RETAIL ENERGY CODE

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

# CHANGE REPORT

## R0167 – CHANGE PROCESS IMPROVEMENTS FOLLOWING CODE MANAGER REVIEW

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| CHANGE REPORT | PRELIMINARY |
| DOCUMENT VERSION | 1.1 |
| ISSUED DATE | 17/05/2024 |
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|---|---|---|---|
| RESPONSIBLE COMMITTEE | CHANGE PANEL | CHANGE PATH | SELF GOVERNANCE |
| PRIORITY STATUS | HIGH | URGENCY | STANDARD |

| | |
|---|---|
| DEADLINE FOR ALTERNATIVE CHANGE PROPOSALS | 17/05/2024 |

**LEAD CHANGE ANALYST**




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## CHANGE OVERVIEW

This Change Proposal has been raised to make the required changes to Schedule 1 and Schedule 5, to enable process enhancements to be made to support Change Process Improvements project.

| | |
|---|---|
| | High Impact:<br>N/A |
| | Medium Impact:<br>N/A |
| | Low Impact:<br>REC Professional Service<br>REC Technical Service<br>REC Performance Assurance Service<br>All REC Parties<br>All REC Service Users |

## CODE MANAGER'S RECOMMENDATION

The Code Manager recommends Change Proposal R0167 is **APPROVED** for implementation on 28 June 2024.

RETAIL ENERGY CODE

## CONTENTS


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

# BACKGROUND

## 1 SUMMARY

The Code Manger has been working with internal and external stakeholders to identify opportunities for improvement in the REC Change Process. This has highlighted a series of amendments to the current REC Change Process, that would enable a more efficient and streamlined process. As a result, amendments to Schedule 5 – Change Management and Schedule 1 – Interpretations and Definitions, have been identified that will support the provision of a suite of enhancements to the Change Process.

This includes introducing the ability to tailor the process dependant on an individual case, creating the ability to raise change issues that can be developed and progressed through expert groups, allowing Responsible Committees to be identified for solution development and efficiencies in the stages of managing change, including duplication of documentation.

These improvements have been shared with industry via a number of means including a webinar held in October 2023, one to one meetings with stakeholders, presented at the REC Issues Group (RIG) and working groups to gather feedback and aid development.

This Change Proposal has been raised to enable process enhancements to be made to support these Change Improvements. However, there are still improvements to be identified to systems that support the Change Process and these will be covered in a separate Change Proposal, when appropriate.

The proposed legal text changes can be found here.

## 2 PROBLEM STATEMENT

Feedback gathered has highlighted issues with the current process including speed of the process, engagement, and inefficiencies. Amendments to Schedule 1 and Schedule 5, have been identified that will support the provision of a suite of enhancements to the Change Process.

## 3 USER STORIES

| REF. | USER STORIES |
|---|---|
| **CONSUMER USER STORIES** | |
| C1 | As a Consumer, I want to REC issues and changes that impact Consumers to be developed with Parties and Market Participants input, with minimal delay or hassle, so that I can benefit from positive Consumer outcomes at the earliest opportunity. |
| **MARKET PARTICIPANT USER STORIES** | |
| M1 | As a REC Party or Market Participant, I want to participate in the REC Change Process including the development and progression of industry issues, to shape and develop solutions. |

## 4 SUMMARY OF ANALYSIS UNDERTAKEN

The Code Manager has worked with internal and external stakeholders that engage with the REC Change process. Key themes from the feedback shared included:

**Process**

- Too much paperwork with duplication.
- Long winded and slow with too many steps, lots of areas to respond to.
- Few opportunities to discuss or engage with development and solution of a change.
- No flexibility in the process

**Discussion groups**

- A desire for a group with fluid membership where change and change issues could be discussed.
- Difficult to engage with everything. Use of REC expert groups to support development of change.

Another key theme from these discussions was the need for clearer distinction between a change issue and a change proposal. The Code Manager acknowledges that the ability is already in the Schedule 5 however the proposed changes enhance the treatment of the two. The changes to REC Schedule 5 further the distinction between the two with REC Change Issues covering changes where a solution is being developed and agreed using engagement and expert/issue groups if and as required. At the point solution is agreed the REC Issue will be formalised as a REC Change Proposal signifying approval stages of the process are in place.

This proposal addresses the process for raising changes to the REC only. Although there is no expected system impacts on REC Parties and Market Participants, all REC Parties and Service Providers have been identified as requiring an awareness of this proposal and any subsequent Change process improvement proposals that are to come that further support the issue identified above.

## 5 PROPOSED SOLUTION

The Code Manager has identified that updates are needed in Schedule 1 and Schedule 5, to enable process enhancements to be made to support Change Process Improvements project.

These include the following in Schedule 1:

| Term | Definition |
|---|---|
| ~~Final~~ Change Report | means the written report on a Change Proposal prepared by the Code Manager ~~following industry consultation~~ in accordance with ~~Paragraph 19 of~~ the Change Management Schedule. |
| ~~Preliminary Change Report~~ | ~~means the written report on a Change Proposal prepared by the Code Manager in accordance with Paragraph 18 of the Change Management Schedule.~~ |
| REC Change Issue | means an issue affecting this Code that may become a Change Proposal in accordance with the Change Management Schedule |

Multiple amends to Schedule 5 are also proposed.

The legal text changes to deliver the proposed solution to R0167 can be found here.

## 6 DELIVERY AGAINST CHANGE PROPOSAL PLAN

The Change Proposal Plan can be found here.

## 7 KEY RISKS, ASSUMPTIONS, ISSUES AND DEPENDENCIES

### 7.1 RISKS AND ISSUES

No risks or issues have been identified.

### 7.2 ASSUMPTIONS AND DEPENDENCIES

No assumptions or dependencies have been identified.

## 8 PROPOSED IMPLEMENTATION DATE AND APPROACH

| PROPOSED IMPLEMENTATION DATE | 28/06/2024 |
|---|---|

| PROPOSED IMPLEMENTATION APPROACH | BIG BANG |
|---|---|

## 9 CASE FOR CHANGE

The Code Manager believes this change encourages engagement with the change process through the introduction of the Change Issues Group, which will be a platform for any interested stakeholder to share their expertise and contribute directly into the progression of issues and changes. It also offers more flexibility and clarity in the way change issues and proposals are developed, supporting the drive for continuous improvement and efficiencies in the operation of the REC.

## 10 CODE MANAGER'S RECOMMENDATION

Based on the evidence provided in section 9 of this report, the Code Manager considers that a positive business case can be made for implementing this solution, and recommends that the Change Panel:

- **APPROVE** the proposed change solution;
- **APPROVE** the proposed implementation approach; and
- **APPROVE** the proposed implementation date of 28 June 2024.

## 11 CONSULTATION PLAN AND NEXT STEPS

The consultation on this Preliminary Change Report for R0167 will be published on the REC Portal on 17 May 2024 and closes on 03 June 2024**.**

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 the Change Panel to make its determination.

## 12 APPENDIX

| | |
|---|---|
| **CHANGE PROPOSAL** | Link |
| **LEGAL DRAFTING** | Link |

## 13 GLOSSARY

| TERM | DEFINITION |
|---|---|
| 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. |
| Change Management Schedule | means REC Schedule 5. |
| Change Proposal | means a proposal to change this Code made in accordance with Clause 11 of the main body of this Code or the Change Management Schedule |