Version 6.0 (Final)

# Performance Assurance Board (PAB) Procedures

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# Change History

| Version | Status | Issue Date | Author | Comments |
|---|---|---|---|---|
| 1.0 | - | 03/11/2020 | Rebecca Mottram | Final baselined version, following review by Elizabeth Lawlor and Jon Dixon. |
| 1.1 | - | 30/11/2020 | Rebecca Mottram | Updated following feedback from Rachael Anderson, REC Board Sponsor. |
| 1.2 | - | 24/06/2021 | Eliana Campbell | Updated in line with enduring PAB arrangements. |
| 1.3 | - | 06/07/2021 | Eliana Campbell | Updated following feedback from RECCo. |
| 2.0 | Final | 27/07/2021 | Eliana Campbell | Finalised following feedback from RECCo. |
| 3.0 | Final | 31/03/2022 | Eliana Campbell | Updated to reflect CSS arrangements and lessons learnt from the Derogation process. |
| 4.0 | Final | 31/07/2023 | Vaishnavi Sharma | Updated to acknowledge that PAB will consider contextual information for Parties when determining PATs. |
| 5.0 | Final | 31/07/2024 | Vaishnavi Sharma | Annual Review. |
| 6.0 | Final | 10/06/2025 | Tanya Mason-Hawes | Annual Review. |

# Document Control

| Reviewer | Role | Responsibility | Date |
|---|---|---|---|
| Walter Carlton | RPA Lead Partner | | 24/06/2021 |
| Performance Assurance Board | REC Committee | | 29/03/2022 |

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PAB Procedures

# 1 Purpose of the Document

1.1 The purpose of this document is to detail the processes and procedures to be followed by the Retail Energy Code (REC) Performance Assurance Board (PAB).

1.2 The PAB Terms of Reference and this procedures document focus on the functions and responsibilities of the PAB.

1.3 This document also details the role of the Code Manager to support the PAB in delivering its functions and responsibilities.

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# 2 About the Performace Assurance Board (PAB_

2.1 The PAB is established by the REC Board as required by the Performance Assurance Schedule of the REC.

2.2 The purpose of the PAB is to discharge its functions and responsibilities assigned to it by the REC, in particular the Performance Assurance Schedule. This includes:

- contributing to the development of, and where relevant deciding upon, REC Change Proposals (discussed in Section 7 below);
- assessing and determining Performance Assurance risks and issues relating to PAF Participants and making Risk Management Determinations in accordance with the Performance Assurance Framework and Performance Assurance Techniques, as may be appropriate (discussed in Section 6 below);
- determining appeals or disputes against outcomes of qualification and Maintenance of Qualification process (or escalating to the REC Board), based on an organisation's performance during the Entry Assessment process (discussed in Section 12 below);
- responsibility for specifying REC Party, Non-Party REC Service User and REC Service Provider security and data protection requirements under the REC and determining action to take following notification of a data protection or security breach in relation to any of the above organisations; and
- considering and determining Sandbox and Derogation applications (discussed in Section 8 below).

2.3 Unless otherwise determined by the REC Board, the Code Manager will act as the secretary to the PAB.

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# 3 Proceedings of the PAB

3.1 The main business of PAB meetings will be held in open-session where no confidential information is discussed. Where the PAB meet to consider confidential information or the performance of a particular REC Party, the session is a closed, confidential session. Observers can attend the open session of PAB meetings, if prior consent has been given by the PAB Chair. Meetings of the PAB will be held at least once a month, whether in person or by video/teleconference.

3.2 PAB members are required to act impartially and independently of the interests of their employer, and therefore, must disclose to the PAB Chair any conflict of interest with their functions as a member. In these circumstances, the PAB member may absent themselves from the consideration of matters that relate to their employer, or any other matter, and cannot disclose any confidential information outside of the PAB.

3.3 RECCo indemnifies all PAB members in accordance with Clause 8 of the REC Main Body.

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# 4 Recruitment of PAB Members

4.1 Members of the PAB who are REC Party nominees are appointed by the Code Manager following a nomination and selection process. Each member must have relevant experience and expertise either of the energy industry or of applying performance management techniques to a customer facing organisation in another sector, in accordance with the PAB Terms of Reference.

4.2 Any PAB member appointed as a REC Party nominee shall act impartially and independently of the interests of their employer and of any person or class of persons, when exercising the functions assigned to it under the REC.

