RETAIL ENERGY CODE

This document is classified as **WHITE**.
Information is for public, unrestricted dissemination and publication.

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

CHANGE REPORT

R0073 – INTRODUCTION OF A HOUSE KEEPING CHANGE PROPOSAL PROCESS

CHANGE REPORT	PRELIMINARY
DOCUMENT VERSION	V1.0
ISSUED DATE	27/01/2023
DOCUMENT APPROVAL STATUS	PUBLISHED FOR CONSULTATION

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

DEADLINE FOR ALTERNATIVE CHANGE PROPOSALS	27/01/2023

LEAD CHANGE ANALYST



Colette Baldwin

Click to send an email

020 7770 6785

CHANGE OVERVIEW

The Change Proposal looks to introduce a Housekeeping Change process into the REC, to enable a more efficient change process for the types of changes that are not material in nature and are suitable to be implemented more quickly. We will also look to make some housekeeping changes to Schedule 5 - Change Management - while introducing this new process.

	High Impact: N/A
	Medium Impact: N/A
	Low Impact: REC Parties and the Code Manager

CODE MANAGER'S RECOMMENDATION

The Code Manager recommends Change Proposal R0073 is **APPROVED** for implementation on 01 April 2023.

RETAIL ENERGY CODE

CONTENTS

BACKGROUND		
1.	Summary	3
2.	Problem Statement	3
3.	User Stories	3
PROPOSAL		
4.	Summary of Analysis Undertaken	4
5.	Proposed Solution	4
6.	Draft Legal Text	6
7.	Summary of Impact Assessment Activity	6
8.	Delivery Against Change Proposal Plan	6
9.	Key Risks, Assumptions, Issues and Dependencies	6
10.	Proposed Implementation Date and Approach	7
11.	Business Case Assessment	7
12.	Case for Change	8
13.	Code Manager's Recommendation	8
14.	Consultation Plan and Next Steps	8
15.	Appendix	8
16.	Glossary	8

BACKGROUND

1 BACKGROUND

All changes to the REC currently follow a single change process irrespective of the type of impact on REC Parties or the Code Manager. Since the Code was designated, there have been a number of housekeeping modifications to the Code that have had a non-material impact on Parties, however, they follow the same change process as something more significant – such as those for the Central Switching Service.

Other industry codes have a separate housekeeping change process that allows any non-material changes to be progressed through an accelerated timetable, and with less demand being placed on Code Parties through engagement in the process. The Code Manager has reviewed the housekeeping change processes in other codes and believes there would be benefit in the introduction of an equivalent change process to the REC.

2 PROBLEM STATEMENT

Typographical errors, formatting, and consistency errors (such as Paragraph numbering), out-of-date references to documents and updating addresses (including email) all have to go through the standard change process. In these cases, the changes are not material and do not need a solution to be developed nor do they need to demonstrate that they meet a business case and could therefore, be progressed more quickly.

3 USER STORIES

REF.	USER STORIES
MARKET PARTICIPANT USER STORIES	
M1	As the Code Manager I want to be able to progress changes to the REC in the most efficient way possible. Where minor, non-material changes are needed to correct typographical or consistency errors, or to update out of date reference, I want a simpler and more accelerated change process to manage these housekeeping activities.
M2	As a REC Party, I want the Code Manager to use a more efficient process for housekeeping changes, that reduces the burden of managing industry changes through the standard change process.
M3	As RECCo I want the Code Manager to use the most efficient and simplest process to manage housekeeping changes in order to free up Code Manager resources to progress higher priority changes.

4 SUMMARY OF ANALYSIS UNDERTAKEN

A review of the change processes across the spectrum of energy industry codes was undertaken. Many of those industry codes already have a fast-track change process which allows for the quicker progression of minor housekeeping style changes. The processes in each code were reviewed to identify the key elements needed for an efficient and effective process. The Consent to Modify process used in the Uniform Network Code of Gas Transporters was also reviewed, however, this process, although an accelerated process, is not used for changes that are of a housekeeping nature.

5 PROPOSED SOLUTION

Housekeeping Changes are minor in nature and will include (but are not limited to) the correction of errors, inconsistencies or factual changes. As with the standard Change Process, any interested person will be able to raise a Housekeeping Change Proposal.

The Code Manager will determine whether to accept or reject the Housekeeping Change Proposal, based on whether it meets the Housekeeping Change definition.

Having agreed to accept the Housekeeping Change Proposal, the Code Manager will assess the Change and produce a Housekeeping Change Report for submission to the Change Panel (who will be the Responsible Sub-Committee for all Housekeeping Changes) for their decision.

