RETAIL ENERGY CODE

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NON-CONFIDENTIAL CONSOLIDATED CONSULTATION RESPONSES

R0182 - LEVELISATION RECONCILIATION ELECTRICITY SINGLE-RATE/MULTI-REGISTER SPLIT

On 30 August 2024 the Code Manager issued a consultation to industry to seek feedback on the Preliminary Change Report for R0182.

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

DOCUMENT VERSION	1.0
RESPONSE TYPE	NON-CONFIDENTIAL
DATE ISSUED	07/10/2024
RESPONSIBLE COMMITTEE	Change Panel
LEAD ANALYST	Lydia Bentley

DATE CONSULTATION ISSUED	30/08/2024
RESPONSE DEADLINE	20/09/2024

Question 1:	Do you agree the proposed solution resolves the problem statement? If not, please provide rationale.	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
ScottishPower Energy Supplier	Yes, we agree the proposed solution will resolve the problem statement as it seeks to distinguish between both single rate and multi-register which is needed for reconciliations.	Thank you.
Utilita Energy Supplier	Yes	Thank you.

Question 2:	Do you agree with the proposed legal text? If not, please provide rationale.	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
ScottishPower Energy Supplier	Yes, we agree with the proposed legal text and are pleased the Code Manager had accepted the majority of changes we had proposed in our response to the impact assessment. We have set out a small number of supplementary proposed amendments in our response to Question 6.	Thank you.
Utilita Energy Supplier	Yes	Thank you.

Question 3:	**The Code Manager is considering the removal of paragraph 11.8 from Schedule 31 – PML Reconciliation in the draft legal text, following feedback received during Impact Assessment. Do you have any views on the inclusion or exclusion of 11.8? Please support your response with rationale.**	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
ScottishPower Energy Supplier	We agree with the removal of paragraph 11.8 from Schedule 31, as this was our feedback following the impact assessment. We think it would be disproportionate and unnecessary to introduce a specific obligation into the Code on suppliers to comply with directions from Ofgem or RECCo relating to PML Retrospective Recalculation. Suppliers already have a licence obligation to comply with the Code and to respond to directions from Ofgem where they have a legal basis. Moreover, this kind of obligation does not currently exist in Schedule 31 for PML generally, so it would not be logical to introduce one only for the Retrospective Recalculation. For consistency, and in view of the existing obligations on suppliers which render it a duplication and agree the provision should be removed in full.	Thank you – The Code Manager will remove paragraph 11.8 from the draft legal text in response to this feedback.
Utilita Energy Supplier	We would welcome this exclusion. We agree that the removal of this paragraph should limit the number of non-specific interventions on Domestic Suppliers.	Thank you – The Code Manager will remove paragraph 11.8 from the draft legal text in response to this feedback.

Question 4:	Do you agree with the proposed implementation date and approach? If not, please provide rationale.	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
Scottish Power Energy Supplier	Yes, we agree with the proposed implementation date of November 2024.	Thank you.
Utilita Energy Supplier	We agree to the implementation date. With regards to the one-off retrospective recalculation for the period from 01 January 2025 back to 01 April 2024, we note that Domestic Supplier would need to re-submit this data to RECCo in order for the recalculation to take place. Since Domestic Suppliers will have already provided the data to Ofgem, we would like it to be considered that by RECCo obtaining the data from Ofgem, it would reduce the burden and additional workload on Suppliers.	Thank you – The Code Manager has raised this with both RECCo and Ofgem, and a new mechanism has been identified by which the Domestic Supplier data sharing requirement will be mitigated. Ofgem will reach out to Domestic Suppliers for permission to allow data sharing from Ofgem (on behalf of GEMA "the Authority") to RECCo. Should Domestic Suppliers consent to this, then Ofgem will pass RFI data to RECCo directly, and those Domestic Suppliers will no longer need to submit the same data again to RECCo in January 2025.