4.3 The REC Board may remove and seek the replacement of such PAB members from time to time if in the REC Board's opinion they are unwilling, unable, unfit or otherwise are incapable for any reason to carry out their duties as a member in accordance with the REC or the Terms of Reference.

4.4 If you are interested in becoming a PAB member, or alternate, please contact the PAB secretary at performanceassurance@recmanager.co.uk.

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# 5 PAB Member Training

5.1 The Code Manager will develop and run induction training to support PAB members with their functions and responsibilities as set out in the Terms of Reference and this procedure.

5.2 From 1 September 2021, the Code Manager will also hold four training sessions per year for PAB members on an enduring basis. This training is envisaged to focus on the Performance Assurance Framework, PAB procedures and REC obligations as they evolve overtime.

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# 6 Performance Assurance Framework

6.1 The PAB oversees the Performance Assurance Framework (PAF). The PAF is an assurance regime focusing on risks to retail energy consumer outcomes and the effectiveness of the retail market.

6.2 The Code Manager assures PAF participants which include REC Parties, REC Service Providers and specific Non-Parties that use REC Services.

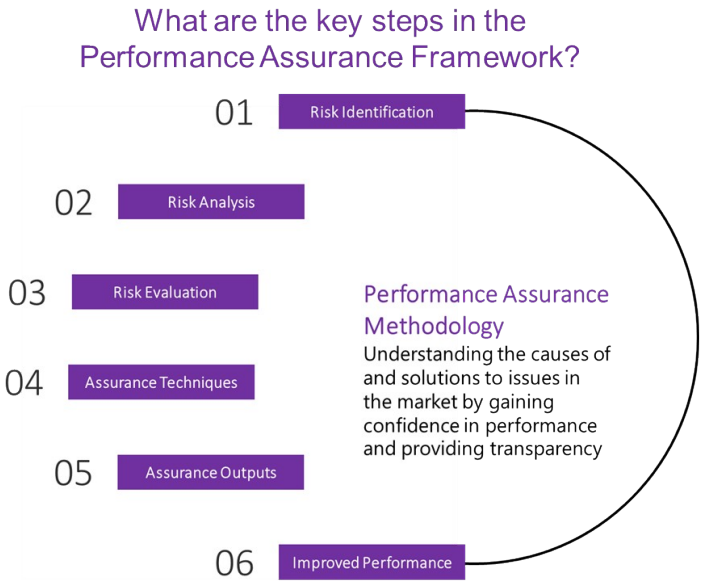



Diagram 1: Key steps of the Performance Assurance Framework.

6.3 This section describes the PAB procedures in relation to the different PAF products:

**Retail Risk Register**

- The areas that the Code Manager is measuring are set out in the Retail Risk Register. REC focuses on Retail Risks within the retail energy market. Retail Risks are high level risks focused on consumer outcomes based on the intent and purpose of a given REC objective. These are prioritised and include the performance measures. Performance measures are data driven and they are used to assess performance against the risk driver to evaluate the likelihood of the Retail Risk causing customer detriment or market inefficiencies.
- The Retail Risk Register will evolve over time as the market evolves. As such, updates or changes to the Retail Risk Register will fall under Category 3 of the Change Process and will be the responsibility of the PAB. The addition of new proposed risks to the Retail Risk Register will be subject to PAB approval.

**Performance Assurance Methodology (PAM)**

- The PAM describes how relevant risks are identified, measured and evaluated. Once risks and their drivers are identified the Code Manager can take one of two approaches: ongoing risk monitoring or direct application of techniques.
- The PAM also sets out an approach to scoring risk performance and using this to inform assurance activities. For the most part we expect organisations will either pass or have minor breaches. However, for some performance measures an organisation may have major breaches or areas of significant

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underperformance (referred to as a fail). The Code Manager uses the number of majors and minors to determine where to focus its assurance.

- The PAB will set thresholds for each metric that will be monitored by the Code Manager. Any fails will be immediately acted upon – see the Performance Assurance Techniques section below to understand more on the PAB procedures for the application of techniques.

