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

R0139 – ALIGNMENT OF MARKET MESSAGE D0225 'CONSENT TO SHARE FLAG' TO SUPPORT PSR DATA SHARING

CHANGE REPORT	FINAL
DOCUMENT VERSION	1.0
ISSUED DATE	16/02/2024
DOCUMENT APPROVAL STATUS	POST-VOTE

RESPONSIBLE COMMITTEE	TECHNICAL EXPERT PANEL	CHANGE PATH	SELF GOVERNANCE
PRIORITY STATUS	HIGH	URGENCY	URGENT

DEADLINE FOR ALTERNATIVE CHANGE PROPOSALS	26/01/2024

LEAD CHANGE ANALYST



Holly Law

Click to send an email

020 4566 8342

TECHNICAL LEAD

Beth Brown

Click to send an email

07901157755

CHANGE OVERVIEW

Ofgem have been in with discussion with Energy Suppliers this year, requesting them to voluntarily change how they use the consent option within the Priority Services Register (PSR) flow. This Change Proposal (CP) has been raised to make sure the Market Message mirrors the process agreed between Ofgem and Energy Suppliers by re-naming the Priority Services Register (PSR) Data Item DI51497 (J2208) as "Lawful basis for sharing".

	High Impact: N/A
	Medium Impact: Energy Suppliers Distribution Network Operators Metering Equipment Managers
	Low Impact: N/A

RESPONSIBLE COMMITTEE DECISION

On 28 February 2024, the Technical Expert Panel voted to **APPROVE** R0139 for implementation on 12 April 2024.

RETAIL ENERGY CODE

CONTENTS

BACKGROUND		
1.	Summary	**3**
2.	Problem Statement	**3**
3.	User Stories	**3**
PROPOSAL		
4.	Proposed Solution	**4**
5.	Draft Legal Text	**4**
6.	Summary of Impact Assessment Activity	**4**
7.	Delivery Against Change Proposal Plan	**5**
8.	Proposed Implementation Date and Approach	**5**
9.	Summary of Consultation Responses	**5**
10.	Business Case Assessment	**6**
11.	Case for Change	**6**
12.	Code Manager's Recommendation	**7**
13.	Responsible Committee Decision	**7**
14.	Appendix	**7**
15.	Glossary	**8**

RETAIL ENERGY CODE

BACKGROUND

1 SUMMARY

Energy Networks Association and Water UK are running a project to enable two-way data sharing of Priority Services Register (PSR) data between Distribution Network Operators (DNOs) and Water companies. Concerns have been raised regarding the mandatory status and the naming of Data Item DI51497 (J2208) 'Consent to share data obtained'.

After consulting with the Information Commissioners Office (ICO), DNOs have changed the legal basis on which they are sharing PSR data. DNOs now rely on "legitimate interests" as the legal basis for processing personal data under Article 6 of the UK GDPR and substantial public interest as the legal basis for processing special category personal data under Article 9 of the UK GDPR.

Ofgem had been in with discussion with Suppliers in 2023, requesting them to voluntarily change how they use the consent option within the PSR flow. Ofgem has confirmed that some Suppliers have already amended their Privacy Notices with others planning to make the change early in 2024.

This Change Proposal seeks only to change the title of the PSR flag J2208 to "Lawful basis for sharing" so that it covers all legal bases for sharing this data. It does not look to change a party's legal basis for sharing data, but just capturing Y or N for the question, do you have a lawful basis for sharing this data and therefore that the Market Message mirrors the process agreed. Relevant clauses in REC Schedule 13 will be amended if needed.

Further background information can be found here in this letter from the ICO to Ofgem.

2 PROBLEM STATEMENT

The current PSR Data Item DI51497(J2208) 'Consent to share data obtained' does not mirror the legal basis for sharing data that DNOs rely on, or the process that Suppliers have planned to have in place by early 2024.

3 USER STORIES

REF.	USER STORIES
CONSUMER USER STORIES	
C1	As a Consumer, I want to ensure my data is shared and processed appropriately.
MARKET PARTICIPANT USER STORIES	
M1	As an Energy Supplier, I want to ensure I am receiving, sharing, and processing data in accordance with UK GDPR.
M2	As a Distribution Network Operator, I want to ensure I am receiving, sharing, and processing data in accordance with UK GDPR.
M3	As a Metering Equipment Manager, I want to ensure I am receiving, sharing, and processing data in accordance with UK GDPR.

4 PROPOSED SOLUTION

The proposed solution is to change the title of the PSR flag J2208 to “Lawful basis for sharing” so that it covers all legal bases for sharing this data.

5 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0139 can be found here.

We note that the affected Data Item is referenced in the legacy Data Specification supporting guidance document ‘Annex C’ as part of the rules for Market Message D0225. This is not within the baseline statement, but the contents are proposed to be brought under the REC as part of Change Proposal R0113 - Data Specification Housekeeping and Clarifications. At the earliest opportunity (e.g. R0113) we will seek to ensure any references that cannot be amended as part of R0139, are updated with the correct title of J2208.

6 SUMMARY OF IMPACT ASSESSMENT ACTIVITY

6.1 REC PARTY IMPACT ASSESSMENTS

All REC Parties were targeted for Impact Assessment and 5 responses were received, 1 of these was marked confidential.

