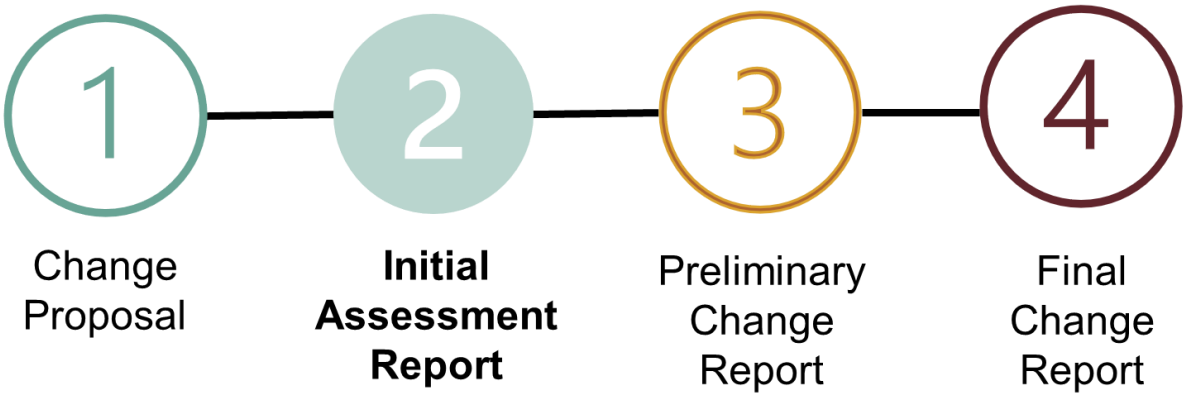
RETAIL ENERGY CODE

This document is classified as **WHITE**.
Information is for public, unrestricted dissemination and publication.

INITIAL ASSESSMENT REPORT



PURPOSE:	This is a written report from the Code Manager setting out their initial assessment of the Change Proposal and planned next steps for progressing the proposal.
NOTES:	The Initial Assessment Report is accompanied by a Change Proposal Plan, which describes the Code Manager's plan for progressing this Change Proposal. The solution will not be finalised until the publication of the Preliminary Change Report.
NEXT STEPS:	The Change Proposal Plan will set out the next steps for progressing this Change Proposal. The Code Manager will either propose additional activities to develop and/or assess the solution, or immediately prepare and publish the Preliminary Change Report.

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

INITIAL ASSESSMENT REPORT

R0042 – PERFORMANCE ASSURANCE BOARD TERMS OF REFERENCE

DOCUMENT VERSION	1.0
DATE ISSUED	10/05/2022
DOCUMENT APPROVAL STATUS	APPROVED BY REC CHANGE PANEL
RESPONSIBLE COMMITTEE	CHANGE PANEL

CHANGE OVERVIEW

This Change Proposal seeks to make the necessary updates required to the Performance Assurance Board Terms of Reference regarding extraordinary meetings and quoracy arrangements in preparation for CSS Go-Live Date and REC V3.0.

	High Impact: N/A
	Medium Impact: N/A
	Low Impact: Central Switching Service Provider, Electricity Enquiry Service Provider, Gas Enquiry Service Provider, Electricity Ratal Data Service, Gas Retail Data Service

RETAIL ENERGY CODE

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1 SUMMARY

The scope and limitations of the REC Performance Assurance Board (REC PAB) Terms of Reference (ToR) are set out in the Performance Assurance Schedule of the Retail Energy Code (REC).

The current REC PAB ToR need updating to facilitate extraordinary meetings and their quoracy arrangements in preparation for CSS Go-Live Date and REC V3.0. This change is being driven by the Switching Change Advisory Board (CAB), which will be in place from the CSS Go-Live Date and has an appeal route to the REC PAB.

In addition to those changes, further changes are also being proposed to address lessons learnt in the first year of operation of the REC PAB. It became clear that the requirement to have two independent members attending the REC PAB affected the ability to achieve the required quoracy (due to planned and unplanned absence). As such, this has resulted in the need for several ex-committee decisions.

