RETAIL ENERGY CODE

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

INITIAL ASSESSMENT REPORT

R0105 – REVIEW OF ONAGE SLAS

DOCUMENT VERSION	V1.0
DATE ISSUED	16/04/2024
DOCUMENT APPROVAL STATUS	APPROVED

RESPONSIBLE COMMITTEE	METERING EXPERT PANEL	CHANGE PATH	SELF-GOVERNANCE
PRIORITY STATUS	LOW	URGENCY	STANDARD

DEADLINE FOR ALTERNATIVE CHANGE PROPOSALS	05/07/2024

LEAD CHANGE ANALYST



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CHANGE OVERVIEW

Schedule 14 – Metering Operations sets a Service Level Agreement (SLA) of 2WDs for Metering Equipment Managers (MEMs) to respond to the ONAGE Market Message, which is sent from the Supplier to request a change in appointment status. This change seeks to review this SLA in light of Faster Switching.

	High Impact: Metering Equipment Managers
	Medium Impact: N/A
	Low Impact: Gas Suppliers

1 BACKGROUND

Schedule 14 – Metering Operations sets out the arrangements for the de-appointment of a Metering Equipment Manager (MEM), and the subsequent appointment of a MEM. The schedule sets out the different scenarios in which this might occur, such as a change of supply with a concurrent change of MEM, or a change of supply with no change of MEM. The change in appointment status request is sent from the Supplier to the MEM in the form of the ONAGE Market Message (MM40013) – With two Scenario Variants, one for de-appointment (SV40033) and one for appointment (SV40032).

For most de-appointment/appointment scenarios, once the MEM has received the ONAGE to notify them of their change of appointment status, they have 2 working days (WDs) to respond. This response is sent via an RNAGE – A scenario variant of the generic Response Market Message (MM40020). Schedule 14 attached the 2WD SLA to the RNAGE – The MEM must acknowledge the ONAGE via the RNAGE within this time limit. During a change of supply with a concurrent change of MEM, this message/response pair will occur twice – The Losing MEM will receive an ONAGE to de-appoint them, and the gaining MEM will receive an ONAGE to appoint them. In both cases, the 2WD SLA applies.

As a result of the Faster Switching programme, Switches currently take place in 5WDs, and in the future, the industry will ultimately move towards next day switching. Whilst many other switching SLAs have been reduced as a result of the Faster Switching programme, the ONAGE response SLA has remained the same. In order to align with the reduction in the timescale of the Switching process, it may be necessary to review these ONAGE SLAs.

2 PROBLEM STATEMENT

Current ONAGE SLAs may no longer be proportionate to the length of the Switching process as a result of the Faster Switching programme. Lengthy ONAGE SLAs relative to the timescale of the switching process may result in Consumers being left without a MEM during the switch process. The proposer has asked the Code Manager to conduct a review of the ONAGE SLAs to explore whether these SLAs are still appropriate, and therefore ensure that Consumers are subject to any detriment.

3 USER STORIES

REF.	USER STORIES
CONSUMER USER STORIES	
C1	As a Consumer, I want to have continual Meter Equipment Manager coverage, so that I am confident that work on my Metering Asset can be conducted even during a Switch.
MARKET PARTICIPANT USER STORIES	
M1	As a MEM, I want my obligations relating to appointment and de-appointment to be considered and practicable, so that my operational processes are not unduly onerous.

REF.	USER STORIES
M2	As a Gas Supplier, I want to be able to reliably and predictably appoint and de-appoint MEMs during a Switch, so that I am confident that my Consumers are not left without a MEM at any stage.
M3	As the Code Manager, I want REC processes to operate within SLAs that are reflective of both the realistic operational capacities of REC Parties, and also of the needs of the broader market, so that the end Consumer has the best possible Switching experience.

4 IMPACTS

CONSUMERS
Gas Consumers

REC SERVICE PROVIDERS
N/A

RECCO / REC CODE MANAGER
N/A

REC PARTIES AND SERVICE USERS
Gas Suppliers
Gas MEMs

REC DOCUMENTS / PRODUCTS
Schedule 14 – Metering Operations

Gas Consumers will be minimally impacted. The Code Manager will ensure that during solution analysis and development, Consumers are considered, and that any change to the ONAGE SLA will not directly or indirectly result in any detrimental impact on MEM coverage during a Consumer's Switch journey.

Gas MEMs will be directly impacted by this Change. Should the Code Manager consider any reduction in the ONAGE SLA as part of a proposed solution, this will translate into changes to operational processes for MEMs. This will likely manifest as changes in ways of working to accommodate different ONAGE response times, and associated costs resulting from the aforementioned changes. Gas Suppliers can expect minimal impact; as the Party who initiates the de-appointment/appointment process as the originator of the ONAGE, their impact will be incidental and indirect.

The Code Manager expects that the only affected REC Document/Product will be Schedule 14 – Metering Operations. This is where the ONAGE SLA is captured, in Sections 9.5. 10.5, 11.6 and 12.5. The Code Manager does not expect any impact on the ONAGE or RNAGE Market Messages themselves within the Data Specification, as the structure or function of the Market Message is not changing, only it's utilisation.

5 CROSS CODE IMPACTS

The Code Manager does not expect there to be any cross-code impacts.

