RETAIL ENERGY CODE

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REC ISSUE GROUP
MEETING NOTES

DATE	**09 February 2024, 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 three AOB items were raised prior to the meeting, a further three AOB items being raised at this time. Later in the session, RIG members noted the following AOB items for discussion:

- Exemption Codes for Related Meter Point Data Cleanse
- Performance Assurance Measures for Objections
- Theft Target Methodology 2024/25
- REC Release Updates to the REC Portal and Change Proposal Implementation Lead Times
- R0147 – PPM Levelisation
- R0043 – Crowded Meter Room Co-ordinator

2 DATA CLEANSE UPDATE

2A DATA CLEANSE SPRINT UPDATE

The Code Manager Lead Analyst provided an update on the Data Cleanse sprint, which can be found on slide 6 of the pack here.

A RIG member asked if, for the Invalid Electricity MAP ID report, the Performance Assurance team be using the current or installing report as the master report. The Code Manager Lead Analyst confirmed the installing invalid MAP ID will be used as the master report. The RIG member noted it would be beneficial if this was to be made clear in the guidance. They also noted that when looking at their individual data on the Performance Assurance dashboard for the February reports, the numbers in the current and invalid MAP ID reports do not match. They further elaborated this could make a difference in the

cleansing of the numbers in the report. The Code Manager Lead Analyst advised this feedback would be taken on board.

A RIG member asked after the 6-month sprint ends, will the numbers for the reporting be taken from early September. The Code Manager Lead Analyst confirmed the reporting will be run in the first week of September, but the numbers will be taken from the end of August.

A RIG member asked if zero was the right target for the cleanse of these reports. They advised parties can send data flows on the last day of the month, which could mean that having a target of zero is unachievable. The Code Manager Lead Analyst confirmed that this will be taken into consideration, and the overall target will be refined based on the feedback of RIG members. Another RIG member agreed with this approach, highlighting that jobs received in the last 2 weeks of the month will likely be in progress. They elaborated the intention behind the sprint is right, but the metrics need to match the intent.

Another RIG member noted the invalid MAP ID process would be being driven by the installing Supplier. They mentioned there shouldn't be the issue of parties gaining them at the last minute, as it's the installing Supplier who is driving the work. They explained for the Energised Meter Point/No MSN report, the energisation status comes from the Supplier, and the MSN comes from the MEM. They highlighted there could be a chance of transient exception, which could occur on the day of the report being run, as the two things don't happen simultaneously. Several RIG members agreed with these points and the Performance Assurance team welcomed the feedback advising that it will be taken on board before the sprint metrics are confirmed.

2B PERFORMANCE ASSURANCE THRESHOLDS

The Code Manager Lead Analyst provided an overview of the New Performance Assurance Thresholds relating to Objections, which can be found on slides 8-10 of the pack here.

A RIG member mentioned the difficulty with there not being a mandatory requirement to send a reason code for all objections. They elaborated it would be beneficial when the volumes are a bit higher, to have an extra layer of investigation to the data provided to Suppliers before asking them to start cleansing. The Code Manager Lead Analyst noted this approach will be taken into consideration accordingly, especially when they have the insights of how particular organisations work.

Another RIG member commented in their particular organisations case, they had a single customer with a large number of MPANs. They noted this would have caused a spike in

their volumes. The Code Manager Lead Analyst advised this could be found out by engaging with the organisation in a pragmatic way, without RFI's being issued.

RIG members noted Ofgem are currently doing some work on better defining the non-domestic energy market. They also noted the definitions under the REC need to be consistent with that.

3 ET BETWEEN DOMESTIC AND NON-DOMESTIC SUPPLIERS

The RIG member provided an overview of Domestic ET's Being Raised without a Flow, which can be found on slide 13 of the pack here. The RIG member described a scenario of erroneous transfers between domestic – non-domestic suppliers and highlighted that this isn't covered in code.