In summary the proposed changes are:

- The current 5 Working Day notice period for extraordinary meetings related to emergency operational change appeals or a derogation request may be waived, to allow meetings to be scheduled with a shorter lead time.
- Quoracy arrangements for extraordinary meetings related to emergency operational change appeals or a derogation from Switching CAB will be waived, to allow a simple majority for those able to attend being permitted to make decisions.
- Quoracy arrangements for general REC PAB meetings will be amended to reduce the number of independent members required for a meeting to be quorate (reduced from two independent members to one).

Changes are required to bring the REC PAB ToR up-to-date and in line with REC V3.0 arrangements. Without these changes the appeals/derogation decisions that are required to go to the REC PAB, will not operate efficiently or in line with urgent timescales required from emergency changes.

2 PROBLEM STATEMENT

Following the implementation of REC V3.0, the current REC PAB ToR will not support extraordinary meetings and quoracy arrangements driven by the Switching CAB or the appeals route from the Switching CAB to the REC PAB.

This change seeks to update the REC PAB ToR to fully represent the changes being implemented as part of REC V3.0, and to also address lessons learnt during the REC PAB's first year of operation.

3 USER STORIES

REF.	USER STORIES
MARKET PARTICIPANT USER STORIES	
M1	As a REC Service Provider, I need the REC PAB to be able to make decisions on emergency operational change appeals and derogation requests in a timely manner, to ensure the Switching Service remains operational and effective.
M2	As a REC PAB member, I need to be able to make decisions on emergency operational change appeals and derogation requests in a timely manner, to ensure the Switching Service remains operational and effective.
M3	As a member of the Switching CAB, I need the REC PAB to make decisions on emergency operational change appeals and derogation requests in a timely manner, to ensure the Switching Service remains operational and effective.
M4	As a REC PAB Member, I need the quoracy requirements to be effective, so that meetings can go ahead and make decisions without the need to support additional ex-committee processes.

4 IMPACTS

REC PARTIES AND SERVICE USERS
N/A

REC SERVICE PROVIDERS
Central Switching Service Provider
Electricity Enquiry Service Provider
Gas Enquiry Service Provider
Gas Retail Data Service
Electricity Retail Data Service

CONSUMERS
N/A

REC DOCUMENTS / PRODUCTS
REC PAB ToR

RECCO AND REC CODE MANAGER
The RECCo Board
Code Manager (RPA)

REC Service Providers are not directly impacted by the proposed changes, however, they would see impacts affecting the delivery of operational changes following the CSS Go-Live

Date. The implementation of the proposed changes mitigates the impacts to the identified Service Providers.

The Code Manager (RPA) is impacted as they manage the REC PAB.

The proposed changes would bring the REC PAB ToR up to date and in line with REC V3.0 arrangements and support the Switching Change Advisory Board (CAB).

4.1 CROSS CODE IMPACTS

No Cross Code Impacts have been identified in the development of this proposal.

5 CHANGE PATH AND RESPONSIBLE COMMITTEE

CHANGE PATH	SELF-GOVERNANCE
RESPONSIBLE COMMITTEE	CHANGE PANEL

This Change Proposal impacts the REC PAB ToR, and is a Category 2 document which the RECCo Board is responsible for. The decision on the Change Proposal should therefore be made by the Change Panel.

6 PRIORITY STATUS AND URGENCY

PRIORITY STATUS	HIGH
URGENCY	URGENT

PRIORITISATION MATRIX

Significance	Score	Weighting
Legal/Regulatory Compliance	0	30
Strategic Direction	2	20
Cost Benefits / Value	0	10
Consumer Impacts	2	30
Operational Efficiency	2	10

Urgency

3	N/A	13	23	33
2	02	12	22	32
1	01	11	21	31
0	00	10	20	N/A

Significance

Weighted Significance Score	1
Urgency	3
Overall Priority Score	13

Effort	0 - Minimal

Priority Score	Priority Status
23 - 33	Critical
13 - 22	High
11 - 21	Medium
00 - 10	Low

PRIORITY STATUS
High

The Priority Status for this Change Proposal is ‘High’ based on a ‘Significance’ score of ‘1’ and an ‘Urgency’ score of ‘3’. This is broken down as below:

Significance:

- Strategic Direction – score of 2 because this Change Proposal will ensure the intention set out in the Switching CAB ToR (for appeal decisions to be escalated to the REC PAB

for resolution) will be implemented and work effectively in practice from the CSS Go-Live Date.