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6 CHANGE PATH AND RESPONSIBLE COMMITTEE

CHANGE PATH	SELF-GOVERNANCE	RESPONSIBLE COMMITTEE	METERING EXPERT PANEL

This change will follow a Self-Governance Change Path. The Responsible Committee for making self-governance decisions on changes to Schedule 14 – Metering Operations is the Metering Expert Panel (MEP) as set out in the REC Baseline Statement.

7 PRIORITY STATUS AND URGENCY

PRIORITISATION MATRIX

Category	Significance / Resource impacts / Urgency	Further selection / breakdown	Score (0-3)	Weighting	Weighted Score
Impacts	Consumer Impact	Direct	1	27	27
	Retail Markets Impact	Retail Risk(s)	1	17	17
	RECCo / REC Party / REC Service Provider Impact	Operational Effectiveness and Efficiencies	0	7	0
		Legal and Regulatory Compliance	1	14	14
Resource	Complexity / Effort / Duration		2	9	18
Strategic Alignment	Contribution to/ Alignment with the objectives of the REC		1	17	8
	Contribution to/ Alignment with RECCo's Forward Work Plan		0		0
Urgency *(The need to progress a change to meet a targeted date)*		Other Planned Activity	0	10	0
				Overall Priority Score (rounded)	84

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

Priority Status	LOW
Change Proposal Type	STANDARD

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

This Change has a priority status of Low, based on a score of 84. This score has been calculated as follows:

- Direct Consumer Impact has been ranked at 1, meaning Minor Impact/Improvement. The Code Manager is keen to ensure that the outcome of a review into ONAGE SLAs will not result in any change to Consumer Metering Asset arrangements. As such, the direct impact on Consumers as a result of such a review is likely to be minor.
- Retail Market Impact – Retail Risk(s) has been ranked at 1, meaning Minor Impact/Improvement. A review of the ONAGE SLA that results in a reduction may introduce efficiencies into the switching process by reducing the MEM de-appointment/appointment timescale.
- Legal & Regulatory Compliance has been ranked at 1, meaning Minor Impact/Improvement. This is because this Change plans to review an SLA surrounding a regulatory obligation for a REC Party (MEMs), and therefore any change to such an SLA is likely to impact the regulatory compliance framework around that SLA.
- Strategic Alignment with REC Objectives has been ranked at 1, meaning Minor Impact/Improvement. A reduction in the ONAGE SLA following a review, if implemented, would represent a minor efficiency saving for REC Parties, and across the market more widely.

8 SUMMARY OF CHANGE PROPOSAL PLAN

This Change seeks to review the ONAGE response SLA. At this stage, the Code Manager has not made a determination on whether to reduce or maintain the current SLA. A decision on whether to amend the SLA, and if so, by how much, will form the basis for Solution Development. As such, the Code Manager considers the review of the SLA itself to form the basis of the scope of this Change, along with the subsequent decision on the SLA. The Code Manager considers all incidents of the ONAGE response SLA within Schedule 14 – Metering Operations to be within the scope of the change. These incidents are found in Sections 9.5. 10.5, 11.6 and 12.5.

The Code Manager is not considering any changes to the ONAGE or RNAGE Market Messages themselves, and therefore we consider changes to the Data Specification to be out of the scope of this Change. If at any time during Solution Development or subsequent stages of the Change Management process information arises that causes us to re-consider, we reserve the right to amend the scope of this change.

	FROM	TO
SOLUTION ANALYSIS AND DEVELOPMENT	16/04/2024	31/05/2024
PARTY IMPACT ASSESSMENT	31/05/2024	21/06/2024
PRELIMINARY CHANGE REPORT AND CONSULTATION ISSUED	05/07/2024	05/07/2024
CONSULTATION	05/07/2024	26/07/2024
FINAL CHANGE REPORT ISSUED	07/08/2024	07/08/2024
RESPONSIBLE COMMITTEE DECISION	14/08/2024	14/08/2024
APPEAL WINDOW CLOSURE	28/08/2024	28/08/2024

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9 GLOSSARY

TERM	DEFINITION
Appointed	means, in respect of a Supplier Agent and for a particular RMP, that the Supplier Agent is recorded against that RMP under this Code (or the BSC or UNC, as applicable); or, in respect of a period of time, that the Supplier Agent is or was so recorded during that period. "Appoint" and "Appointment" shall be interpreted accordingly.
Faster Switching*	means proposals to introduce a new dual-fuel code which would contain transitional rules for the implementation of the Faster, More Reliable Switching Programme.
Gas Supplier	means a person holding a Gas Supply 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.
Metering Equipment Manager	means, as applicable, either: (a) for electricity, the 'Meter Operator Agent' (as defined in the BSC) Appointed by an Electricity Supplier; or (b) for gas, the 'Meter Asset Manager' (as defined in the UNC) Appointed by the Gas Supplier.
Scenario Variant*	means the permissible options available for a given Market Message, and defines particular options and flow structures depending on who the source and target recipients for the message are.
Service Level Agreement*	means an agreement between a service provider and a customer. Particular aspects of the service – quality, availability, responsibilities – are agreed between the service provider and the service user.
Switch	means a change to the Registered Supplier for an RMP.

* - Term not found in Schedule 1 – Interpretations & Definitions. Definition provided by the Code Manager instead.