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

INITIAL ASSESSMENT REPORT

R0092 – DCC SERVICE LEVEL AGREEMENTS FOR THE SWITCHING INCENTIVE REGIME

DOCUMENT VERSION	V1.0
DATE ISSUED	26/05/2023
DOCUMENT APPROVAL STATUS	APPROVED

RESPONSIBLE COMMITTEE	PERFORMANCE ASSURANCE BOARD	CHANGE PATH	AUTHORITY DETERMINED
PRIORITY STATUS	HIGH	URGENCY	STANDARD

DEADLINE FOR ALTERNATIVE CHANGE PROPOSALS	TBC

LEAD CHANGE ANALYST



Elise Handy

Click to send an email

020 7898 9740

CHANGE OVERVIEW

This Change Proposal seeks to review the Service Level Agreements (SLAs) set against the Centralised Registration Service (CRS) Provider.

	High Impact: CRS Provider
	Medium Impact: REC Performance Assurance Board, Code Manager
	Low Impact: N/A

1 FROM 1 APRIL 2023, BACKGROUND

From 1 April 2023, Performance Charges apply to the CRS Provider. The Performance Charges are based on the CRS Provider's performance against the Service Availability and Performance Levels (also known as SLAs) set out in the Central Switching Service Definition, the CSS Certificate Authority Service Definition, and the Switching Operator Service Definition.

These SLAs were identified and agreed during the early design, build and test phase of the Switching Programme and formed part of the procurement exercise for the CRS Provider. They were based on assumptions made in the early phases of the Switching Programme and the Data Communications Company (DCC), as the CRS Provider, has proposed a review of these SLAs to ensure they are appropriate based on the physical systems design and user behaviours.

The DCC has proposed three areas for where the SLAs should be reviewed:

- Message Response targets;
- Gate Closure targets; and
- Incident Management targets.

In addition to these, the DCC has proposed a number of performance measures to be excluded from the Performance Assurance Regime.

An industry workgroup will be convened, formed of REC parties and stakeholders, to support the review of the SLAs and proposed exclusions and ensure that the solution taken forward is fair and reasonable and leads to good Consumer outcomes.

2 PROBLEM STATEMENT

Following the introduction of Performance Charges, on 01 April 2023, charges will apply based on the CRS Provider's performance against the defined SLAs. The SLAs were developed based on assumptions made in the early phases of the Switching Programme. The DCC has proposed that these are reviewed, to ensure they are fit for purpose and any Performance Charges applied are proportionate to CSS User detriment and Consumer impact.

3 USER STORIES

REF.	USER STORIES
CONSUMER USER STORIES	
C1	As a Consumer, I want the CRS Provider to provide an effective service so that my Switch is not delayed.
MARKET PARTICIPANT USER STORIES	
M1	As the REC Code Manager, I want to ensure the CRS Provider has appropriate SLAs set, which incentivises the effective functioning of the Switching Service.

M2	As the CRS Provider, I want to ensure that the appropriate SLAs are in place to incentivise the effective functioning of the Switching Service and if these SLAs are not met by the CRS Provider, the commercial impact is proportionate to the detriment experienced by CSS Users and Consumers.

4 IMPACTS

REC SERVICE PROVIDERS
Central Switching Service Provider (DCC)
Switching Operator Service Provider (DCC)
CSS Certificate Authority

RECCO / REC CODE MANAGER
REC Code Manager – Performance Assurance
RECCo

REC DOCUMENTS / PRODUCTS
Schedule 6 – Performance Assurance
Schedule 24 Switching Data Management
Central Switching Service Definition
Switching Operator Service Definition
CSS Certificate Authority Service Definition

5 CROSS CODE IMPACTS

This change does not have any cross-code impacts.

