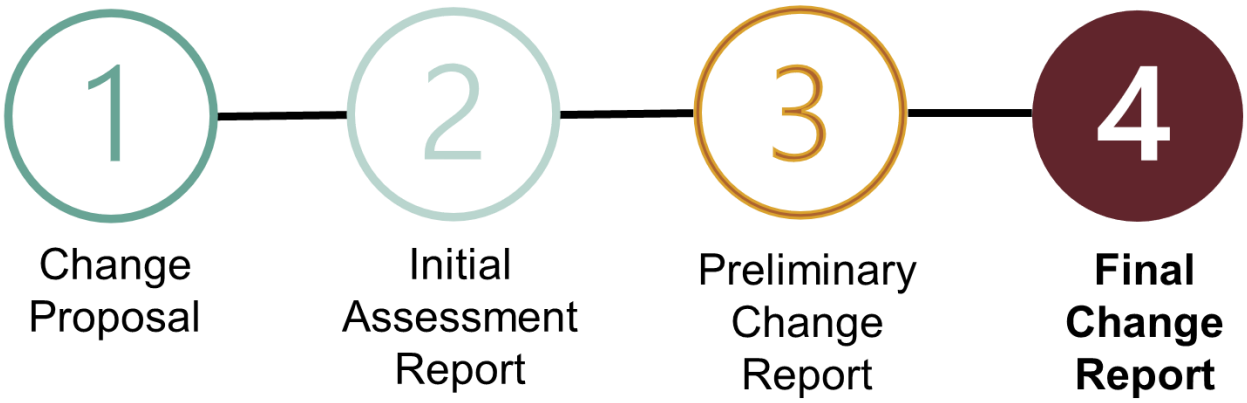
RETAIL ENERGY CODE

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FINAL CHANGE REPORT



PURPOSE:	The Final Change Report sets is the final stage of the Change Proposal, following consultation of the Preliminary Change Report. The Code Manager will set out their final assessment and recommendation, clarifying any changes made from the Preliminary Change Report.
NOTES:	There are three versions of the Final Change Report: one is issued the Responsible Committee for decision; one is published after the vote; and (if Authority Approval is required) one is published after the Authority determination.
NEXT STEPS:	The Final Change Report will be issued to the Responsible Committee who will vote to either approve or reject the Change Proposal, considering the recommendation of the Code Manager.

RETAIL ENERGY CODE

01	Initial Assessment Report
02	Preliminary Change Report
03	Final Change Report

FINAL CHANGE REPORT

R0038 - PERFORMANCE ASSURANCE REPORT CATALOGUE CHANGES AS A CONSEQUENCE OF REC V3.0

DOCUMENT VERSION	2.0
DATE ISSUED	21/06/2022
DOCUMENT APPROVAL STATUS	POST-VOTE

RESPONSIBLE COMMITTEE	PERFORMANCE ASSURANCE BOARD

LEAD ANALYST	Gemma Dixon	EMAIL
ASSURANCE LEAD	Lewis Williams	EMAIL

CHANGE OVERVIEW

	High Impact: N/A
	Medium Impact: Energy Suppliers, Metering Equipment Managers, Central Data Service Provider, Secure Data Exchange Service, Central Switching Service
	Low Impact: N/A

This Change Proposal seeks to make the necessary updates required to the Performance Assurance Report Catalogue to reflect the changes in data provision requirements following REC V3.0.

1 RESPONSIBLE COMMITTEE DECISION

On 28 June 2022 the REC Performance Assurance Board voted to **APPROVE** R0038 for implementation on CSS Go-Live Date, which will be designated by Ofgem and is expected to be 18 July 2022.

RETAIL ENERGY CODE

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RETAIL ENERGY CODE

BACKGROUND

2 SUMMARY

The REC Performance Assurance Report Catalogue (PARC) details a range of Data Items and reports provided to the Code Manager from REC Parties and other Industry Participants to support Performance Assurance activities across the REC.

In readiness for REC V3.0 the PARC reporting has been reviewed, resulting in updates being required to reflect the changes in data provision requirements.

This Change Proposal also seeks to deliver other corrections, clarifications, and Data Item changes, following REC Party feedback. These have been included in this Change Proposal to avoid parallel Change Proposals making changes to the same document.

Specifically, there are a small number of changes to REC Party provided items, and additional Data Items required from Central Systems and Service Providers, some of which are clarifications to Data Item names and/or descriptions and some specifically requested by the Service Provider.

