RETAIL ENERGY CODE

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01	Initial Assessment Report
02	Preliminary Change Report
03	Final Change Report

INITIAL ASSESSMENT REPORT

R0133 – CONSEQUENTIAL CROSS-CODE CHANGE FOR BSC P441 - COMPLEX SITE CLASSES CREATION

DOCUMENT VERSION	V1.0
DATE ISSUED	07/072023
DOCUMENT APPROVAL STATUS	APPROVED

RESPONSIBLE COMMITTEE	CHANGE PANEL	CHANGE PATH	SELF GOVERNANCE
PRIORITY STATUS	HIGH	URGENCY	STANDARD

DEADLINE FOR ALTERNATIVE CHANGE PROPOSALS	13/09/2023

LEAD CHANGE ANALYST



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CHANGE OVERVIEW

A Balancing & Settlement Code (BSC) Modification P441 is looking to introduce additional Complex Site classes which would categorise the types of Complex Site, with each having clearly defined criteria within the BSC, whilst also facilitating a new "type" of Complex Site (referred to as a Class 6 Complex Site) to allow approval of "non-standard" complex sites. It will also clarify when the netting of Imports from Exports for multiple Metering Systems registered in Supplier Volume Allocation (SVA) is permitted.

	High Impact: Electricity Suppliers and MEMs
	Medium Impact: DNO's
	Low Impact: n/a

1 BACKGROUND

BSC Modification P441 was raised in August 2022 following a recommendation of the BSC Issue 88 Workgroup (which looked to introduce Complex Site classes) and during the initial consideration of the proposal it became clear that there would need to be complimentary changes to the REC and to the Distribution Connection Use of System Agreement (DCUSA). This modification and DCUSA modification DCP424 are consequential changes needed to support P441.

The BSC believes that Complex sites have great potential to help develop new arrangements to help drive a smart network and achieve a zero-carbon energy system, and that by introducing Complex Site classes it will allow the approval of new types of Complex Sites and will clarify the netting of Imports from Exports for multiple Metering Systems.

The REC will need to reflect these new Complex Site classes, and this Change Proposal will facilitate this by introducing requirements in Schedules 1 – Interpretations & Definitions, Schedule 14 – Metering Operations and amendments to the Consolidated Metering Codes of Practice.

2 PROBLEM STATEMENT

The introduction of new Complex Site classes is needed into the REC to make the solutions under P441 and DCP 424 work. Meter Equipment Managers (MEMs) will need to understand what their new obligations are in respect of metering requirements, as well as impacts on any of the metering processes associated with a Complex Site.

3 USER STORIES

REF.	USER STORIES
CONSUMER USER STORIES	
C1	As a consumer, I want more choice to take up low-carbon technology and more flexible energy solutions through local energy schemes, such as the Ofgem BEIS Smart System Flexibility Plan and any other future flexibility service provisions that may be developed.
MARKET PARTICIPANT USER STORIES	
M1	For MEMs, I want to remove ambiguity around the current Complex Site arrangements and will facilitate the advancement of community energy schemes.
M2	For Suppliers, I want to encourage more innovation that will lead to the better use of local energy schemes.

4 IMPACTS

CONSUMERS	REC PARTIES AND SERVICE USERS	REC DOCUMENTS / PRODUCTS
Electricity	Suppliers	Schedule 1 – Interpretations & Definitions
	MEMs	Schedule 14 – Metering Operations
	DNOs	Consolidated Metering Codes of Practice (CoMCoP)

5 CROSS CODE IMPACTS

This Change Proposal has cross code impacts with both the BSC and DCUSA. The BSC is the Lead Code for this change, and this change together with the DCUSA Change Proposal DCP424 will have to align with the Change Proposal Plan being managed by the BSC.

6 CHANGE PATH AND RESPONSIBLE COMMITTEE

CHANGE PATH	Self-Governance	RESPONSIBLE COMMITTEE	Metering Expert Panel

While the BSC and DCUSA change are Authority Determined, the scale of the changes in the REC are expected to be more minor in nature, and therefore the Self-Governance Change Path is appropriate. With the exception of Schedule 1 – Interpretations and Definitions, the remaining impacted documents come under the responsibility of the Metering Expert Panel and therefore this will be the Responsible Committee for making decisions on this Change.