- Consumer Impacts – score of 2 as this Change Proposal will mean that any issues that arise from the Switching CAB, that cannot be resolved at the CAB, are escalated efficiently to the REC PAB. This will have a benefit to consumer switching arrangements should there be an urgent issue that requires resolution.
- Operational Efficiency – score of 2 as this Change Proposal will mean that REC PAB matters can be dealt with efficiently. Also, that there is clear governance routes for the Switching CAB appeal and derogation decisions that are escalated to the REC PAB.

Urgency:

- This Change Proposal has been given an urgency score of 3 to reflect the need for this to be progressed urgently and to be released concurrently to the CSS Go-Live Date and REC V3.0 release on 18 July 2022.

Effort:

- This Change Proposal has been given an effort score of 0 to reflect that the solution is fully formed and is simple to implement and will immediately improve the functioning of the REC PAB.

7 SUMMARY OF CHANGE PROPOSAL PLAN

The solution for this Change Proposal has already been defined and engagement has taken place with the impacted REC Service Providers.

A shortened consultation period of 10 Working Days has been included to validate there are no additional impacts that would affect the progression of this Change Proposal. Whilst still supporting the timetable to allow a decision to be made in time for implementation concurrently to the CSS Go-Live Date and REC V3.0 release on 18 July 2022.

	FROM	TO
SOLUTION WALKTHROUGH	10/05/2022	17/05/2022
CHANGE PROPOSAL PLAN APPROVAL	17/05/2022	17/05/2022
DEADLINE FOR ALTERNATIVE CHANGE PROPOSAL SUBMISSION	20/05/2022	20/05/2022
PRELIMINARY CHANGE REPORT ISSUED	20/05/2022	20/05/2022
CONSULTATION PERIOD	20/05/2022	07/06/2022
FINAL CHANGE REPORT ISSUED	24/06/2022	24/06/2022
RESPONSIBLE COMMITTEE DECISION	05/07/2022	05/07/2022
APPEAL WINDOW CLOSURE	05/07/2022	19/07/2022

8 GLOSSARY

TERM	DEFINITION
Data Communication Company (DCC)	means the person holding the DCC Licence.
Electricity Retail Data Service (ERDS)	means a provider of a DNO's Electricity Retail Data Service.
Energy Supplier	means a person which is either or both an Electricity Supplier and/or a Gas Supplier.
Gas Retail Data Service (GRDS)	means the gas registration services to be provided under this Code to support the provision of gas retail data to the CSS and other services.
Network Party	means a Party which is either a Distribution Network Operator or a Gas Transporter.
REC PAB Terms of Reference	means the terms of reference for the REC PAB from time to time.
REC Performance Assurance Board (REC PAB)	means the performance assurance board for this Code, as from time to time established under Clause 15 of the main body of this Code (which is a Sub-Committee).
REC Board	means the board of directors for RECCo.
Retail Energy Code (REC)	means this Code, including its Schedules and the Technical Specification, maintained pursuant to the electricity supply licences granted under the Electricity Act 1989 and the gas supply licences granted under the Gas Act 1986, as such code is modified from time to time in accordance with its provisions.
Retail Energy Code Company (RECCo)	means the company established under Clause 5 of the main body of this Code.
Switching Change Advisory Board (CAB)	means the group responsible for the review and approval of Operational Switching Service Changes. This is separate from the code bodies that would approve changes to Energy Codes.