RETAIL ENERGY CODE

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NON-CONFIDENTIAL CONSOLIDATED CONSULTATION RESPONSES

C3-0091 – CHANGES TO METERING EXPERT PANEL TERMS OF REFERENCE TO SUPPORT ALTERNATE R0170 SOLUTION

On 04 December 2024 the Code Manager issued a second consultation to industry to seek feedback on the Category 3 Change C3-0091 Changes to Metering Expert Panel Terms of Reference to support alternate R0170 solution. As such this document is numbered version 2.0.

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

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Question 1:	Do you agree with the proposed solution? If not, please explain why?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
Scottish and Southern Electricity Networks (Distribution Network Operator)	SSEN would support any solution that does not allow other REC parties an opportunity to dictate DNO asset management policy to DNOs. We agree that this proposed solution offers voting rights equivalent to those that existed under MOCOPA, but there are concerns that if this change is implemented, shortly after a new change proposal will be raised requesting the recategorisation of the Service Terminations Issue Reporting Guide from a REC Category 3 document to a REC Category 2 document. This recategorisation would move change approval out of REC MEP, which in turn creates the same imbalance in voting arrangements that gave DNOs cause to raise the change proposal (R0170) in the first place.	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now. If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.
BUUK (Distribution Network Operator)	Yes. We support the current solution that will enable DNOs to maintain autonomy over our assets.	Thank you for your comments.
Scottish Power Energy Networks (Distribution Network Operator)	Yes , however it is imperative that SPEN retains authority over its assets.	Thank you for your comments.

Stark (Metering Equipment Manager)	Yes.	Thank you for your comments.
Northern Powergrid (Distribution Network Operator)	We agree with the proposed solution on condition that the STIRG remains a Category 3 product. However, a statement from R0145 said "A Category 3 Product is a guidance document required to support, but not place obligations upon, market participants. The legal representative concluded that the document did place obligations on REC Parties in both Schedule 14 – Metering Operations and in the CoMCoP. Therefore, it was inappropriate for it to continue to be classified as a Category 3 Product and that it was more appropriately a Category 2 Product, subject to a different change process to that of Category 3 Products". The MEP has no jurisdiction over Category 2 products so, should a subsequent change to re-categorise the STIRG as a Category 2 product be proposed and implemented, the original objective of this change sequence will not be met and DNOs will not be in control of their own asset management policies.	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now. If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.
UK Power Networks (Distribution Network Operator)	UK Power Networks are supportive of the change, however would raise concern over the potential issue with voting arrangements if a future change to these was proposed following implementation. Changing STIRG to a Category 2 document would move change approval out of REC MEP reintroducing the imbalance in the voting arrangements. We believe that further work from the Code Manager working with REC Parties to look at a better solution that will enable the DNO's to be in control of policy relating to their own assets.	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now. If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any

		recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.
Energy Networks Association (Trade Association)	Electricity Network Operator (ENO) members of ENA would support any solution that does not provide other REC parties an opportunity to dictate ENO asset management policy to the ENO. Although the proposed solution offers voting equivalence similar to what existed under MOCoPA, we are concerned that soon after implementation of this change the Code Manager will receive a further change proposal requesting the re categorisation of STIRG from a REC Category 3 document to a REC Category 2 document. Changing STIRG to a Category 2 document would move change acceptance/rejection decisions out of REC MEP thereby reintroducing the imbalance in the voting arrangements that gave rise to ENO concerns from the outset, and which lead to the rejection of R0145 at REC MEP on 14/02/24. Although ENOs are supportive of the aims of this change, we are concerned that a further change to re categorise the document will undermine the outcome. As a further proposal is expected, repeating R0145, we look to the Code Manager to work with REC Parties to resolve this impasse by arriving at a solution that respects the ability of ENOs to control their own asset management policy and ensures that this fundamental principle is not compromised.	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now. If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.
National Grid Electricity Distribution (Distribution Network Operator)	Yes. We support the current solution that will enable DNOs to maintain autonomy over our assets.	Thank you for your comments.

Question 2:	Do you have any comments on the updated legal text, to ensure there must be a DNO and MOA representative?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
Scottish and Southern Electricity Networks (Distribution Network Operator)	No.	Thank you for your comments.
BUUK (Distribution Network Operator)	No.	Thank you for your comments.
Scottish Power Energy Networks (Distribution Network Operator)	No.	Thank you for your comments.
Stark (Metering Equipment Manager)	The legal text clearly details the conditions by which the REC MEP terms of reference will be updated to facilitate the inclusion of both MOA & DNO representatives and that any amendments can only be made if both parties agree. As stated this brings the conditions into alignment as they with under MOCoPA, and with which all Parties agreed.	Thank you for your comments.
Northern Powergrid (Distribution Network Operator)	Yes. To prevent paragraph 5.8 contradicting the new paragraph 5.9, 5.8 should be preceded with “Except for the matter specified in paragraph 5.9” so that it reads: Except for the matter specified in paragraph 5.9, all matters will be decided by a simple majority, providing that a majority of votes in two of	Thank you for your comments. The Code Manager has decided to not make any changes to the legal text, as this was approved by both the Legal team and Change Panel.

	the three representative categories (Suppliers, Network Operators, MEMs) are in support of the majority position. We would also reiterate the comments we made in respect of paragraphs 5.9 and 5.10 in our response to the previous C3-0091 consultation.	
UK Power Networks (Distribution Network Operator)	No.	Thank you for your comments.
Energy Networks Association (Trade Association)	No.	Thank you for your comments.
National Grid Electricity Distribution (Distribution Network Operator)	No.	Thank you for your comments.