3 PROBLEM STATEMENT

Following the implementation of REC V3.0, the Code Manager (Performance Assurance) will need to receive the data necessary for them to complete their Performance Assurance activities post REC V3.0

The Performance Assurance Report Catalogue requires a change to include the new and updated Data Items. These are required to support the monitoring of Retail Risks included in the revised Performance Assurance Risk Register and give REC Parties clarity on the data they are required to provide.

4 USER STORIES

REF.	USER STORIES
MARKET PARTICIPANT USER STORIES	
M1	As the Code Manager I need to receive the necessary data to complete the required Performance Assurance activities post REC V3.0.
M2	As a REC Service Provider, I need to understand all the data that I need to provide and when it needs to be provided to the Code Manager for Performance Assurance activities post REC V3.0.
M3	As a Supplier I need to understand all the data that I need to provide and when it needs to be provided to the Code Manager as required for Performance Assurance activities post REC V3.0.
M4	As a MEM I need to understand all the data that I need to provide and when it needs to be provided to the Code Manager as required for Performance Assurance activities post REC V3.0.

5 SUMMARY OF ANALYSIS UNDERTAKEN

The proposed changes to the PARC were developed by the Code Manager's Performance Assurance team and presented to the REC PAB on 29 March 2022, prior to publishing the Change Proposal Plan. No specific analysis or solution development activity was required as there is already a defined solution.

6 SUMMARY OF IMPACT ASSESSMENT ACTIVITY

6.1 SERVICE PROVIDER IMPACT ASSESSMENTS

A Service Provider Impact Assessment (SPIA) was sought from the Central Switching Service (CSS) and Central Data Service Provider (CDSP), to assess the impact on the organisations as a result of the introduction of additional Data Items required from Central Systems and Service Providers. Their responses are sumarised below:

CENTRAL SWITCHING SERVICE	• Supported the intention of the change. • No time constraints were identified. • No tangible Costs or Benefits were identified. • Requested clarification on timescale expectations and frequency of reports.
CENTRAL DATA SERVICE PROVIDER	• Supported the intention of the change. • No time constraints were identified. • No tangible Costs or Benefits were identified.

6.2 REC PARTY IMPACT ASSESSMENTS

A REC Party Impact Assessment, targeting Energy Suppliers and Metering Equipment Managers (MEMs) was published on the 29 April 2022:

- Five responses were received, representing views from Suppliers and a DNO.
- One response was confidential.

The confidential response will not be published; however, this has been considered in the Code Manager assessment.

The non-confidential responses have been consolidated and can be found on Change Proposal Page on the REC Portal here. These are sumarised in the table below:

ENERGY SUPPLIERS	• Supported the intention of the change, however one Supplier shared concerns around the volume of reporting and another shared concerns around the process.

	• Confirmation that one Supplier would need to make changes to the production of their organisation's reporting as a result of the proposed changes. • Concerns raised around a lack of justification for this Change Proposal and the volume of change to the PARC. • Confirmation that the proposed changes to the PARC will not result in changes to the reporting produced by their organisation and therefore no additional costs would be incurred.
DISTRIBUTION NETWORK OPERATORS	• Confirmation that the proposed changes to the PARC will not result in changes to the reporting produced by their organisation and therefore no additional costs would be incurred.

7 DELIVERY AGAINST CHANGE PROPOSAL PLAN

	FROM	TO
SERVICE PROVIDER IMPACT ASSESSMENT	29/04/2022	16/05/2022
DEADLINE FOR ALTERNATIVE CHANGE PROPOSAL SUBMISSION	31/05/2022	31/05/2022
PRELIMINARY CHANGE REPORT ISSUED	31/05/2022	31/05/2022
CONSULTATION	31/05/2022	16/06/2022
FINAL CHANGE REPORT ISSUED	21/06/2022	21/06/2022
RESPONSIBLE COMMITTEE DECISION	28/06/2022	28/06/2022
APPEAL WINDOW CLOSURE	12/07/2022	12/07/2022

To date all activity has been completed within the planned timescales.

8 KEY RISKS, ASSUMPTIONS, ISSUES AND DEPENDENCIES

8.1 RISKS AND ISSUES

No Risks or Issues have been identified during the development of this Change Proposal.

8.2 ASSUMPTIONS AND DEPENDENCIES

No.	ASSUMPTION	NOTES	HOW/WHEN TO VALIDATE
A1	Further changes identified post Impact Assessment, to detail Service Provider reporting defined in the relevant Service Definitions, do not introduce any new obligations on REC Parties or Service Providers.	Queried during the Consultation process related to this point which Parties responded to.	Closed

9 PROPOSED SOLUTION

The proposed solution establishes new reporting requirements, primarily from the CSS Service Provider as well as a smaller number of reports from the Secure Data Exchange Service (SDES) and Gas Enquiry Service (GES) Service Providers. These reflect changes in the underlying REC Code Schedules that go-live with REC V3.0 and where new obligations will be subject to Performance Assurance or where the Market Roles are changing and require performance measurement.