**Performance Assurance Operating Plan (PAOP)**

- The PAOP is a critical part of setting out the Code Manager's activity and plan for the first year of market opening. The PAOP will be updated each year, and it will set out the approach to the operating plan, including how Retail Risks will be assessed and managed through the year.
- This plan covers each of the components of the PAF, it describes the activities, dates and dependencies which are needed to track the development of the PAF. It also includes a timeline of activities to be undertaken during the first year and provides traceability back to the specific PAF requirements.
- The PAOP is finalised for the year, however, there may be instances where potential updates may be required, i.e. following industry consultation or future discussions with the PAB. As such, the PAOP will be reviewed quarterly and any changes are subject to PAB approval.

**Performance Assurance Techniques (PATs)**

- In response to high, or increasing, risk scores the Code Manager can use PATs. PATs will be applied based on the monthly risk monitoring processes, involving the PAB as required.
- The PATs document sets out the processes and safeguards in place over the use of these techniques. For some techniques, such as notifying PAF participants of identified performance issues, the Code Manager will do this automatically. More complex PATs will only be applied following PAB approval.
- The Code Manager can apply one of 17 Performance Techniques, and 3 escalations, as detailed below:

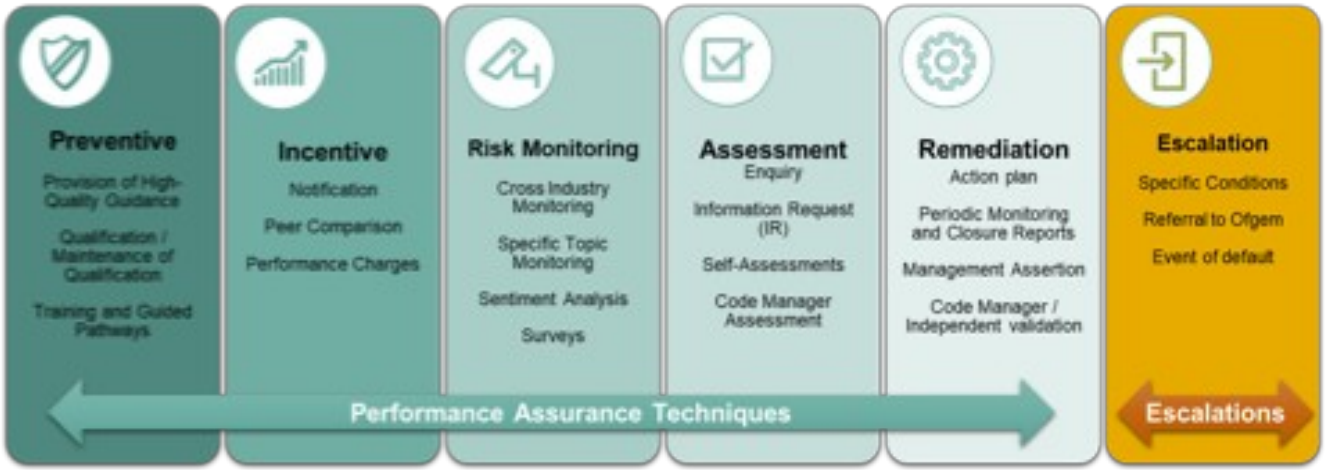


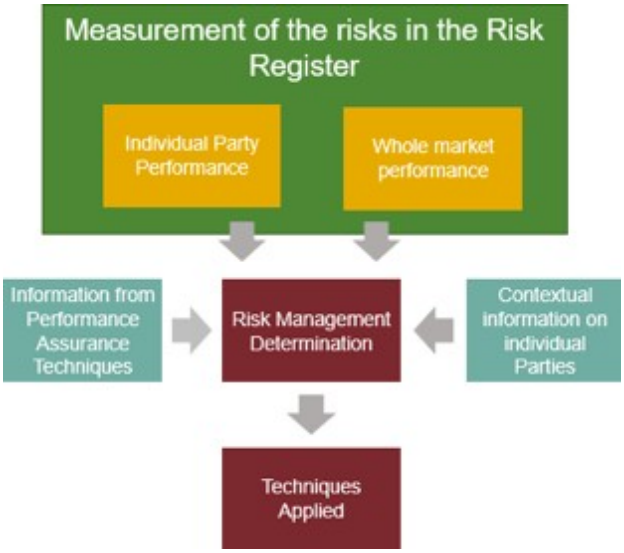

Diagram 2: Performance Assurance Techniques.

**Risk Management Determinations**

- Every month the Code Manager uses data to decide which PAT should be applied. This process is called the monthly Risk Management Determinations.

