RETAIL ENERGY CODE

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| | |
|---|---|
| 01 | Proposal Plan |
| 02 | Impact Assessment |
| 03 | Consultation |
| 04 | Final Recommendation |

# CHANGE REPORT

## I0323 – TARIFF INTEROPERABILITY PHASE 1A – SUPPLIER PERFORMANCE ASSURANCE REQUIREMENTS

| | |
|---|---|
| DOCUMENT VERSION | V1.0 |
| PROPOSED IMPLEMENTATION DATE | 27 February 2027 |
| IMPLEMENTATION APPROACH | Big Bang |

| | | | |
|---|---|---|---|
| RESPONSIBLE COMMITTEE | Performance Assurance Board | CHANGE PATH | Self-Governance |
| PRIORITY STATUS | High | URGENCY | Standard |
| IMPACTED STAKEHOLDERS | Energy Suppliers, TI Users | | |

| LEAD ANALYST (SOLUTION LEAD) | TECHNICAL LEAD | ASSURANCE LEAD | SUBJECT MATTER EXPERT |
|---|---|---|---|
| FLO MONEA | POPPY PARK | ANTON MODEN | CHRIS THOMPSON |
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## OVERVIEW

This Issue seeks to propose the addition of proportionate and targeted Tariff Interoperability reporting obligations on Suppliers.

## CODE MANAGER RECOMMENDATION

On 19 May 2026, in line with the Code Manager recommendation, the REC Change Panel voted to:

- **APPROVE** the Proposal Plan, including the Responsible Sub-Committee, Change Path, Priority Status, Urgency and timetable.

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# BACKGROUND

## 1 SUMMARY

Obligations are being introduced into the REC to require Energy Suppliers to make Tariff Pricing Data available to Tariff Interoperability Users (TI Users) using a new Tariff Interoperability Application Programming Interface (TI API). Tariff Interoperability obligations will apply to Electricity Suppliers that are captured within the scope of a new Electricity Supply Licence Standard Licence Condition, and to Suppliers that do not have a licence obligation to comply but have opted into the arrangements.

Tariff Interoperability Phase 1a, which provides publicly available Tariff Pricing Data to TI Users, is due to go live in early 2027 and it is important that monitoring is in place from this point onwards. To improve overall efficiency in Supplier reporting and where requested to do so by the Department of Energy Security and Net Zero (DESNZ) and/or Ofgem, the reporting will reflect the information required to be provided by Suppliers in the new Tariff Interoperability Electricity Supply Licence Standard Licence Condition.

## 2 PROBLEM STATEMENT

This proposal will provide the Code Manager with data to assure Supplier performance against obligations in a new REC Schedule: Tariff Interoperability Arrangements.

If Suppliers do not meet their Tariff Interoperability obligations, this could lead to Consumers' Energy supply not being optimised, meaning that Consumers may incur higher charges. If price signals are not responded to through optimisation, this may also have other impacts such as reduced Net Zero benefits and reduced response to capacity constraints.

## 3 IMPACTS

| CONSUMERS |
| --- |
| All Consumers |

| REC SERVICE PROVIDERS |
| --- |
| REC Performance Assurance |

| RECCO / REC CODE MANAGER |
| --- |
| REC Performance Assurance |

| REC PARTIES AND SERVICE USERS |
| --- |
| Energy Suppliers |
| TI Users |

| REC DOCUMENTS / PRODUCTS |
| --- |
| Performance Assurance Report Catalogue (PARC) |

| MHHS |
| --- |
| No impact identified. |

If poor Supplier performance reduces trust in the Tariff Interoperability Arrangements (TI Arrangements), this may dissuade Consumers from engaging in optimisation and overall response to Energy price signals. It is anticipated that the TI Arrangements will support Consumers in optimising their Energy consumption and responding to price signals that reflect Net Zero impacts.

## 4 CROSS-CODE IMPACTS

No cross-code impacts have been identified at this stage.

## 5 PROPOSAL PLAN

| Milestone | Activity | From | To |
|---|---|---|---|
| **Definition** | | **21 Apr-26** | **13 Aug-26** |
| | Solution Development | April | May |
| | Legal Review | May | June |
| | Service Provider Impact Assessment | June | July |
| | Party Impact Assessment | June | July |
| | Business Case Assessment | July | August |
| **Change Proposal** | | **13 Aug-26** | **29 Sept-26** |
| | Consultation | August | September |
| | Solution Refinement | September | September |
| | Final Determination | September | September |
| **Voting** | | **29 Sept-26** | **29 Sept-26** |
| | Appeal Window | 29 September | 13 October |

To allow Suppliers to build and test the solution, the Code Manager is intending to seek approval from the Performance Assurance Board as soon as practically possible, followed by an implementation in February 2027.

## 6 STAKEHOLDER ENGAGEMENT

The Code Manager proposes to conduct a Party impact assessment as well as a Service Provide impact assessment to gather the information needed to ensure an appropriate assessment of the impacts and costs associated with this proposal are being taken into consideration.

## 7 PRIORITY STATUS AND URGENCY

### 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 | Innovation and Market Arrangements | 2 | 17 | 33 |
| | RECCo / REC Party / REC Service Provider Impact | Operational Effectiveness and Efficiencies | 2 | 7 | 13 |
| | | Legal and Regulatory Compliance | 0 | 14 | 0 |
| Resource | Complexity / Effort / Duration | | 2 | 9 | 18 |
| Strategic Alignment | Contribution to/ Alignment with the objectives of the REC | | 2 | 17 | 17 |
| | Contribution to/ Alignment with RECCo's Forward Work Plan | | 2 | | 17 |
| Urgency *(The need to progress a change to meet a targeted date)* | | Other Planned Activity | 1 | 10 | 10 |
| | | | | Overall Priority Score (rounded) | 162 |

| | |
|---|---|
| Priority Status | HIGH |
| Change Proposal Type | STANDARD |

# SOLUTION

## 8 PROPOSED SOLUTION

This proposal seeks to propose the addition of proportionate and targeted reporting obligations on Suppliers. It is proposed that these reporting obligations will be added to the PARC and will be provided by Suppliers on a monthly basis from go-live of Phase 1a of the new TI Arrangements. This monthly reporting will provide additional information to the TI Monitoring Tool. This is being developed by RECCo and will send TI API messages to a Supplier to understand API availability and response times.

## 9 APPENDIX

| | |
|---|---|
| CHANGE PROPOSAL | Link |
| TARIFF INTEROPERABILITY HUB | Link |

## 10 GLOSSARY

| TERM | DEFINITION |
|---|---|
| Electricity Supply Licence | means an electricity supply licence under the Electricity Act. |
| Electricity Supplier | means a person holding an Electricity Supply Licence. |