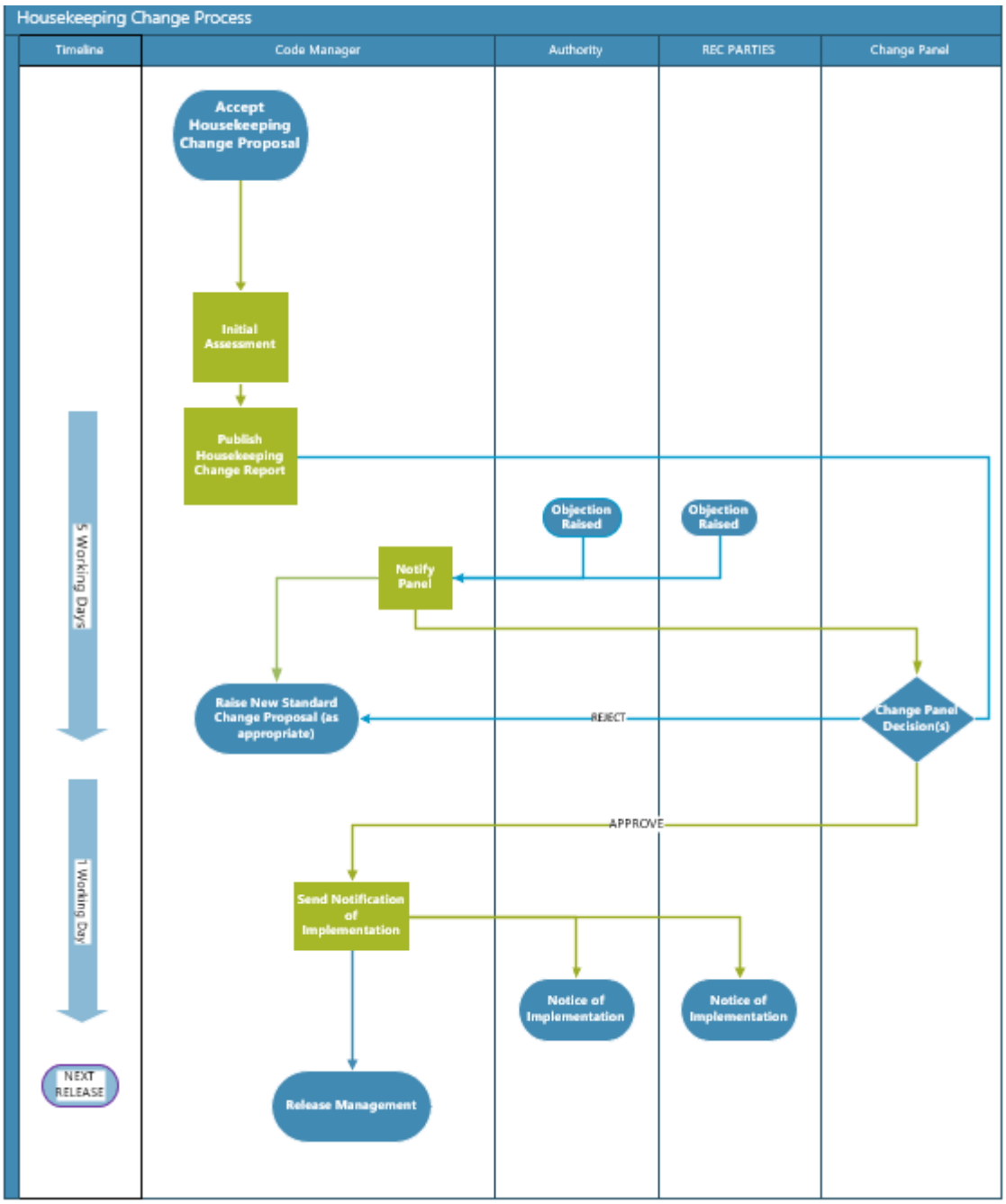
The Code Manager will publish the Housekeeping Change Report at least 5 Working Days before the Change Panel meeting. The publication will allow REC Parties, REC Service Providers and other interested persons to review the proposed Housekeeping Change Proposal in advance of the Change Panel's determination and if necessary, raise an objection to the change being made.

If there are grounds for the objection to be accepted, the Code Manager will terminate the progression of the Housekeeping Change Proposal and will re-classify the Housekeeping Change Proposal to be a Change Proposal subject to the standard change process.

