. They elaborated this doesn't follow the usual pattern, as DTC changes usually go live on the last Thursday of the month, which would mean 29 February 2024. The Chair confirmed this will be investigated and a note will be issued in the REC bulletin, advising parties of the release date for February.

No further business was discussed. The Chair thanked attendees for their input and closed the meeting.