Another RIG member explained they had seen an example of this previously, where domestic premises are being put on non-domestic Supply contracts. They advised it could be that Housing Associations were moved to a non-domestic Supplier when the property was vacant, but when the property was re-let to a new tenant, they were free to move to the supply they wanted, which would have been a domestic Supplier.

Another RIG member advised that previously, it had been a deliberate decision not to mandate I&C suppliers to use the DTN. They mentioned this was due to them only supplying a handful of big sites. They noted under the gas sector, parties weren't mandated to have a DTN connection, all that was needed was a way to communicate with a Shipper. They elaborated a change could be met with resistance from a sector of the gas only I&C market, as the flow would be sitting on the DTN, but they don't have a gateway.

The Chair advised this can be picked up with the raiser of the issue after the meeting to work on the progression. The Chair noted it will be added to the RIG Issues Log and can be bought back to RIG once a solution has been proposed.

4 THEFT INCENTIVE SCHEME ADJUSTMENT TO DOMESTIC/NON DOMESTIC PORTFOLIO DATA

The Code Manager Lead Analyst provided an overview of Theft Incentive Scheme Adjustment to Domestic/Non Domestic Portfolio Data, which can be found on slides 14-17 of the pack here. The Code Manager Lead Analyst explained that this doesn't affect non-domestic Supplier license holders.

A RIG asked what date in December these figures displaying on the dashboard were pulled as they have more supplies than currently displayed. The Code Manager Lead Analyst advised the numbers were pulled at the end of December, using the data they

received from CSS. They asked the RIG member to contact the Performance Assurance team directly and they can investigate the discrepancy between the numbers being recorded.

5 MAINTENANCE OF QUALIFICATION

The Code Manager Lead Analyst provided an overview of Maintenance of Qualification, which can be found on slides 19-21 of the pack here.

A RIG member highlighted the qualification approach and plan for MHHS notes the disclosure process will not apply for charges assured by market wide qualification. They asked if the work being carried out for MHHS needed to be in the Maintenance of Qualification requirements. The Code Manager Lead Analyst explained parties do not need to submit a process or system disclosure for areas which will be tested functionality, as part of MHHS qualification.

The Code Manager Lead Analyst mentioned the draft of the qualification assessment will be released for consultation on 16 February 2024. They noted this will give parties an understanding on how data protection and information security requirements are going to be tested under MHHS qualification.

6 UN-ACCEDED METERING EQUIPMENT MANAGERS

The Code Manager Lead Analyst provided an overview of Un-acceded Metering Equipment Managers, which can be found on slides 23-25 of the pack here, and advised that action was being considered to remove MPIDs from these organisations if Accession as not completed in the near future.

A RIG member asked whether for the MEMs who have appointments, have the Suppliers been contacted. They suggested it could be a fault within the data in EES, with the update not being applied. They elaborated previously MEMs had to re-instated, due to being shut down in MDD when they had several open appointments. The Code Manager Lead Analyst explained a report has been pulled per Supplier, and any Suppliers who have appointments with these MEMs will be contacted. They elaborated their report will be uploaded to the REC portal for them to review. The RIG member asked what the volumes involved are. The Code Manager Lead Analyst advised the range is quite vast and some Suppliers have more than others.

7 DISCONNECTED MPAN STATUS – STILL SECURE ACTIVE IN MPRS

The Code Manager Lead Analyst provided an overview of Disconnected MPAN Status – Still Secure Active in MPRS, which can be found on slide 27 of the pack here.

A RIG member suggested that as the MHHS project will be sending things through SDEP. Provision of a report may be more suitable as it can be dealt with separately, and the higher volumes can be identified.

Another RIG member commented that these can be identified through EES, if the MPAN is showing as disconnected, and the RMP status still has a Supplier against it. They mentioned a slight issue is there is no timeframe for the Supplier to determine if the disconnection is valid. RIG members noted that particular Suppliers already receive a report to help them with this issue, however it would have been requested and as it's a chargeable report.

The Code Manager Lead Analyst proposed this can be progressed through PAB, asking whether reports can be run and sent to parties to help with this. The Chair mentioned if any DNO's are having this particular issue with their portfolios, they can contact their OAM and it will be acknowledged as part of this activity.