Question 5:	Do you agree with the Code Manager's assessment that the proposed solution and its resulting benefits support the case for change? If not, please provide rationale.	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
ScottishPower Energy Supplier	We are content that the proposed solution is justified and would support the functioning of Payment Method Levelisation as it has evolved.	Thank you.
Utilita Energy Supplier	Yes	Thank you.

Question 6:	Do you have any other comments relating to this Change Proposal?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
ScottishPower Energy Supplier	Having reviewed the revised draft legal text, we have noted a few minor inconsistencies which we believe should nevertheless be addressed, to ensure that the Schedule is as clear and effective as possible. We have set out our supplementary proposed amendments in the table below. **PML Reconciliation – ScottishPower Proposal**	Please refer to red text in table for Code Manager response against each proposal.

Schedule	Current Proposal	ScottishPower Proposal	Code Manager Response
Schedule 31 (Payment Method Levelisation Reconciliation)	*Table of Contents* – 11 Retrospective Recalculation for April – December 2024	*Table of Contents* – 11 **PML** Retrospective Recalculation for April – December 2024	Agreed
Schedule 31 (Payment Method Levelisation Reconciliation)	5.1. Within 15 working Days after the PML Reconciliation Reporting Submission Deadline, RECCo shall send to each Domestic Supplier a statement in respect of that PML Reconciliation Period showing for that Domestic Supplier:	5.1. Within 15 ~~working~~ **Working** Days after the PML Reconciliation Reporting Submission Deadline, RECCo shall send to each Domestic Supplier a statement in respect of that PML Reconciliation Period showing for that Domestic Supplier:	Agreed
Schedule 31 (Payment Method	8.6. Paragraph 8.5 is without prejudice to the liability of the	8.6. Paragraph 8.5 is without prejudice to the liability of the original debtor. Any	Agreed

	Levelisation Reconciliation)	original debtor. Any PML Reconciliation Amounts subsequently recovered from the original debtor will, if that amount is equal to or exceeds £1,000 (one thousand pounds) trigger a further adjustment to the statements produced in accordance with Paragraph 8.5, or (if lower) shall be applied so as to reduce the future Recoverable Costs payable by Domestic Suppliers in accordance with Clause 9 of the REC.	PML Reconciliation Amounts subsequently recovered from the original debtor will, if that amount is equal to or exceeds £1,000 (one thousand pounds) trigger a further adjustment to the statements produced in accordance with Paragraph 8.5, or (if lower) shall be applied so as to reduce the future Recoverable Costs payable by Domestic Suppliers in accordance with Clause 9 of the ~~REC~~ **main body of this Code**.		
	Schedule 31 (Payment Method	10.3. Any PML Reconciliation Amounts received	10.3. Any PML Reconciliation Amounts received	Accept	

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<tr><td>Levelisation Reconciliation)</td><td>by RECCo under Paragraph 5 or 8.6 or being withheld under Paragraph 8.4, following the end of the period applicable under paragraph 10.1, shall be put towards RECCo's general expenditure (to offset costs that would otherwise be recoverable under Clause 9 of the main body of this Code).</td><td>by RECCo under Paragraph 5 or 8.6 or being withheld under Paragraph 8.4, following the end of the period applicable under ~~paragraph~~ Paragraph 10.1, shall be put towards RECCo's general expenditure (to offset costs that would otherwise be recoverable under Clause 9 of the main body of this Code).</td><td></td></tr>
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<tr><td>Utilita
Energy Supplier</td><td>As we are submitting data to Ofgem using the new requirements that will split single and multi-rate Meters, we do not believe that continuing to provide the old template data to RECCo until January 2025 is of any benefit to RECCo, and we request ceasing these submissions at the earliest opportunity.</td><td>PML Reconciliation has been put in place with monthly reconciliations to minimise the impact of payment method levelisation on individual Supplier and maintain ability to operate in the retail market.

Until R0182 is implemented there is no legal basis for RECCo to be able to reconcile using the split data and the technical solution for</td></tr>
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		reconciliation is dependent on the structure of the current templates.