7 PRIORITY STATUS AND URGENCY

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PRIORITISATION MATRIX

Category	Significance / Resource impacts / Urgency	Further selection / breakdown	Score (0-3)	Weighting	Weighted Score
Impacts	Consumer Impact	Direct	2	27	53
	Retail Markets Impact	Retail Risk(s)	2	17	33
	RECCo / REC Party / REC Service Provider Impact	Operational Effectiveness and Efficiencies	1	7	7
		Legal and Regulatory Compliance	1	14	14
Resource	Complexity / Effort / Duration		1	9	9
Strategic Alignment	Contribution to/ Alignment with the objectives of the REC		1	17	8
	Contribution to/ Alignment with RECCo's Forward Work Plan		1		8
Urgency *(The need to progress a change to meet a targeted date)*		Cross Code Activity	3	10	30
				Overall Priority Score (rounded)	163

Priority Score	Priority Status
171 and above	Critical
151 to 170	High
101 to 150	Medium
0 to 100	Low

Priority Status	HIGH
Change Proposal Type	STANDARD

Urgent Change Proposals meet the Criteria for Urgency as set out by Ofgem

This Change Proposal has a high priority status based on a priority score of 163, which reflects the need to co-ordinate the change with the cross-code changes of both the BSC and the DCUSA.

Consumer Impact – a score of 2 as this will have a moderate indirect impact to Consumers. It will enable the introduction of Complex Site classes which will lead to more options to take up low-carbon solutions and more flexible energy solutions through local energy schemes.

Retail Markets – a score of 2 as this supports the development of more flexible energy solutions which will contribute to achieving net-zero objectives.

Operational Effectiveness and Efficiencies – a score of 1 as this will improve the efficiency and effectiveness of the process for recording the classification of Complex Sites by improving the transparency of information specific to those classes of sites.

Legal Regulatory and Compliance – a score of 1 as this change will support the recording of the new classes of Complex Sites and ensure REC Parties are clear on their obligations to record them.

Contribution to/ Alignment with the Forward Work Plan of the REC – a score of 1 as this change supports delivery of zero-carbon initiatives.

Urgency – a score of 3 to reflect that the change should progress imminently, to ensure that it aligns with the Lead Code cross-code changes to the BSC, which has set out a planned timetable of progression to conclude with a recommendation to the Authority on 15 November 2023.

8 SUMMARY OF CHANGE PROPOSAL PLAN

The Change Proposal Plan has been drafted to align with the proposed plan for BSC P441 and DCUSA DCP424. As the BSC are the lead code for these changes we are working to their proposed timetable.

Given the nature of the proposed changes – which is expected to be a legal text change and an amendment to the Complex Site Information Form process, a Service Provider Impact is not needed.

	FROM	TO
SOLUTION ANALYSIS AND DEVELOPMENT	07/07/2023	14/08/2023
PARTY IMPACT ASSESSMENT	14/08/2023	04/09/2023
PRELIMINARY CHANGE REPORT ISSUED	13/09/2023	13/09/2023
RESPONSIBLE COMMITTEE REVIEW	13/09/2023	22/09/2023
PRELIMINARY CHANGE REPORT AND CONSULTATION ISSUED	22/09/2023	22/09/2023
CONSULTATION	22/09/2023	13/10/2023

FINAL CHANGE REPORT ISSUED	27/10/2023	27/10/2023
RESPONSIBLE COMMITTEE DECISION	08/11/2023	08/11/2023
APPEAL WINDOW CLOSURE	19/11/2023	19/11/2023

9 GLOSSARY

TERM	DEFINITION
Balancing & Settlement Code (BSC)	means the Balancing and Settlement Code, as defined in the Electricity Supply Licences.
BEIS	Government department for Business, Energy and Industrial Strategy
Complex Sites	has the meaning given to that expression in the BSC.
Distribution Connection Use of System Agreement (DCUSA)	means the agreement of that name maintained pursuant to the Electricity Distribution Licences.
Lead Code	Defines which Energy Code will lead the co-ordination of cross-code Changes.
Supplier Volume Allocation (SVA)	has the meaning given to it under the BSC.