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

CHANGE REPORT

R0145 – SERVICE TERMINATION ISSUE REPORTING (CHANGE TO CATEGORY 2 DOCUMENT)

CHANGE REPORT	PRELIMINARY
DOCUMENT VERSION	1.1
ISSUED DATE	22/09/2023
DOCUMENT APPROVAL STATUS	APPROVED

RESPONSIBLE COMMITTEE	METERING EXPERT PANEL	CHANGE PATH	SELF GOVERNANCE
PRIORITY STATUS	HIGH	URGENCY	URGENT

DEADLINE FOR ALTERNATIVE CHANGE PROPOSALS	08/09/2023

LEAD CHANGE ANALYST



Colette Baldwin

Click to send an email

0207 770 6785

CHANGE OVERVIEW

This Change Proposal updates the Categorisation of this REC document to a Category 2 document. It is currently classified as a Category 3 document – which are used for guidance documents that have no material impacts on REC Parties. The REC obligates compliance with this document through Schedule 14 – Meter Operations and the Consolidated Metering Codes of Practice.

	High Impact: Electricity Suppliers/MEMs/DNOs
	Medium Impact: N/A
	Low Impact: N/A

CODE MANAGER'S RECOMMENDATION

The Code Manager recommends Change Proposal R0145 is **APPROVED** for implementation on 06 December 2023.

RETAIL ENERGY CODE

CONTENTS

BACKGROUND		
1.	Summary	3
2.	Problem Statement	3
3.	User Stories	3
PROPOSAL		
4.	Summary of Analysis Undertaken	3
5.	Proposed Solution	4
6.	Draft Legal Text	4
7.	Delivery Against Change Proposal Plan	4
8.	Key Risks, Assumptions, Issues and Dependencies	4
9.	Proposed Implementation Date and Approach	5
10.	Business Case Assessment	5
11.	Case for Change	6
12.	Code Manager's Recommendation	6
13.	Consultation Plan and Next Steps	6
14.	Appendix	6
15.	Glossary	7

BACKGROUND

1 BACKGROUND

The Service Termination Issue Reporting Guidance document was introduced into the REC from MOCOPA when the REC was designated in September 2021. The document was previously under the control of MOCOPA where the Distribution Network Operators (DNOs) had a right of veto over any changes raised to it.

2 PROBLEM STATEMENT

Compliance with the CoMCoP and Schedule 14 - Metering Operations includes obligations on the MEMs to report incidents of danger, damage, or interference with the DNO Equipment in accordance with the requirements set out in the document. Failure to comply with these requirements will leave the MEM subject to permission to work on the DNO's equipment being revoked, which will have consequences on their ability to work as a REC MEM more widely.

3 USER STORIES

REF.	USER STORIES
MARKET PARTICIPANT USER STORIES	
M1	As a DNO I want to ensure that the MEMs who work on my network have the requisite skills and experience and that they will follow the instructions relating to reporting incidents of danger, damage, or interference with the DNO Equipment, as set out in the Service Termination Issue Reporting document.
M2	As a Supplier I want any MEM I employ to have clear instructions on how to report incidents of danger, damage, or interference with the DNO Equipment.
M3	As a MEM I want information on what actions I need to take where there is danger, damage, or interference with the DNO Equipment at site, so that issues can be safely addressed in the appropriate timescales.
M4	As the Code Manager, I want clarity on the governance and for change processes of the document to be appropriate, for the subject matter and relevant affected parties.

PROPOSAL

4 SUMMARY OF ANALYSIS UNDERTAKEN

There has been a review of the governance of this document by the Code Manager following discussions that have been conducted at the Metering Expert Panel. Following those discussions, a legal review was undertaken by RECCo's legal representative to consider the points raised.

It was identified that the existing document had transitioned in from MOCOPA© in September 2021 as a Category 3 Product – with the Metering Expert Panel being nominated as the

Responsible Provider accountable for maintaining it – as per the REC Baseline Statement. A Category 3 Product is a guidance document required to support, but not place obligations upon, market participants. The legal representative concluded that the document did place obligations on REC Parties in both Schedule 14 – Metering Operations and in the Consolidated Metering Codes of Practice (CoMCoP) and therefore it was inappropriate for it to continue to be classified as a Category 3 Product and that it was more appropriately a Category 2 Product, subject to a different change process to that of Category 3 Products.

5 PROPOSED SOLUTION

Following the advice of the legal representative, the Code Manager proposes to add the Service Termination Issue Reporting Document as a Category 2 Product within the REC Baseline Statement, which will make it subject to the change process set out in Schedule 5 – Change Management. On approval of this Change Proposal, the Code Manager will raise a complimentary Category 3 Change Proposal to remove the Category 3 Product from the Baseline Statement.