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- For temporary poor performance, the PAB will use other contextual information, such as Parties that are taking on many Supplier of Last Resort (SoLR) customers when utilising PATs including performance charges.
- The application of more complex PATs will only be implemented after PAB approval. For example, the PAB will govern the use of performance charges and set the thresholds for when charges are applied. Once these thresholds have been set, charges can be applied within the agreed parameters.
- For other techniques, the PAB must approve the use of the technique in order for them to be applied. These are more serious interventions and therefore an enhanced level of PAB approval is required. Please refer to the PATs document for further detail. The diagram below summarises the risk determinations process.




Diagam 3: Risk Determination Process.

**Annual Performance Assurance Report.**

- There is an obligation in the REC Main Body that states that the REC Board shall, following the end of each Financial Year, prepare and publish on the REC Portal a report summarising the implementation and operation of the Code and the activities of the REC Board and its Sub-Committees during that Financial Year;
- This annual report includes a review of the activities performed by the Code Manager as well as a summary of the key risks identified by the REC PAB and progress made in mitigating those risks, and/or in improving key industry metrics as may be identified by the REC PAB;

6.4 For more details please view the relevant PAF documents and User Guides: Performance Assurance User Guide, Performance Assurance Methodology, Performance Assurance Techniques document and the Performance Assurance Operating Plan.

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# 7 Supporting the Change Process

7.1 PAB members will be entitled to raise Change Proposals via the REC Change Process, including:

- to address issues or make improvements that further the REC objectives;
- mitigate any of the risks identified on its Risk Register; or
- action any recommendations of a Sandbox trial as set out in the Performance Assurance Schedule.

7.2 PAB members may on occasion be asked by the Code Manager to review and provide expert advice or other commentary on any Change Proposal, particularly those which are proposed to have mandatory status. In such cases the PAB review would include, but not be limited to, an assessment of how effectively the proposed process could be monitored and what other Performance Assurance Techniques might suitably be applied to it.

7.3 PAB members may on occasion be asked by the Code Manager, to review the Final Change Report, consider the recommendation of the Code Manager and vote on whether to approve or reject the Change Proposal (or recommend approval of rejection to the Authority, where relevant).

7.4 In the event that the PAB is asked to assess or vote on a Change Proposal as set out above, PAB members will use reasonable endeavours to respond to the Code Manager within the requested timescale. Should further time, or more information on the nature or background of the proposal be required, the PAB may direct these queries to the Code Manager via the PAB Secretary.

7.5 For more details, please see the Change Process User Guide.

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# 8 Sandbox and Derogations

8.1 Any Party to the REC may apply for a Derogation or Sandbox trial to the PAB by completing a Derogation or Sandbox application form which can be downloaded from the REC Portal, and submitted to the Code Manager via the Service Desk. The key steps in raising these applications is detailed in the REC Main Body and Performance Assurance Schedule and illustrated in the diagram below.

8.2 A Derogation is an exemption from or relaxation of one or more REC obligations. REC Parties may apply for a Derogation directly or may have entered the process via a Sandbox application to trial new products, services or business models in the market.

8.3 Derogation applications should include sufficient supporting evidence for the PAB to consider. This should include evidence to justify the reason for the derogation and rationale for the suggested derogation timescale. At the PAB Chair's discretion, applicants, or relevant impacted stakeholders, may also be invited to PAB meetings to present the evidence and answer questions to support PAB Members decision making.

8.4 The PAB will review the Derogation or Sandbox application and decide whether to grant the Derogation or agree the Sandbox trial.

8.5 For Derogation applications, the PAB decision may include imposing conditions, terms and/or scope of the Derogation and its duration.

8.6 For Sandbox applications, the PAB may identify additional work or significant amendments to the report prepared by the Code Manager in order to help inform the PAB making its decision; or may provide an indicative view of its minded position to approve a Derogation and instruct the Code Manager to invite representation from REC Parties.