The Change Panel will first be invited to decide whether to accept the Change Proposal as a Housekeeping Change Proposal, this will require the unanimous decision of the Change Panel. The Change Panel will then be invited to unanimously approve the change. The Code Manager will publish the Change Panel's decision within 1 Working Day and update the Housekeeping Change Report to a Final Change Report and record the decision. This will be sent to the Authority, REC Parties and published on the REC Portal.

Implementation of the Housekeeping Change Proposal will be at the next scheduled Release, unless another more suitable date is recommended by the Code Manager and agreed by the Change Panel.

Details of the process can be seen in the following flow diagram.



6 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0073 are in two documents, Schedule 1 – Interpretations and Definitions, and for Schedule 5 – Change Management, they can be found here.

There are a number of housekeeping changes to this schedule as well as a new section introducing the new change process for Housekeeping Change Proposals.

7 DELIVERY AGAINST CHANGE PROPOSAL PLAN

The Change Proposal Plan can be found here.

8 PROPOSED IMPLEMENTATION DATE AND APPROACH

PROPOSED IMPLEMENTATION DATE	01/04/2023

PROPOSED IMPLEMENTATION APPROACH	BIG BANG

We propose to implement this change proposal on 01 April 2023, which is the next available release following the Change Panel's decision.

9 BUSINESS CASE ASSESSMENT

9.1 COSTS

There are no costs for the Code Manager, Service Providers or Parties to implement this change.

9.2 BENEFITS

Based on the experience of Housekeeping Changes since the REC went live, it is reasonable to expect that there will be at least one Housekeeping Change Proposal per REC standard release. With a shorter and simpler change process, it will result in a more efficient use of both the Code Manager's resources - in reducing the number of documents produced and the workload of the Change Panel, REC Parties and other interested Parties in reviewing those documents. Currently Change Proposals require the preparation of an Initial Assessment Report, a Change Proposal Plan, a Preliminary Change Report and a Final Change Report. The Housekeeping Change process will require the preparation of a single Report document for the Panel to consider, which will be updated to record the Change Panel's decision.

INTANGIBLE BENEFITS	BENEFITS DESCRIPTION
Time and Resource	A more efficient use of the Code Manager's resources for changes that are non-material and have little or no impact on code parties.
Time and Resource	A more efficient use of the REC Sub-Committee member's time in reducing the number of documents that need to be reviewed in advance of Sub-Committee meetings, and the number of occasions when Sub-Committees engage on a Housekeeping Change Proposal.
Time and Resource	A more efficient use of REC Parties' and other interested Parties' time in reducing the number of documents that need to be reviewed in advance of Sub-Committee meetings, and the number of occasions when REC Parties and interested parties need to engage on a Housekeeping Change Proposal.

9.3 COST BENEFIT ANALYIS SUMMARY

There are no costs to implement the change, while the intangible benefits to both the Code Manager and the Responsible Sub Committee members are enduring.

10 CASE FOR CHANGE

10.1 SELF GOVERNANCE

The proposed solution appropriately resolves the Problem Statement. There are no costs to implement the solution and the effort required to implement the proposed solution is minimal and results in an efficient approach to managing Housekeeping Change Proposals going forward.

No-one, be it Consumers, REC Parties, the Code Manager, or the Responsible Sub-Committee members will be detrimentally impacted by the introduction of this new change process, in fact there will be enduring intangible benefits that will make the change process more efficient.

Based on the above points, the Code Manager believes there is a positive business case for the change to be made.

11 CODE MANAGER'S RECOMMENDATION

Based on the assessment of costs and benefits, the Code Manager recommends that the Change Panel

- **APPROVE** the proposed change solution;
- **APPROVE** the proposed implementation approach; and
- **APPROVE** the proposed implementation date of 01 April 2023.

12 CONSULTATION PLAN AND NEXT STEPS

The consultation on this Preliminary Change Report for R0073 will be published on the REC Portal on **27 January 2023** and closes on **10 February 2023.**

Following consultation, the Code Manager will produce an updated version of this Preliminary Change Report (referred to as the Final Change Report). This will include the outcome of the consultation, setting out a summary of the consultation submissions and the Code Manager's response.

The Final Change Report will be issued to the Change Panel to make its determination.

13 APPENDIX

CHANGE PROPOSAL	Link
LEGAL DRAFTING	Link
PROCESS DIAGRAM	Link

14 GLOSSARY

TERM	DEFINITION
Codes	means the Industry Codes and Agreements that exist to govern interactions between the energy industry parties. Accession to those codes is a requirement of the relevant Licences granted by the Authority to Transporters, Distribution network Operators, Gas Shippers, Suppliers, and Meter Equipment Managers.
Authority	means the Gas and Electricity Markets Authority as established under section 1 of the Utilities Act 2000