While there remains on-going discussion about the longer-term future of the most appropriate home for the document, we need to be able to make changes to the document to reflect agreements already reached between the DNOs and the MEMs related to some new Asset Condition Codes.

6 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0145 can be found here.

A statement (below) will be added to the Version Control Table to confirm the status of the document and that changes to it will be made in accordance with Schedule 5 – Change Management:

> "*This Category 2 document may be revised in accordance with the REC Change Management Schedule, following consultation with the RECCo Board and relevant stakeholders. The following table sets out the history of changes made to this document*."

7 DELIVERY AGAINST CHANGE PROPOSAL PLAN

All activity has been completed within the planned timescales, and the Change Proposal Plan can be found here.

8 KEY RISKS, ASSUMPTIONS, ISSUES AND DEPENDENCIES

8.1 RISKS AND ISSUES

No.	RISK	NOTES	MITIGATION
PCR.R.001	The DNO's are concerned about the	We have taken legal advice and haven't attempted to	Narrow scope of the change – as outlined with Parties,

	future governance of the document and may want to address this matter before changing the categorisation of the document	address any changes to the document other than the correct categorisations	removes the inability to update the document with necessary Asset Condition Code changes

9 PROPOSED IMPLEMENTATION DATE AND APPROACH

PROPOSED IMPLEMENTATION DATE	06/12/2023

PROPOSED IMPLEMENTATION APPROACH	BIG BANG

The changes proposed are simply documentary changes and do not need any systems changes to be implemented. We have progressed the change at an accelerated pace so as not to unduly delay progression of changes needed to Asset Condition Codes already agreed as necessary.

Unfortunately, the timing of the Change Proposal progression is too tight to achieve a November implementation date, however, there is an off-cycle release planned for 06 December 2023, and following consultation, the Final Change Report can be completed in sufficient time to allow for the December implementation.

10 BUSINESS CASE ASSESSMENT

10.1 BENEFITS

There are no anticipated costs to implement this Change Proposal.

INTANGIBLE BENEFITS	BENEFITS DESCRIPTION
Clarity	Removing the conflict in the treatment of Category 3 Products which should not create obligations, will ensure that changes which have material impacts on Parties follow the correct governance process.

10.2 COST BENEFIT ANALYSIS SUMMARY

The costs and benefits for this change are entirely intangible, and result from the need to ensure that the appropriate governance arrangements are in place to support the development of this Product going forward. It will ensure that there is confidence in the Code Manager following the correct process for this category of document and protecting REC Parties from any mistakes arising from the incorrect application of controls on the change processes.

11 CASE FOR CHANGE

11.1 SELF GOVERNANCE

The Code Manager believes that this Change Proposal solution:

- appropriately resolves the original Problem Statement; and
- ensures confidence in the Change Manager's operation of the change process, which in turn, leads to efficiencies in the operation of the retail energy market; and

supports a positive but intangible case for the change to be made.

12 CODE MANAGER'S RECOMMENDATION

The Code Manager recommends that the Change Proposal should be implemented, and recommends to the Metering Expert Panel that they should:

- APPROVE the proposed change solution;
- APPROVE the proposed implementation approach; and
- APPROVE the proposed implementation date of **06 December 2023**

13 CONSULTATION PLAN AND NEXT STEPS

The consultation on this Preliminary Change Report for R0145 will be published on the REC Portal on **22 September 2023** and closes on **13 October 2023**

Following consultation, the Code Manager will produce an updated version of this Preliminary Change Report (referred to as the Final Change Report). This will include the outcome of the consultation, setting out a summary of the consultation submissions and the Code Manager's response.

The Final Change Report will be issued to **Metering Expert Panel** on **20 October 2023** to make its determination.

14 APPENDIX

CHANGE PROPOSAL	Link
LEGAL DRAFTING	Link

15 GLOSSARY

TERM	DEFINITION
Asset Condition Code	Codes that reflect the condition of DNO asset conditions, as set out in the Service Termination Issue Reporting Document.
Category 3 Product	refers to the operational documents and RECCo guidance which are required to support, but do not place obligations upon, market participants and as such will be maintained by the Responsible Provider.
Consolidated Metering Code of Practice (CoMCoP)	means the code of practice against which relevant ASPs, MEMs and MIs are assessed pursuant to the Metering Accreditation Schedule.
Distribution Network Operator (DNO)	means a person holding an Electricity Distribution Licence.
Metering Equipment Manager (MEM)	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.
Metering Operation Code of Practice Agreement (MOCOPA)	means the Metering Operation Code of Practice Agreement (MOCOPA©) that existed commercially before the designation of the REC in September 2021.
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.
REC Baseline Statement	means the document of that name setting out: a) a list of documents that make up the Code and the Responsible Committee for approving changes to each document; and b) a list of Category 3 products and the Responsible Provider responsible for maintaining each product.