RETAIL ENERGY CODE

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NON-CONFIDENTIAL CONSOLIDATED CONSULTATION RESPONSES

C3-0131 CODE OF PRACTICE FOR NON-DOMESTIC THIRD-PARTY INTERMEDIARIES

On 04 July 2025, the Code Manager issued a consultation on behalf of RECCo to industry to seek feedback on Category Three Change Proposal C3-0131 Code of Practice for Non-Domestic Third-Party Intermediaries.

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

DOCUMENT VERSION	1.0
RESPONSE TYPE	NON-CONFIDENTIAL
DATE ISSUED	04/07/2025

DATE CONSULTATION ISSUED	04/07/2025
RESPONSE DEADLINE	08/07/2025

Question 1:	Do you have any comments on the proposed legal text?	
RESPONDENT DETAILS	**RESPONSE**	**RECCo COMMENTS**
Business Energy Direct (Third Party Intermediary)	We believe several issues remain unresolved, which I previously raised with RECCo. At the time, I was informed that no amendments could be made due to the TPI Code of Practice being under Ofgem's review. **Principle 1: <u>Transparency</u> & Accuracy** • The TPI must ensure the maintenance of accurate Consumer data and provide such data as required by the Energy Supplier. We believe this provision requires amendment, as it may conflict with both GDPR and Section 5 of the TPI Code of Practice. Notably, the Code does not define what constitutes 'consumer data'. For some of our clients, we are bound by non-disclosure agreements (NDAs), which means that although we may hold accurate consumer data, we are legally prohibited from sharing it with third parties. A simple example is telephone numbers: while a supplier may 'require' this information, a customer can withhold consent for it to be shared. If we obtain such data but lack the necessary consent, or are restricted by an NDA, we would be unable to comply with both GDPR and the NDA while also adhering to the TPI CoP. **Principle 3: Treating Consumers Fairly**	Principle 1 Thank you for the suggestion. We don't believe this impacts the suggested wording which clears up the language in this area. We will consider the suggested amendment in a second update of the TPI COP to take place later this year. Principle 3. Agreed, wording amended to say ' *The TPI must take all steps to ensure that Consumers are treated fairly by the TPI's staff and subcontractors, and that they are not subject to unreasonable pressure when making decisions*. Appendix 2. (Letter of Authority) Thank you for the suggestions. As these do not impact the suggested changes for this update, we will consider the suggestions as

	• The TPI must take all steps to ensure that Consumers are treated fairly, and that they are not subject to unreasonable pressure when making decisions. We believe this section needs to be reworded, as the current language is too broad and does not specify who is responsible for ensuring the customer is treated fairly. For example, what is a TPI expected to do if they observe a customer being treated unfairly by another TPI or by a supplier? The wording should be more precise, perhaps focusing on fair treatment by the TPI's own staff and subcontractors, or similar language that clearly defines the scope of responsibility.. **Appendix 2 - Minimum requirements for a Letter of Authority** It's important to remember the purpose of the Letter of Authority (LOA): it is a document provided by a TPI to the consumer, enabling the consumer to demonstrate that they have granted the TPI authority to act on their behalf. 2. Where you delegate part of the switching responsibility to a third party, such as an aggregator or sub-broker, you must include relevant details. This information does not need to be disclosed on the LOA. It's important to remember the purpose of the LOA: it is intended to demonstrate that the consumer has authorised the TPI to act on their behalf. For example, if a TPI is obtaining consumption data for the purpose of quoting, the fact that an aggregator is being used is not information the current supplier needs to know. 4.Where the Consumer has been introduced via a Sub Broker or partner, you must make clear there has been an introduction and add the name of that Sub-broker.	part of a second update of the TPI COP to take place this year.