ENERGY SUPPLIERS	• 2 responses received from Energy Suppliers: Octopus Energy and British Gas. • Octopus Energy had questions around the process and its impact on the customer journey, these have been responded to. • Octopus stated that a release date of the 12 April 2024 is achievable. British Gas initially said that it could be achievable but at additional cost which meant they would prefer a 6-month lead time, however following further conversations with them, they believe that this release date would now be achievable and may not be as costly as initially determined. • Both Suppliers agreed that the proposed solution addresses the problem statement. • Both stated that they would incur implementation costs, but an amount was not specified.
DISTRIBUTION NETWORK OPERATORS	• 3 responses received from Distribution Network Operators: National Grid Electricity Distribution, Northern PowerGrid Ltd and one confidential. • Both National Grid and Northern PowerGrid said that an implementation date of 12 April 2024 is achievable. • All agreed that the proposed solution addresses the problem statement.

	• Northern PowerGrid Ltd. provided implementation costs for IS framework, contractor evaluation, development & test costs, estimate to be £10,000.

7 DELIVERY AGAINST CHANGE PROPOSAL PLAN

All milestones within the Change Proposal Plan have been met. An updated Change Proposal Plan with further milestones has been provided along with this change report.

The Change Proposal Plan can be found here.

8 PROPOSED IMPLEMENTATION DATE AND APPROACH

PROPOSED IMPLEMENTATION DATE	12/04/24

PROPOSED IMPLEMENTATION APPROACH	BIG BANG

Due to its impact on other high priority activity, we propose the next planned release date after approval. This issue is impacting the Data Share Project as DNOs have paused processing water company data where they have been instructed not to onward share with suppliers. Water companies have given this instruction in part due to the misalignment between the J2208 definition and usage, and ICO guidance.

9 SUMMARY OF CONSULTATION RESPONSES

A consultation was circulated on 26 January 2024 to obtain views on the Preliminary Change report. In total 2 responses were received from a Supplier and a DNO, 1 of which was a confidential response. The non-confidential response has been consolidated and comments provided by the Code Manager. This can be found here.

The key themes from these responses have been summarised and set out below.

9.1 SUMMARY OF RESPONSES

9.1.1 COMMENTS ON THE SOLUTION AND LEGAL TEXT

SSE Energy Supply Ltd (SSE Business Energy) raised concerns over the complexity of the proposed solution, however, after further conversations are now more comfortable with the impacts of this change and agree is less complex than they originally believed it to be.

9.1.2 IMPLEMENTATION APPROACH AND DATE

SSE Energy Supply Ltd (SSE Business Energy) raised concerns over the implementation date as they require 6 months' notice to implement the changes required to their systems, following conversations with the Supplier, they are now more comfortable with an April date.

10 BUSINESS CASE ASSESSMENT

10.1 COSTS

There are no REC costs associated with the implementation of this change, however the Code Manager recognises there will be costs to DNOs and Suppliers to implement this change. We've only had one party provide a potential cost; the intangible benefits outweigh the costs.

10.2 BENEFITS

INTANGIBLE BENEFITS	BENEFITS DESCRIPTION
DNOs	Would allow the project between Energy Networks Association and Water UK that enables two-way data sharing of Priority Services Register (PSR) data between Distribution Network Operators (DNOs) and water companies to move forward.
DNOs/ Suppliers	Helps to maximise the number of vulnerable customers identified and customers avoid having to disclose vulnerabilities multiple times. Will enable industry to better identify customers that should be on the PSR so Suppliers can offer tailored support to a wider range of customers.
DNOs/ Suppliers	Removes ambiguity and misconception around legal basis for sharing data, as the PSR flag J2208 definition will reflect the different legal bases for sharing PSR data that is being used by the DNOs and the energy suppliers.

10.3 COST BENEFIT ANALYIS SUMMARY

The intangible benefits create a positive case for change and outweigh cost to implement. All parties that responded to the Impact Assessment request were supportive of this change regardless of cost to implement.

11 CASE FOR CHANGE

11.1 SELF GOVERNANCE

The Code Manager considers that there is a positive case for change to implement the solution on the basis that:

- the proposed solution appropriately resolves the original Problem Statement
- the cost and effort of implementing and operating the proposed solution is proportionate and cost-effective.
- the proposed solution delivers positive outcomes for consumers and Market Participants.

12 CODE MANAGER'S RECOMMENDATION

The Code Manager recommends that the Technical Expert Panel:

- **APPROVE** the proposed change solution;
- **APPROVE** the proposed implementation approach; and
- **APPROVE** the proposed implementation date of **12 April 2024**.

13 RESPONSIBLE COMMITTEE DECISION

This report was discussed at the REC Technical Expert Panel meeting on 28 February 2024.

The REC Technical Expert Panel voted to:

- **APPROVE** the proposed change solution;
- **APPROVE** the proposed implementation approach; and
- **APPROVE** the proposed implementation date of 12 April 2024.

14 APPENDIX

CHANGE PROPOSAL	Link
LEGAL DRAFTING	Link
CONSOLIDATED IMPACT ASSESSMENT RESPONSES	Link
CONSULTATION RESPONSE	Link

15 GLOSSARY

	DEFINITION
Energy Suppliers	means a person which is either or both an Electricity Supplier and/or a Gas Supplier.
Distribution Network Operators (DNO)	means a person holding an Electricity Distribution Licence.
Priority Services Register (PSR)	means the register of certain of Domestic Customers established and maintained by relevant Parties pursuant to their licence.
Market Message	means a structured communication sent between two Market Participants in the form and with the content required (and as otherwise specified) by the Data Specification.
Data Item	means the most granular level of data defining a specific attribute in respect of a data type, the permissible values for which are defined and controlled in the Data Item Catalogue.
Information Commissioner's Office	means the supervisory authority responsible for enforcing Data Protection Legislation in the United Kingdom, including any successor or replacement body from time to time.
Office of Gas and Electricity Markets (Ofgem)	Ofgem is the regulator for Britain's gas and electricity industries, overseen by the Gas and Electricity Markets Authority (the Authority).
Data Specification	means the document of that name forming part of the Technical Specification.