Other changes to centrally provided data have been proposed to reflect the updates to retail risks in the Risk Register, which is also being updated as a result of REC V3.0. These changes have been proposed, following engagement with central data providers, to align the existing PARC reporting more clearly to the exact mechanism by which it is shared (e.g., clearly showing where reports are split down, aligning naming conventions etc) and to reflect adjustments to the data provided by the SDES Provider to facilitate risk measurement.

The solution also proposes the following changes for Parties:

- The addition of new reporting to facilitate Parties providing exemption reports for the data quality items, that are being carried over from the Switching Programme Data Working Group. This is necessary to avoid a 'step change' in reported exceptions and Parties being expected to resolve items previously exempt. This data is requested at a Meter Point level to allow Performance Assurance to track exemptions more clearly.
- Amendments to reports 1430/1440 – these changes have been made based on feedback from multiple Parties, primarily those serving non-domestic customers. This included concerns about;
    - providing the duration of fixed length contracts for all non-domestic switches
    - the risk that bulk switches could distort analysis; and
    - providing additional valid values for existing fields to better match typical non-domestic processes

  Report 1430 - A new column is being added to the report, however if Parties do not undertake bulk switching, then it would be unlikely that this column would need to be

populated, although it would need to be included in the structure to avoid validation issues.

Report 1440 - A new mandatory column is being introduced to the report which will require parties to modify their existing reporting. In addition, the Conditionality of two fields are being changed from Required to Conditional Mandatory.

- Correction of a drafting error in the existing PARC in respect of the details of the source field for an RGMA flow (where the existing PARC requirements could not be met as the Field Group specified did not contain the required field).

Feedback received during the Impact Assessment also suggested there would be value in incorporating Service Provider reporting inputs into the PARC. This would require further changes to introduce these requirements, detailed in the relevant Service Definition. These further changes have been assessed by the Code Manager and RECCo and determined to be a consolidated view of existing reporting obligations that do not have any impacts on REC Parties or create any new reporting requirements on Service Providers and have therefore been included

Whilst R0038 is targeting CSS Go-Live Date implementation, we expect the proposed changes requiring new Data Items or changes to existing Data Items to take effect from 01 August 2022.

Following feedback from the Impact Assessment and the Preliminary Change Report Consultation, a six month transition period is being included for the changes to the existing 1430 and 1440 reports.

Parties will be able to submit either the existing or the new formats of the 1430 and 1440 reports following implementation of this Change Proposal. This will allow Parties to submit per the existing specification up to and including the January 2023 submission window (for data up to and including 30 November 2022) or to take advantage of the reporting changes more quickly where desired.

9.1 SUMMARY OF CHANGES

PARTY	TYPE OF CHANGE	IMPACT
ENERGY SUPPLIERS	New Data Item Updates to existing Data Items	Changes to the specification of 2 Data Items are proposed following feedback from Suppliers. 1 New Data Item added following transition of Data Working Group activities following REC 3.0
MEMS	Clarification (No Change)	Correction made to guidance, following Party feedback, no change to the specification of Data Items required.
CENTRAL DATA SERVICE PROVIDER	Changes to descriptions of existing Data Items	One reporting item made up of a number of sub reports has been split into individual reporting items for clarity.
SECURE DATA EXCHANGE SERVICE	New Data Items Updates to existing Data Items	New reports requested as a result of REC V3 changes. A separate Change Proposal and Impact Assessment is ongoing (CR31_CNC)

PARTY	TYPE OF CHANGE	IMPACT
CENTRAL SWITCHING SERVICE	New Data Items	New reports requested as a result of REC V3 changes.

10 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0038 can be found here.

11 PROPOSED IMPLEMENTATION DATE AND APPROACH

PROPOSED IMPLEMENTATION DATE	CSS Go-Live Date

PROPOSED IMPLEMENTATION APPROACH	BIG BANG

We propose this change is implemented on the CSS Go-Live Date, which will be designated by Ofgem and is expected to be 18 July 2022. A six month transition period will be in place for reports 1430 and 1440 until January 2023 (for data up to and including 30 November 2022),enabling Energy Suppliers to submit either the existing or revised formats of the reports.