6 CHANGE PATH AND RESPONSIBLE COMMITTEE

CHANGE PATH	AUTHORITY DETERMINED

RESPONSIBLE COMMITTEE	PERFORMANCE ASSURANCE BOARD

The Code Manager considers the Change Proposal satisfies the criteria for determination by the Authority:

- The changes are likely to have a material impact on existing or future Energy Consumers. This is particularly relevant to Consumer experience under the Switching Programme.

Although this Change Proposal will affect Service Definitions more typically under the governance of the Technical Expert Panel (TEP), it is proposed that the Responsible Committee for this Change Proposal should be the Performance Assurance Board as it is responsible for the management of the new economic incentive scheme.

7 PRIORITY STATUS AND URGENCY

PRIORITISATION MATRIX

Category	Significance / Resource impacts / Urgency	Further selection / breakdown	Score (0-3)	Weighting	Weighted Score
Impacts	Consumer Impact	Indirect	1	27	27
	Retail Markets Impact	Retail Risk(s)	3	17	50
	RECCo / REC Party / REC Service Provider Impact	Operational Effectiveness and Efficiencies	2	7	13
		Legal and Regulatory Compliance	2	14	28
Resource	Complexity / Effort / Duration		0	9	0
Strategic Alignment	Contribution to/ Alignment with the objectives of the REC		2	17	17
	Contribution to/ Alignment with RECCo's Forward Work Plan		2		17
Urgency *(The need to progress a change to meet a targeted date)*		Other Planned Activity	0	10	0
				Overall Priority Score (rounded)	152

Priority Score	Priority Status
171 and above	Critical
151 to 170	High
101 to 150	Medium
0 to 100	Low

Priority Status	HIGH
Change Proposal Type	STANDARD

Urgent Change Proposals meet the Criteria for Urgency as set out by Ofgem

The Priority Status for this Change Proposal is 'High' based on a score of 152.

Consumer Impact - a score of 1 as this will have a minor indirect impact to Consumers.

Retail Markets Impact - a score of 3 to reflect that this change impacts Retail Risk 8: Delayed Switches that provides a negative customer experience of the energy market and Retail Risk 9: REC Service performance that prevents a customer from switching Suppliers effectively.

A score of 2 was given for Operational Effectiveness and Efficiencies and Legal and Regulatory Compliance as this change will ensure that appropriate service levels are set to promote the effective and efficient operation of central systems.

Contribution to/alignment with the objectives of the REC - a score of 2 as this change supports continuous improvement in the operation of central systems.

This change does not need to meet a specific target date and therefore the Change Proposal type has been set to standard.

8 SUMMARY OF CHANGE PROPOSAL PLAN

The solution will be developed with the support of an industry workgroup, consisting of industry representatives as well as stakeholder engagement through relevant forums.

This change proposal plan does not extend beyond solution analysis and development as a full understanding of the solution is required prior to the planning of impact assessment activity and subsequent change process actions.

	FROM	TO
SOLUTION ANALYSIS AND DEVELOPMENT	07/06/2023	15/08/2023
PRESENT APPROACH TO CHANGE PANEL	15/08/2023	15/08/2023

9 GLOSSARY

TERM	DEFINITION
Authority	means the Gas and Electricity Markets Authority as established under section 1 of the Utilities Act 2000.
Consumer	means any person supplied (or seeking a supply) of Energy at an RMP (whether or not that person also exports or is seeking to export electricity at an RMP).
CRS Provider	means the DCC when performing the functions and services required by Condition 15 (Incorporation, delivery and provision of the Centralised Registration Service) of the DCC Licence.
Data Communications Company	means the person holding the DCC Licence.
Performance Charges	means the charges which the REC PAB may levy on REC Service Users and REC Service Providers as part of the Performance Assurance Framework.
Performance Level	means the performance level required under the Performance Assurance Schedule.
REC Performance Assurance Board	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).
Risk Register	means the register of applicable Retail Risks approved by the REC PAB, as described in the Performance Assurance Schedule.
Service Levels	means the same as Performance Levels.
Switching Programme	means the programme established by the Authority to implement new switching arrangements in retail energy markets.