	As with point 2, I'm not sure this information needs to be included on the LOA. It would be more appropriate for such disclosures to be addressed elsewhere, either as part of the general information provided to the customer or within the contract itself, where relevant. The LOA should remain focused on its core purpose: authorising the TPI to act on the customer's behalf. 6.You must include a statement that the Consumer understands that a commission may be payable and how that commission will be recovered. Again, this information is not necessary to include on the LOA. At the stage where an LOA is required, a TPI may still be working without remuneration, for example, when checking EACs, kVA values, or handling customer service queries. Including such details on the LOA goes beyond its intended purpose and may create unnecessary complications. To illustrate this with a real-life example: Business Energy Direct offers a complaint management service and currently supports over 1,100 customer accounts under this model. In many of these cases, we have not sold a contract to the customer. Instead, we are engaged to investigate and resolve complaints under separate contractual terms. However, we still require an LOA to access relevant documents and manage the complaint effectively. This highlights the importance of maintaining the LOA's intended purpose, authorising the TPI to act on the consumer's behalf, without overburdening it with unnecessary disclosures that are more appropriately addressed elsewhere. This letter of authority will automatically end, and will need to be refreshed, after 12 months; unless we enter into a gas and/or electricity supply contract with you via the TPI during such 12-month period, in which case this letter of authority will automatically apply until the end of that supply contract (unless we notify you in writing that it has been	

	revoked). We can revoke this letter of authority at any time by giving you written notice of revocation. The example LOA should be amended to state: *"This Letter of Authority will automatically expire and must be renewed after [XX] months. We reserve the right to revoke this Letter of Authority at any time by providing written notice."* The LOA should be clearly time-bound to avoid ambiguity, particularly in complex multi-site, multi-supplier arrangements. For example, one of our clients has approximately 300 metered locations, each with varying contract terms and durations. Under the current wording, it would be extremely difficult for the customer to determine which sites the LOA remains valid for and which it does not. A simple start date with a fixed duration (e.g. 12 or 24 months) provides clarity and ensures transparency. This approach also avoids complications in scenarios involving multiple contract renewals with the same supplier. Without a clear expiry, an LOA could remain technically valid for five years if five consecutive 12-month contracts were signed, despite significant changes in the customer's circumstances or representation during that time. **Commission**: We acknowledge that the Broker may be paid a commission by you, and we understand that you will recover the cost of any such commission via the charges we pay under our gas and/or electricity supply contract (as further described in our contract with the TPI). The current example wording "*and we understand that you will recover the cost of any such commission via the charges we pay under our gas and/or*	

	electricity supply contract." should be removed or at the very least amended if the principal of it is to be retained. This statement assumes that all commission is recovered through the customer's supply charges, which is not always the case. Including this wording creates a potential loophole and may mislead consumers about how commission is actually funded. For example, some suppliers allocate a marketing or CAPEX budget (e.g. £1 million) for customer acquisition. Instead of using this for traditional marketing, they may choose to pay TPIs directly, e.g. £1,000 per contract, without passing this cost onto the customer. In such cases, the commission is not recovered through the customer's supply charges but is instead treated as a supplier-side marketing expense. This model has been used by a number of suppliers in the past. If commission is to be referenced on the LOA, the wording should be neutral and flexible enough to reflect different commercial models. For instance: *"We understand that commission may be paid to the TPI in connection with this agreement. The method of commission recovery may vary depending on the supplier's commercial arrangements."* This ensures transparency without making assumptions that could misrepresent the nature of the agreement or create regulatory ambiguity. Further consideration must be given to the fact that TPIs operate under a variety of business models, many of which require access to critical information that can only be obtained from the supplier or network, necessitating a customer-signed LOA.	

	If the proposed standard LOA includes language suggesting that commission or fees are *only* recovered via the supplier (e.g., through supply contract charges), this would be misleading and potentially problematic. Many TPIs charge for additional services such as: • Bill validation • Network connection support • Revenue recovery • Complaint resolution In these cases, the TPI may be remunerated directly by the customer under separate contractual terms. Including restrictive or overly specific commission language on the LOA could: • Misrepresent the nature of the commercial relationship • Undermine transparency • Lead to unnecessary legal disputes between TPIs and customers	
Better Connections Ltd (Third Party Intermediary)	Yes. We support many of the proposed changes but have the following specific comments: The removal of the clause permitting TPIs to “sign and enter into new contracts” under the Letter of Authority is too restrictive. In practice, many clients—particularly time-constrained SMEs and corporate entities—explicitly authorise their intermediary to execute contracts on their behalf. We propose amended wording such as:	A number of Parties have highlighted that this clause is problematic. However due to the comments raised here, it has been retained and will be reconsidered in the second review to be held later this year.