8.7 The PAB can retract any Derogation, amend or add to the conditions of any Derogation, at any time.

8.8 For more details please see the Sandbox and Derogation User Guide.

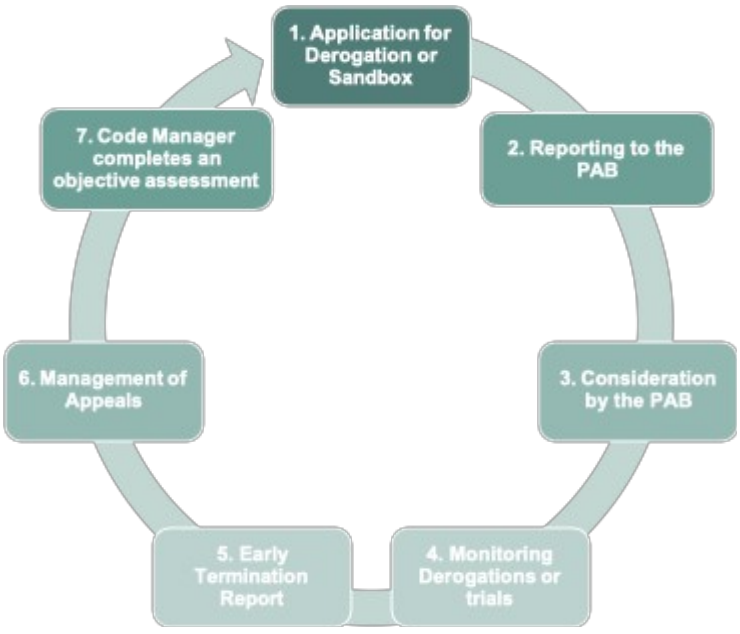



Diagram 4: Sandbox and Derogations Processes.

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# 9 Appeals

9.1 There are several areas of the REC that require an appeals process. The areas where there is interaction with the Code Manager and PAB in relation to appeals are outlined in the diagram below.

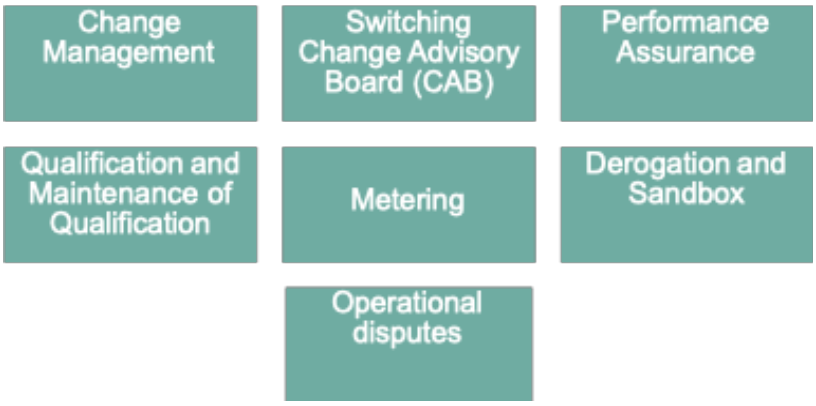



Diagram 5: Areas Covered by the Appeals Process.

9.2 As well as depending on the area that the appeal relates to, the appeals route will also depend on the original decision-makers delegated authority. Decisions of the PAB may be appealed to the REC Board or Authority unless considered to be final. The following table outlines this in further detail, including the timescales in which appeals must be raised in.

| Area | Appeals made to | Further escalations | Timescales for raising appeals |
|---|---|---|---|
| Change Management | The Authority | Authority decision is final | 10 Working Days of notice of the decision.[1] |
| Operational changes from the Switching Change Advisory Board (CAB) | PAB | PAB decision is final | 5 Working Days[2] of the meeting of which the decision was taken.[3] |
| Performance Assurance (General) | REC Board (unless in relation to Qualification and Maintenance of Qualification – see below) | REC Board decision is final | 10 Working Days of the publication of the PAB minutes. |
| Performance Assurance (Event of Default) | The Authority | Authority decision is final | Appeals can be raised at any subsequent time.[4] |
| Qualification and Maintenance of | PAB | Further escalations to the Authority, | 10 Working Days of exiting the process.[5] |

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| | | | |
|---|---|---|---|
| Qualification | | with the Authority decision being final | |
| Metering | PAB[6] | PAB decision final | 15 Working Days of receipt of the final assessment or audit report.[7] |
| Derogation and Sandbox | The Authority | Authority decision is final | 10 Working Days of the publication of the meeting minutes or Headline Report |
| Operational disputes | Code Manager | Escalations made to the PAB | n/a |

[1] Timescales as defined in the REC Change Management Schedule.
[2] For appeals in relation to emergency operational changes, appeals must be made within 1 Working Days of the meeting of which the decision was taken.
[3] Timescales as defied in the REC Switching Service Management Schedule.
[4] Timescales as defined in the REC Main Body.
[5] Timescales as defined in the REC Qualification and Maintenance Schedule.
[6] Please note that the PAB may not be the enduring body to make decisions on suspensions and withdrawals of accreditations. A change request is likely to be raised to grant the Metering Expert Panel (MEP) the remit to make decisions on technical issues, while the PAB would become the appellate body to determine if the appropriate processes were followed.
[7] Timescales as defined in the REC Metering Accreditation Schemes Schedule.