Question 3:	Do you agree that this change resolves the problem statement for R0170 (Withdrawal of Service Termination Issue Reporting Guidance (STIRG) from REC Governance)?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
Scottish and Southern Electricity Networks (Distribution Network Operator)	SSEN do not agree that the change resolves the problem statement from R0170. There has been a clear intention made by another REC Party at the REC MEP meeting (held on 11th December 2024) that this party member will be looking to raise a further change. This change will propose that the Service Termination Issue Reporting Guide be recategorised as a Category 2 document (the document is currently Category 3). This then reintroduces the imbalance of voting power that DNOs initially highlighted as a risk.	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now. If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.
BUUK (Distribution Network Operator)	As the change currently stands as a category 3 document, we believe that this would resolve the problem. We also think that this change facilitates the recommendations given in Ofgem's R0170 rejection letter.	Thank you for your comments.

Scottish Power Energy Networks (Distribution Network Operator)	No, it's came to light that STIRG may be re-categorised as a Category 2 document, thereby potentially compromising SPEN's ability to effectively manage and control its assets.	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now. If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.
Stark (Metering Equipment Manager)	The problem raised with the original proposal was that there was still an imbalance in the overall governance of the STIRG, in favour in this case to DNO's, should any future development be required. By ensuring DNOs a position on the REC MEP committee and keeping document in REC governance ensures that not only DNO and MOAs able to participate in any developments but will also allow Supplier participation.	Thank you for your comments.
Northern Powergrid (Distribution Network Operator)	C3-0091 tries to address the concern of parties referenced in the impact assessment of R0170, principally that changes to the STIRG cannot be implemented without the consent of both DNOs and MEMs. Although the proposed changes to the MEP terms of reference will achieve this, it	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now.

	will be short-lived if the STIRG is re-categorised as a Category 2 product in line with the legal opinion stated in Q1.	If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.
UK Power Networks (Distribution Network Operator)	We do not agree that this change resolves the problem statement from R0170. With it likely that a further change proposal will be raised to re-categorise STIRG as a Category 2 document, which will reintroducing the imbalance of change voting. Ofgem believed that the requirements of R0145 can be achieved in the REC so we require the REC manager to provide confidence that this is the case and that the highlighted voting imbalance is prevented.	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now. If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.
Energy Networks Association (Trade Association)	Unfortunately, we do not agree that this change resolves the problem statement from R0170. We are aware of a clear intention from another REC Party (REC MEP 11/12/24) to raise a further change to re-categorise STIRG as a Category 2 document, thereby reintroducing the imbalance of change voting and this will re-introduce the significant risk	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now.

	to ENOs that gave rise to their concerns from the outset. This will bring matters back to where we were with R0145.	If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.
National Grid Electricity Distribution (Distribution Network Operator)	As the change currently stands with the document being a category 3 document, we believe that this would resolve the current impasse relating to ownership. We also think that this change facilitates the recommendations given in Ofgem's R0170 rejection letter.	Thank your for your comments.

Question 4:	Do you anticipate any benefits or risks to your organisation, or to the industry, as a result of this change? If so, please provide details.	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
Scottish and Southern Electricity Networks (Distribution Network Operator)	As explained in our answer to question 3, we believe that the new change proposal that will be raised if this change is implemented removes any benefit that the solution would bring and is a significant risk.	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now. If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.
BUUK (Distribution Network Operator)	We believe that this will support balanced governance arrangements.	Thank you for your comments.
Scottish Power Energy Networks (Distribution Network Operator)	The re-categorisation of STIRG as a Category 2 document will compromise SPEN's obligations to manage and control its assets.	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a

		category 3 document, as it addresses the voting imbalance raised by DNOs now. If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.
Stark (Metering Equipment Manager)	Main benefits are the simplicity, and continuity of any working relationships between all parties, particularly DNO & MEMs which ultimately benefits consumers, through the timely resolution to faults and defects. We see the benefit is still maintaining the ability to independently raise changes to the STIRG via the MEP should the situation arise. The STIRG document is considered to have a significant role in ensuring any issues with DNO assets are reported and addressed efficiently and whilst moving to the ENA would not prevent this, it could be of detriment to Consumer satisfaction.	Thank you for your comments.
Northern Powergrid (Distribution Network Operator)	We have no objection to the STIRG remaining under suitable and appropriate REC governance, provided that the main objective of D0170 can be achieved i.e. DNOs are in control of their own asset management policies. The MEP members were advised in previous meeting discussions that the STIRG was incorrectly classified as a Category 3 product when it	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now.