	"Where explicitly authorised by the Consumer and evidenced in a signed Letter of Authority, the TPI may execute supply contracts on behalf of the Consumer." This maintains consumer protection while reflecting real-world arrangements. Regarding Principle 1, further clarification is needed on what constitutes "TPI enumeration details." We recommend defining this term and providing a checklist (e.g. trading name, company number, contact point, RECCo registration ID) to support consistent interpretation. Enumeration requirements must not expose TPIs to identity misuse or duplication risks. The compliance monitoring sections relocated under Principle 9 are welcome, but more information is needed about enforcement mechanisms, frequency of audits, and consequences for noncompliance.	
Ecotricity (Energy Supplier)	No further comments to add.	Thank you for the confirmation.
ENGIE (Energy Supplier)	No.	Thank you for the confirmation.
SSE Energy Supply Limited (Energy Supplier)	SSE has no additional comments on the proposed legal text.	Thank you for the confirmation.

ScottishPower Energy Retail Limited (Energy Supplier)	We welcome this exercise to review the REC Non-Domestic TPI Code of Practice. In our view, it would be beneficial to ensure that the voluntary Code of Practice is optimally drafted. In that vein, we support the majority of the revisions to the Code of Practice proposed by RECCo and the Code Manager. We have set out in our response to Question 2 some further additions and amendments to the text which we believe will support a clear and effective Code of Practice.	Thank you, please see responses in section 2.

Question 2:	Any there any further changes you would like to propose to the legal text?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
Business Energy Direct (Third Party Intermediary)	Change wording from COT “change of Occupier” to CoO Change of Occupier to ensure same wording as R0155. Section 5	Thank you for the suggestions, these will all be considered for the second update of the TPI COP planned for later this year.

	Telephone Preference Service (TPS) and Corporate TPS (CTPS) – Recommended Inclusion While it is understood that compliance with the Privacy and Electronic Communications Regulations (PECR) already requires screening telephone numbers against the Telephone Preference Service (TPS) and Corporate TPS (CTPS) registers, it would be beneficial to explicitly highlight this requirement within the guidance or associated documentation. Given the significant number of organisations that continue to fall foul of PECR, often due to a lack of awareness or inadequate internal controls, explicitly referencing TPS and CTPS screening would serve as a practical reminder and reinforce best practice. This is particularly relevant for TPIs conducting outbound marketing, where the reputational and legal risks of non-compliance are high. Perhaps include a clear statement such as: *"Prior to conducting any outbound marketing activity, TPIs must ensure that all telephone numbers are screened against the TPS and CTPS registers, in accordance with PECR requirements."* This addition would support consumer protection, reduce regulatory breaches, and promote responsible marketing practices across the sector.	

Better Connections Ltd (Third Party Intermediary)	Yes. We suggest the following additional improvements: Include an optional “Client–TPI Engagement Agreement” template alongside the Letter of Authority to help set clear expectations and protect both parties. Where TPIs are required to disclose commission, consider recommending a standardised format (e.g. Total £ per year & p/kWh breakdowns) to promote transparency while ensuring comparability. RECCo should consider incorporating a formal review mechanism or sunset clause for the TPI COP (e.g. triennial review with industry input).	Thank you for the suggestions, these will all be considered for the second update of the TPI COP planned for later this year
Ecotricity (Energy Supplier)	Ecotricity are in agreement with the proposed changes that recognise Small/Micro business consumer inclusion in the ADR scheme, the inclusion of Annual Consumption data to reflect MHHS migrated MPAN’s and the correction to supplier/consumer terminology.	Thank you for the comment.
ENGIE (Energy Supplier)	No.	Thank you for confirming.
SSE Energy Supply Limited (Energy Supplier)	No, we don’t have any changes we would like to propose to the legal text.	Thank you for confirming.
ScottishPower Energy Retail Limited (Energy Supplier)	While we support the majority of the revisions to the TPI Code of Practice proposed by RECCo and the Code Manager, we have set out in the table below some further additions and amendments to the text. We believe that our proposals would ensure that the Code of Practice is as clear and effective as possible. In addition to the table, we would make the following comments on the text:	Appendix 1. Thank you for the suggestion, we will consider this for inclusion in the second