9.3 All appeals will be submitted by completing an appeal and escalation form, which can be downloaded from the REC Portal and submitted to the Code Manager via the Service Desk. The PAB Secretary will be responsible for receiving and managing appeals made to the PAB and appeals made against PAB decisions.

**Appeals Made to the PAB**

9.4 For appeals made to the PAB, within five Working Days of the appeal being received, the PAB Secretary will inform the PAB Chair, PAB Members and any other relevant stakeholders via email. The PAB Secretary will also organise for the appeal to be considered at the next available PAB meeting. Prior to the PAB meeting, the PAB Secretary will produce an appeal pack which will be uploaded to the REC Portal prior to the meeting where the appeal is being reviewed. The appeals pack will be confidential and therefore will only be visible to PAB members through the REC Portal. This will include the completed appeal and escalation form along with any supporting evidence that has been provided.

9.5 For appeals made to the PAB related to emergency operational changes raised by a member of the Switching CAB, these appeals may require expediated timescales for consideration by the PAB. Upon receipt of a completed appeals and escalation from, the PAB Secretary will discuss with the PAB Chair when the appeal should be considered, which may require an extraordinary PAB meeting to be convened, as per the process set out in the PAB Terms of Reference. Prior to the appeal being considered, the PAB Secretary will produce a condensed appeal pack, which will include the completed appeal and escalation form along with any supporting evidence that has been provided. The pack will be uploaded to the REC Portal prior to the appeal being considered.

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### Appeals Made Against PAB Decisions

9.6 For appeals made against PAB decisions, within five Working Days of the appeal being received, the PAB Secretary will inform the REC Board or the Authority, and any other relevant stakeholders, by notifying identified contacts via email. The PAB Secretary, or relevant team such as the Change Management Team, will also produce an appeal pack. This will be uploaded to the REC Portal, as well as being sent to identified contacts via email, for REC Board or Authority review and decision. This will include the completed appeal and escalation form along with any supporting evidence that has been provided.

### Decision Making

9.7 The appeal pack will be the mechanism for reviewing appeals and will provide the entity that is making the decision on the appeal the necessary evidence to make the decision. The PAB Secretary or the Change Management Team will be responsible for seeking further information from the appealing party to support the appeal case, where required, and adding this additional information into the appeal pack.

9.8 Once a decision on the appeal has been made by the Code Manager, PAB, REC Board or the Authority as appropriate, relevant REC Parties and stakeholders will be notified via email.

9.9 For operational disputes set out in the REC, escalations will go to the Code Manager for resolution in the first instance. The Code Manager will be responsible for receiving and managing escalations from organisations and REC Parties. This includes producing the escalation pack, which will be the mechanism for reviewing escalations. Where appropriate, the Code Manager may escalate to the PAB for resolution. The process for managing these operational disputes is set out clearly in section 10 below.

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# 10 Escalations

10.1 Within a number of REC Schedules there are areas where organisations and REC Parties may raise operational disputes, for example in relation to resolving Erroneous Switches. These escalation processes often vary in nature and associated timescales.

10.2 From CSS go-live the Resolution of Consumer-Facing Switching and Billing Problems (CFSB) Schedule will be in place to provide greater clarity and consistency on how to escalate operational disputes that are currently set out within the MRA and SPAA Transition Schedules. Whilst the MRA and SPAA Transition Schedules do not explicitly reference escalations to the Code Manager or PAB, it should be assumed that prior to the CFSB being operational, escalations will be managed in line with the process set out in this section.

10.3 From CSS go-live the Switching Service Management Schedule defines the arrangements for Switching Data Service Providers to work together to deliver the Switching Arrangements. This includes all Switching Data Service Providers and acknowledges that any escalations should be taken to the PAB.

10.4 All escalations relating to operational disputes must be made by submitting an appeal and escalation form, which can be downloaded from the REC Portal and submitted to the Code Manager via the Service Desk.