Another RIG member mentioned a consideration could be that Suppliers have sent the updates, but they are not being processed by CSS. They noted their particular organisation previously had a big migration of customers, and received several requests where they had one status and CSS had another status. They elaborated this might not apply to this particular issue, however it is an example of data discrepancies in the past. The Code Manager Lead Analyst confirmed this will be flagged as a concern.

The Code Manager Representative highlighted if additional guidance is required, an article can be created and added to the REC Wiki, to help Suppliers know where to look for the guidance.

8 ACCESS TO DI50197/J0427 'NUMBER OF PHASES' DATA ITEM FOLLOWING CHANGE OF USE FOR D0215 AFTER R0017 IMPLEMENTATION

The RIG member provided an overview of Access to DI50197/J0427 'Number of Phases' Data Item Following Change of Use for D0215 After R0001 Implementation, which can be found on slide 29 of the pack here.

RIG members agreed to investigate whether this is a significant issue in the industry and will feedback to the REC or RIG member accordingly.

9 JWS CERTIFICATE REPLACEMENT

The Service Provider Representative provided an overview of JWS Certificate Replacement , which can be found on slides 31-39 of the pack here.

No comments were raised by RIG members on this agenda item, but were encouraged to contact their OAM if they have any concerns.

10 AOB

10A EXEMPTION CODE FOR RELATED METER POINTS DATA CLEANSE

A RIG member raised a point around the exemption code L2. The RIG member mentioned this is used by the current Supplier when the customer refuses to switch. They explained the action then sits with the current Supplier, who should hand it back to the old Supplier. They noted this is the process when there is no contact with the customer, however a particular case has occurred, whereby they have spoken to the customer several times and they have refused to change Supplier. They asked what the benefit would be for this to be handed back to the old Supplier to engage with the customer, if they are already actively engaged, but are refusing to switch Supplier.

Another RIG member explained Ofgem's view of this process, was if the current Supplier spoke to the customer and they didn't want to bring the two Suppliers together, the old Supplier can contact them to see whether the customer would pull both supplies back to them. They elaborated as the current Supplier would have spoken to the customer last, they should try the conversation first and if it fails, it would be handed back to the old Supplier, as the two supplies should be together. The raiser of this issue explained a customer cannot be forced to change Supplier, therefore from a customer perspective it might not be beneficial for them to have the same conversation with two different Suppliers. The raiser confirmed they will raise the exemption and it will be handed back to the old Supplier.

The Code Manager Representative explained this will be added to the Consumer Issue Log and the Consumer Advocate team can investigate it and identify any areas which can be progressed.

10B PERFORMANCE ASSURANCE MEASURES FOR OBJECTIONS

A RIG member raised a point around the Performance Assurance measures which are looking to be implemented for Objections. They explained when the RFI was issued, the data used wasn't a true reflection of the activity that took place. They asked how the data

used will be changed for this target. The Code Manager Lead Analyst mentioned the RFI was issued to obtain information on the data, to ensure that all organisations were behaving appropriately. They highlighted the data received flagged up that some organisations were objecting to all switches , or objecting to switches without valid reasons.

The Code Manager Lead Analyst advised the most significant thing was the confusion around the Change of Tenancy objection code. They explained part of the findings have been fed back to parties, but not all of them. They noted better data has now been obtained, which will help disaggregate domestic and non-domestic items and focus in the areas which are deemed most appropriate. This data has also been used to feed in to the creation of the new Objections Thresholds discussed earlier in the agenda.

10C THEFT TARGET METHODOLOGY 2024/25

The Code Manager Lead Analyst provided an overview of the Theft Target Methodology 2024/25, which can be found on slides 47 of the pack here.

The Code Manager Lead Analyst explained the consultation closed on 05 February 2024, with seven organisations responding. They mentioned the majority of responses were received on the 20% escalator principle, and they were either mixed or not supportive. They advised the principle of using this 20% figure is covered in RECCo's cover letter, dated 15 January 2024 and this was within the consultation. They highlighted further responses were received expressing concerns of changes happening within the year. They advised the rationale had previously been communicated, but there will not be any further increases taking place this year, apart from the 20% escalator mechanism increase.