12 CHANGE PATH

CHANGE PATH	SELF-GOVERNANCE

13 RESPONSIBLE COMMITTEE

RESPONSIBLE COMMITTEE	PERFORMANCE ASSURANCE BOARD

14 SUMMARY OF CONSULTATION RESPONSES

A Consultation was circulated on 31 May 2022 to obtain views on the Preliminary Change report. In total five responses were received four of which were from Energy Suppliers and one from a DNO. The key themes from these responses have been summarised and set out below.

14.1 SUMMARY OF RESPONSES

14.1.1 COMMENTS ON THE SOLUTION

Responses were supportive of the changes to CSS and CDSP reporting.

Comments were received on changes to the Supplier Party reports, these primarily related to the engagement process with Supplier Parties, and the effort and time required to implement the change.

One Party noted positive engagement in respect to changes to report 1430, although raised questions on the need for changes to 1440.

14.1.2 CODE MANAGERS ASSESSMENT OF THE CHANGE PATH

Four of the five respondents agreed with the Code Manager's assessment of the Change Path. One respondent considered that this Change Proposal should not be subject to Self-Governance, this has been reviewed and clarified with the respondent that this Change Proposal doesn't meet the criteria for Authority consent being required.

14.1.3 IMPLEMENTATION APPROACH AND DATE

All respondents agreed with the timelines for CSS / CDSP changes but raised concerns regarding the timelines for implementing changes to Supplier Party reports – suggesting they would require a delay of between six and twelve months.

15 SUMMARY OF AMENDMENTS MADE FOLLOWING CONSULTATION

DOCUMENT	SECTION	AMENDMENT	REASON
Final Change Report	Section 8 Proposed Solution	Following feedback from the Impact Assessment and Consultation, a transition arrangement is being applied to the changes to the existing 1430 and 1440 reports – retaining the existing specification and also allowing the revised specification to be provided for a period of six months following implementation of the change.	This provides a six-month transition period to allow Parties additional time to progress changes whilst allowing Parties who wish to take advantage of the changes made, to do so more quickly. This creates two 'versions' of the reporting to be used for six months after implementation of the change before the current 1430/1440 specification is retired.

DOCUMENT	SECTION	AMENDMENT	REASON
Final Change Report	Section 10 – Implementation Approach	A six month transition period will be in place for reports 1430 and 1440 until January 2023 (for data up to and including 30 November 2022) enabling Energy Suppliers to submit either the existing or revised formats of the reports.	To reflect the addition of a six month transition period.
PARC Legal Text	Tabs: Party Data 1430 / 1440	The proposed changes to reports 1430 and 1440 have been transferred to new Data Items 1431 and 1441 and guidance has been added to clarify that Parties should provide either 1430 or 1431 and similarly 1440 or 1441. Items 1430/1440 noted to only be valid for data submissons through January 2023, at which point data must be provided consistent with 1431/1441.	This provides a six-month transition period to allow Parties additional time to progress changes whilst allowing Parties who wish to take advantage of the changes made, to do so more quickly. This creates two 'versions' of the reporting to be used for the next six months before the current 1430/1440 specification is retired.

16 BUSINESS CASE ASSESSMENT

This Change Proposal is required by the Code Manager (Performance Assurance) to receive the data necessary for them to complete their Performance Assurance activities post REC V3.0. In addition, this will provide consistent reporting and Data Item naming standards in order to mitigate misinterpretations across industry participants. Further changes have been introduced at the request of REC Parties to mitigate concerns raised regarding commercial data confidentiality whilst maintaining the provision of Performance Assurance data.

17 CASE FOR CHANGE

The Code Manager considers that there is a positive case for change to implement this Change Proposal, on the basis that:

- The proposed solution is fully formed and appropriately resolves the problem statement.
- This supports the monitoring of Retail Risks included in the revised Performance Assurance Risk Register and provides clarity for REC Parties on the data they are required to provide.
- The Changes reflect feedback received from REC Parties.

18 CODE MANAGER'S RECOMMENDATION

Based on the evidence in section 15 and 16 of this report, the Code Manager considers a positive business case can be made for the implementation of this solution and recommends that the Performance Assurance Board;

- **APPROVE** the proposed change solution.
- **APPROVE** the proposed implementation approach.
- **APPROVE** the proposed implementation on CSS Go-Live Date, which will be designated by Ofgem and is expected to be 18 July 2022.

19 APPENDIX

CHANGE PROPOSAL	R0038 - Change Proposal Page
LEGAL DRAFTING	Link
CONSOLIDATED IMPACT ASSESSMENT RESPONSES	Impact Assessment Responses
CONSOLIDATED CONSULTATION COMMENTS AND CODE MANAGER'S RESPONSES	Consolidated Consultation Responses