10.5 Escalations for operational disputes will be made to the Code Manager in the first instance. The Code Manager will be responsible for receiving and managing escalations from organisations and REC Parties. Within five Working Days of the escalation being raised, the Code Manager will inform the PAB Chair and any other relevant stakeholders, via email.

10.6 For escalations that are considered to be urgent, the Code Manager will expedite the escalation and make a decision on the dispute more immediately. The decision on urgency will be based on whether there is a significant or material impact on customer outcomes and/or the achievement of the REC objectives.

10.7 Where appropriate, the Code Manager may escalate the issue to the PAB for review. On these occasions, the PAB Secretary will add the dispute to the agenda at the next available PAB meeting. The Code Manager will develop the escalation pack, which will be shared with the PAB five Working Days before the meeting.

10.8 At the PAB meeting the escalation pack will be reviewed and the organisation that has submitted the escalation may be invited to attend to provide a rationale for the escalation.

10.9 The PAB will then determine what the outcome of the dispute should be, including any resulting actions that should take place to resolve the dispute. On some occasions, it might not be possible to make the decision on the appeal immediately, for example in complex cases where further evidence is required. On these occasions, the Code Manager will work with the relevant organisations to provide further evidence to support the escalation, before it is reviewed for decision at a future PAB meeting.

10.10 After the meeting, the PAB Secretary will make the relevant organisations aware of the decision via email.

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# 11 Events of Default

11.1 An Event of Default will occur in respect of a Party (the Defaulting Party) if one or more of the following occurs:

a) the Defaulting Party is in breach of any of the material terms or conditions of the REC and/or in persistent breach of any of the terms or conditions of the REC and, if the breach is or was capable of remedy, it fails to remedy the breach within 20 Working Days of receipt of a notice from another Party giving details of the breach;

b) the Defaulting Party is determined to have committed an Event of Default under the Performance Assurance Schedule;

c) the Defaulting Party passes a resolution for its winding-up, or a court makes an order for the winding-up or dissolution of the Party;

d) the Defaulting Party has an administration order is made in respect of it or a receiver is appointed over, or an encumbrancer takes possession of or sells, any substantial part or parts of the Party's assets, rights, or revenues;

e) the Defaulting Party makes an arrangement with its creditors generally or makes an application to a court for protection from its creditors generally;

f) the Defaulting Party is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986; and/or

g) if the Defaulting Party holds an Energy Licence, the Defaulting Party has its Energy Licence revoked.

11.2 Any Party may report any suspected Event of Default to the PAB via contacting the Code Manager (performanceassurance@recmanager.co.uk ). Within five Working Days of a suspected Event of Default being raised, the Code Manager will notify the PAB via email. The Code Manager will also notify the Party that is suspected of Event of Default.

11.3 Where the PAB has reason to believe that an Event of Default may have occurred, then the PAB may investigate the circumstances relating to the potential Event of Default. Each Party must provide all reasonably requested data and cooperation to the PAB in an investigation.

11.4 The Code Manager will then gather information as instructed by the PAB. The Code Manager will also liaise with the PAB Secretary to determine the timescales for when the Event of Default decision will be considered at a future PAB meeting and will add the item to the next PAB agenda.

11.5 Following the PAB decision, the PAB Secretary will inform relevant stakeholders via email.

11.6 Where an Event of Default occurs and while that Event of Default is continuing, the PAB may:

- notify the Authority that Event of Default has occurred by the Defaulting Party;
- notify the Defaulting Party that they are in Event of Default;
- notify other Party(s) that Event of Default has occurred by Defaulting Party;
- require the Defaulting Party to provide a reasonable remedial action plan designed to remedy and/or mitigate the effects of the Event of Default within a reasonable timescale;
- suspend the Defaulting Party in exercise rights in respect of Change Proposals pursuant to Clause 11;

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- if the case of an Energy Supplier, instruct the CSS Provider to suspend the right of the Defaulting Party to make new Registrations; and/or
- recommend to the REC Board that the Defaulting Party be expelled from this Code subject to and in accordance with Clause 17.

11.7 Any appeals made on Events of Default decisions will be managed in line with the process set out in Section 9 of this document.