The Code Manager Lead Analyst commented other responses were around changing the reporting period from annually to quarterly, with the majority supportive of this. They noted this change will now be considered, but it will have to go through a category 1 change, due to the changes to the associated schedules. They elaborated a lot of additional comments were received, which will feed into the wider change of the theft arrangements.

A RIG member explained they strongly objected the move to a quarterly reporting period. They mentioned this will increase costs significantly around invoicing and reconciliation. The RECCo representative noted there was more support of that proposal than opposition, with the plan being to take that forward as a proposal. They explained the change would need go be raised as a REC change proposal, as it would involve a category two change to Schedule 7. They elaborated it will provide a further opportunity

to analyse and develop the change. They further elaborated the administration around the issuing of credit notes and invoicing will also be looked at.

The RECCo representative mentioned another important aspect will be the redesign of the scheme, which will be a long term issue. They noted the plan is to do this through an issues group, which will allow for Suppliers to offer ideas on how the scheme can be better developed.

The Code Manager Lead Analyst explained the theft targets will be published by 01 March 2024.

10D REC RELEASE UPDATES TO THE REC PORTAL AND CHANGE PROPOSAL IMPLEMENTATION LEAD TIMES

The RIG member provided an overview of issues they had experienced with REC Release Updates to the REC Portal and Change Proposal Implementation Lead Times, which can be found on slide 42 of the pack here.

Another RIG member confirmed they had been experiencing the same issue. They mentioned for urgent system changes, it would be beneficial for the REC to review the change process. They elaborated specific system changes can have extremely compressed implementation times, which causes issues for parties.

Another RIG member noted specifically for SDEP changes, IT changes may not be required, but parties still need time to ensure they are ready for implementation. They advised the training material would need to be updated, and training on SDEP would need to be carried out for staff members. They elaborated trying to implement urgent changes alongside MHHS is proving difficult.

Another RIG member noted the proposed solution could be for REC to change the colouring of the urgent change proposals, to let parties know it is urgent. They elaborated adding the word 'urgent' to the title of the change proposal would also be beneficial.

The RIG member who raised this issue mentioned previously under the MRA, there were issue groups who would convene and debate the changes being proposed. They elaborated under the REC, everything is through consultations, which is a lot more difficult.

The Code Manager representative highlighted a webinar was held in October 2023, which presented the proposed changes to the change process. They confirmed a proposal has been drafted to change Schedule 5. Release details were available on the downloadable change tracker, but they have now been added to the REC release pages on the portal. This highlights approved changes and which release they are being aimed at. They

commented if any RIG members have any particular issues with the change process and have ideas, they can contact their OAM and discussions can take place.

The RIG member who raised this issue commented it would be useful if the change analysts contact phone number could be listed on the changes. They elaborated certain queries could be quite urgent, therefore being able to contact the change analyst by phone, rather than email would be beneficial.

Another RIG member noted for changes in the log but have a lower priority, it would be useful if parties had an indication of how long they changes will be on hold for. They elaborated this would save parties regularly checking for progress.

The Chair thanked RIG members for their comments on this and confirmed all feedback will be taken on board, with a view of progressing the update to the change process on urgent changes.

10E R0147 – PPM LEVELISATION

The RIG member provided an overview of R0147 – PPM Levelisation, which can be found on slides 44 & 45 of the pack here.

No comments were raised by RIG members on this item. The Chair noted any queries can be raised through the OAM.

10F R0043 – CROWDED METER ROOM CO-ORDINATOR

A RIG member noted R0043 had been approved for implementation, but a query had been raised on the market role code which will be used in the CMRM. They mentioned originally a new code was going to be created, however it was taken away, as the BSC were going to use an existing role code. They elaborated the change report for R0043 doesn't currently contain what the role code will be.

The Chair agreed to investigate this and contact the RIG member directly with the information requested.

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