	• In Appendix 1, we believe that the tables of contract offers should clarify the terminology of “Fixed Contract” under “Contract Type”. To avoid confusion on the constant in question, it would be better to specify either “Fixed-Price Contract” or “Fixed-Term Contract”. • In Appendix 2, we believe that the references in the example Letter of Authority should not be changed from “Customer” to “Consumer”. While we appreciate the merits of making this change within the Code of Practice body, we note that the LoA involves the customer directly, and it would be somewhat stilted to suggest to them that they are a “consumer”. • On the same example LoA, we would like to understand the reasoning for the proposed deletion from the example (and thus the Code of Practice) of authority to “sign and enter into new gas and/or electricity supply contracts or add premises to existing supply contracts”. **Non-Domestic TPI Code of Practice – ScottishPower Proposal – the Code Manager is unable to paste this table provided by ScottishPower without corrupting the document, but it has been received and reviewed.**	review of the TPI COP planned for later this year. Appendix 2. Agree, proposed change to ‘consumer’ removed and reverted to ‘customer’. On the deletion of the authority to sign and enter into new gas and/or electricity contracts, a number of Parties have highlighted that this clause is problematic. However due to the comments raised here, it has been retained and will be reconsidered in the second review to be held later this year.

Question 3:	Do you agree with the proposed implementation date of 01 September 2025?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
Business Energy Direct (Third Party Intermediary)	-	
Better Connections Ltd (Third Party Intermediary)	Yes. This aligns with the MHHS release and provides sufficient notice for TPIs to adjust processes and documentation, assuming final text is published by early Q3 2025.	Thank you for the confirmation.
Ecotricity (Energy Supplier)	Yes – Ecotricity agree with the proposed implementation date of 1 September for the changes to the legal text. Further clarity and dates are sought in regard to the development of a 'Kitemark' scheme. As an advisable rule of thumb we recommend any implementation of significant change requiring input/resource from TPI's and suppliers be avoided in the months of March, April, September and October to account for bi-annual contract renewal rounds.	Thank you for the confirmation.
ENGIE (Energy Supplier)	Yes.	Thank you for the confirmation.
SSE Energy Supply Limited (Energy Supplier)	Yes, we agree with the proposed date.	Thank you for the confirmation.
ScottishPower Energy Retail Limited (Energy Supplier)	Subject to our comments in our response to Question 2, we are content for the revised Non-Domestic TPI Code of Practice to be implemented on 1 September 2025.	Thank you for the confirmation.

Question 4:	Would you support RECCo exploring options to provide a "Kitemark" for TPI COP signatories, with accreditation against the TPI COP to support this?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
Business Energy Direct (Third Party Intermediary)	We would welcome clarity on what RECCo defines as a 'Kitemark' and what specific criteria or process must be met to achieve it	The intention would be to develop this through an industry Issue group and consultation through the REC change process.
Better Connections Ltd (Third Party Intermediary)	Yes, in principle. A kitemark or certification scheme could promote consumer trust and raise standards in the intermediary market. However, any scheme must be: Voluntary (not mandatory) Proportionate in cost and admin burden Scalable for businesses of different sizes We support further consultation before introducing any formal scheme.	Thank you. The intention would be to develop this an industry Issue group and consultation through the REC change process.

Ecotricity (Energy Supplier)	Yes, Ecotricity would support this as it could improve standards, build trust and enhance transparency in the TPI market place. It would provide reassurance for suppliers and customers and help them identify trusted TPI's efficiently, improving market confidence and informed decision making. For a TPI, this would add another layer of credibility and trust enabling differentiation against other less scrupulous operators. The wider-industry focus on TPI regulation is welcome, and we support initiatives like this that strive for transparency and consumer protection, however a 'kitemark' scheme must have clear, published assessment criteria, regular audits and an ability to revoke the 'Kitemark' if persistent bad practice is discovered. The 'Kitemark' must retain value and a degree of recognition among it's intended audience therefore it's our recommendation that RECCo co-design the scheme with consumer groups to ensure it is practical, enforceable and drives the necessary behaviours and outcomes.	Thank you for the comments. The intention would be to develop this through the REC change process, ensuring that consumer groups are involved in the design.
ENGIE (Energy Supplier)	Yes. This would ease identification of TPIs signed up to the CoP for suppliers and also provide customers with more confidence that their TPI was providing a good quality service. It could also be used as an identifier for compliant TPIs should the CoP ever become mandated.	Thank you for the comment.
SSE Energy Supply Limited (Energy Supplier)	Yes, SSE would like to see more details on the options of a Kitemark and how this would work in practice.	Thank you for the comment. If progressed, the solution would be developed through the REC Change process, including working groups and consultations.