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# 12 Maintenance of Qualification

12.1 The role of the PAB in the Entry Assessment and Maintenance of Qualification Process includes providing information to the Code Manager on the sector-specific risks that the PAB wants to be mitigated and assured against. The Code Manager will monitor PAB risk decisions related to Entry Assessment and will update its internal criteria as required. The Code Manager will provide updates to the PAB, via the regular monthly reporting cycle.

12.2 As set out in the Qualification and Maintenance Schedule, entry decisions are made by the Code Manager, with, escalation and appeal decisions made by the PAB as required.

12.3 For more details please view the Entry Assessment User Guide.

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# 13 Process for Service Performance Charges

13.1 The DCC will report performance data for collection to the Code Manager, which should include monthly performance and quarterly performance.

13.2 The Code Manager will report Performance Levels to REC PAB around monthly breaches and end of quarter total breaches in a paper to the committee, with supporting information available on the performance assurance dashboards where relevant.

13.3 If Performance Levels are not met, the REC PAB will determine whether the Performance Charge shall be payable. The DCC will have the opportunity to provide additional context and extenuating factors as to why the Performance Levels were not met. This will be done via the following form, to be sent to the Code Manager (performanceassurance@recmanager.co.uk) within 10 Working Days of the end of the relevant quarter. This form will be presented at the following PAB meeting which DCC will be invited to attend to make their case should they choose to do so.

13.4 Following the determination of Performance Charges at REC PAB, DCC will be notified by the Code Manager via email of the Performance Charges determined by the PAB and what period they relate to. This email will be sent within 3 Working Days after draft minutes are published on the REC portal.

13.5 The Code Manager shall notify RECCo that the Performance Charges should be raised in the next invoice. This shall be done including RECCo Finance (finance@retailenergycode.co.uk) in the email described above in 1.4.

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# 14 Role of the Code Manager

14.1 The Code Manager will perform the functions assigned to it under the REC, the PAB Terms of Reference and/or as delegated to it by the REC PAB or REC Board. Functions of the Code Manager include:

a) maintaining the Risk Register and Performance Assurance Methodology, assessing the ongoing applicability of the Risk Register and highlighting where new risks should be added, current risks amended or deleted;

b) assessing Performance Data, Key Performance Indicators (KPIs) and self-assessment declarations in order to provide a recommendation to the PAB in relation to compliance by PAF Participants ;

c) monitoring agreed Corrective Action Plans to ensure activities focus on addressing the root cause of issues, are delivered in a timely manner, and issues are escalated to the PAB where necessary;

d) making recommendations to the PAB on changes to the Risk Register, Performance Assurance Methodology or this Code;

e) preparing and maintaining a list of Performance Assurance Techniques and how these are used to mitigate Retail Risks;

f) preparing individual Risk Management Determinations for PAF Participants where the PAB determines that a PATs should be applied, and delivering assurance activities in accordance with these determinations;

g) preparing the Annual Performance Assurance Reports;

h) managing correspondence and communication with organisations involved in the PAF; and

i) seeking input from the PAB on the risks that the PAB wants to be mitigated through the Entry Assessment and Maintenance of Qualification and updating the PAB through regular reporting.

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# 15 How to get in Contact

15.1 For more information on the PAB and Performance Assurance Framework please contact the Code Manager at performanceassurance@recmanager.co.uk.

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# Appendix 1 – Terms and Definitions

A summary of key terms and definition referenced in this document is provided below. Please refer to the REC Interpretation Schedule for further guidance.

| Term | Definition |
|---|---|
| CAB | Switching Change Advisory Board |
| Code Manager Service Providers | Any of the REC Performance Assurance, REC Professional Services, or REC Technical Services providers |
| Code Manager | Any Service Provider appointed by RECCo to perform Code Manager Services |
| Ofgem | Office of Gas and Electricity Markets |
| PAB | Performance Assurance Board |
| PAF | Performance Assurance Framework |
| PAT | Performance Assurance Techniques |
| Performance Monitoring Report | Has the meaning given in Schedule 2.2 |
| REC Service Providers | A provider of a service required to support the REC, such as switching and non-switching providers |
| REC | Retail Energy Code |
| RECCo | The Company responsible for the management of the REC. |
| REC Board | The board of directors for RECCo |
| REC Party | From time to time, an Original Party or a New Party that has not at that time ceased to be a Party in accordance with Clause 17 of the main body of this Code |
| RPA | REC Performance Assurance |
| RPS | REC Professional Services |
| RTS | REC Technical Services |

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