	was transferred from MOCoPA. It should be classified as a Category 2 product because it contains obligations on the parties and, since it is wrongly categorised, changes could not be made to the STIRG until it is correctly categorised. There are a number of agreed proposed changes to the STIRG that still cannot be implemented.	If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented. Several changes have been made to the STIRG document throughout 2024, there is nothing preventing changes being made to the document.
UK Power Networks (Distribution Network Operator)	If a further change proposal to re-categorise STIRG to a Category 2 document is submitted following the implementation of this one, the risk is that this change will not give the solution we would want. We have no objection to the STIRG remaining under suitable and appropriate REC governance, provided that the main objective of D0170 can be achieved i.e. DNOs are in control of their own asset management policies.	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now. If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.

Energy Networks Association (Trade Association)	The expected outcome of this change will be undermined soon after it is implemented by the introduction of a further proposal that will seek to re-categorise STIRG to a Category 2 document.	Thank you for your comments. The Code Manager believes this is the best solution while the STIRG document is a category 3 document, as it addresses the voting imbalance raised by DNOs now. If a Party raises a change to make the STIRG a category 2 document, the Code Manager will evaluate that change and get feedback from all Parties before making any recommendation. However, we feel it is best to implement C3-0091 now, so as not to leave the voting imbalance in place waiting for a change that may never be implemented.
National Grid Electricity Distribution (Distribution Network Operator)	We believe that this will support balanced governance arrangements between parties.	Thank you for your comments.

Question 5:	Do you agree with the implementation date of 20 December 2024?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
Scottish and Southern Electricity Networks (Distribution Network Operator)	As previously mentioned, we feel that due to the discussions that took placed at the REC MEP meeting on 11 December 2024, the Code Manager should reconsider the implementation of this change and work with REC parties to find a solution that works.	Thank you for your comments.
BUUK (Distribution Network Operator)	Yes.	Thank you for your comments.
Scottish Power Energy Networks (Distribution Network Operator)	No, the Code Manager must reconsider the implementation of this change and devise an enduring governance that safeguards MOA and Suppliers when working on Distribution networks while at the same time ensuring that DNOs can discharge their licence obligations.	Thank you for your comments.
Stark (Metering Equipment Manager)	Yes.	Thank you for your comments.
Northern Powergrid (Distribution Network Operator)	No. Considering our concerns about the categorisation of the STIRG and the consequential governance arrangements, we believe implementation on 20th December 2024 will not provide sufficient time for our concerns to be considered and addressed.	Thank you for your comments.

UK Power Networks (Distribution Network Operator)	Following discussions at REC MEP, we suggest the Code Manager reviews the implementation date and work with REC Parties to towards a better solution.	Thank you for your comments.
Energy Networks Association (Trade Association)	As a result of the discussions at REC MEP 11/12/24, it may be advisable for the Code Manager to reconsider whether to proceed with the implementation of this change and work towards further discussions with REC Parties to try to find a workable solution.	Thank you for your comments.
National Grid Electricity Distribution (Distribution Network Operator)	Yes.	Thank you for your comments.

Question 6:	Do you have any other comments relating to this change?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
Scottish and Southern Electricity Networks (Distribution Network Operator)	As a DNO, we are responsible for the management of our assets on our network. SSEN ask that the Code Manager works with REC parties to resolve the impasse we are at by allowing these bespoke voting arrangements if the document is to exist under governance offered by the REC, or by considering and exploring another solution with REC parties.	Thank you for your comments.
BUUK (Distribution Network Operator)	n/a	n/a
Scottish Power Energy Networks (Distribution Network Operator)	No.	n/a
Stark (Metering Equipment Manager)	No.	n/a
Northern Powergrid (Distribution Network Operator)	The enduring success of this change is dependent on the long term governance arrangements of the STIRG. Therefore, clarification is required as to whether the STIRG can remain under REC governance as a Category 3 product or whether its classification will be changed to Category 2. If the STIRG document is to exist under REC governance, we look to the code manager to work with REC parties to resolve the impasse by	Thank you for your comments.

	arriving at a solution that respects the need for DNOs to be able to control their own asset management policy and ensures that this fundamental principle is not compromised.	
UK Power Networks (Distribution Network Operator)	If the STIRG document is to exist under REC governance, we look to the code manager to work with REC parties to resolve the impasse by arriving at a solution that respects the need for DNOs to be able to control their own asset management policy and ensures that this fundamental principle is not compromised.	Thank you for your comments.
Energy Networks Association (Trade Association)	If the STIRG document is to exist under the governance offered by REC, we look to the Code Manager to work with REC Parties to resolve the impasse by arriving at a solution that respects the ability of ENOs to control their own asset management policy and ensures that this fundamental principle is not compromised.	Thank you for your comments.
National Grid Electricity Distribution (Distribution Network Operator)	n/a	n/a