ScottishPower Energy Retail Limited (Energy Supplier)	At this stage, we see no particular need for nor benefit from the introduction of a certification scheme or mark for TPIs which are signatories to the REC Non-Domestic TPI Code of Practice. In that light, we do not support the development of such proposals at this time. While we recognise the proportionate value that the TPI Code of Practice can provide, in encouraging voluntary adherence by TPIs to a set of standards, our focus and preference remain the introduction of the direct regulation of TPIs. In addition, given that Ofgem recently rejected RECCo's proposal for a REC TPI accreditation regime (in R0137/R0137A), we would consider it premature for RECCo to devote efforts to another form of TPI accreditation. We also note that, as this consultation is on the text of the Category 3 document (the Code of Practice) and not on wider policy related to the Code of Practice, Parties which would have views on this point may not be aware of RECCo's suggestion.	If progressed this change would be developed through the REC change process, with full industry engagement. We believe (and have discussed with Ofgem) that the proposal is in line with their instruction as part of the R0137/A rejection letter to continue to develop the voluntary COP. However we agree that this would not replace the direct regulation of TPIs and will wait for DESNZs announcement on next steps for this (expected this year) before progressing with this proposal.

Question 5:	Would you support extension of the TPI register to include TPIs signed up to other non-REC voluntary TPI Codes of Practice?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**

Business Energy Direct (Third Party Intermediary)	Whilst we recognise the potential benefits of maintaining a central register of all TPIs and their affiliation with a TPI Code of Practice, we have concerns if such a register is to be considered fully "voluntary." For clarity, we believe that **all supplier-led TPI Codes of Practice should be excluded** from any such register extensions. These codes are not truly voluntary, as they are typically a condition of the commercial relationship between the supplier and the TPI. As such, they do not reflect independent or impartial adherence to industry standards. We also caution against relying on supplier benchmarks or governance in this context. The historic relationship between BES and Commercial Power is a well-known example of the risks associated with supplier ownership or control of TPIs. Unfortunately, similar conflicts of interest still exist in the market today.	Thank you for the comment. This will be considered before progressing with any central register.
Better Connections Ltd (Third Party Intermediary)	Yes. Including other reputable non-REC voluntary CoPs (e.g. TPI Code of Practice from other schemes) could improve visibility and benchmarking across the sector, provided that any additions	Thank you for the comment. This will be considered before progressing with any central register.

	meet a clear and published minimum standard.	
Ecotricity (Energy Supplier)	Yes, Ecotricity would support the extension of the TPI register to include TPIs who adhere to other schemes but on the proviso that these schemes also meet a minimum standard of consumer protection, transparency and accountability. We support this proposed change on the conditions that the other voluntary CoP schemes meet or exceed the standards set by the REC regarding consumer protection to ensure industry continues to uphold best practices. Having a more inclusive register would mean better market clarity for consumers and suppliers who would be offered a single place to verify whether a TPU operates under a recognised standard. However we would need some reassurances in place to ensure there is an accreditation framework in place to evaluate non-REC CoPs objectively and ongoing compliance around monitoring those standards, particularly on dispute resolution arrangements.	Thank you for the comment. This will be considered before progressing with any central register.
ENGIE (Energy Supplier)	No. It is important that there is standardisation of the standards expected of TPIs and opening up the TPI Register to TPIs using other voluntary CoPs creates a risk of inconsistent standards across those TPIs on the Register, as well as being more difficult and expensive to administer.	Thank you for the comment. This will be considered before progressing with any central register.
SSE Energy Supply Limited (Energy Supplier)	We would support this, but would require details on the other TPI Codes of Practice in order to address their suitability, as we may not wish to work with TPIs registered to these.	Thank you for the comment. This will be considered before progressing with any central register.

ScottishPower Energy Retail Limited (Energy Supplier)	We believe that any record of TPIs which have signed the REC Non-Domestic TPI Code of Practice should be limited to that REC Code of Practice. In our view, it would not be warranted to list, under the auspices of the REC, sign-ups to TPI regimes or codes of practice that are not made under the REC. In turn, we do not support an expansion of the REC TPI record to include sign-ups to other such regimes or codes of practice at this time. In any event, we would not consider the current list of TPI signatories on the REC Portal, as a plain listing of signatories and accession dates, to be a "register" as such. We also take note that, to date, 48 TPIs have signed the REC Non-Domestic TPI Code of Practice, compared to Ofgem's 2024 estimate of 2,500 TPIs operating in the market.	Thank you for the comment. This will be considered before progressing with any central register.