RETAIL ENERGY CODE

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CONSOLIDATED CONSULTATION RESPONSES

R0167 - CHANGE PROCESS IMPROVEMENTS FOLLOWING CODE MANAGER REVIEW

On 17 May 2024 the Code Manager issued a consultation to industry to seek feedback on the Preliminary Change Report for R0167.

The purpose of this document is to consolidate the responses and for the Code Manager to answer any questions raised within those responses.

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RESPONSIBLE COMMITTEE	CHANGE PANEL
LEAD ANALYST	GEMMA DIXON

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RESPONSE DEADLINE	03/06/2024

Question 1:	Do you agree with the proposed solution? If not, please explain why?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
ScottishPower Energy Retail Limited Energy Supplier	We support ongoing consideration of how to ensure that the REC change process works as efficiently and effectively as possible. In general, we agree with the proposal to codify the concept of a Change Issue and to frame the change process through Change Issues and Change Proposals. At the same time, we are supportive of avenues for stakeholders to discuss issues and proposals, so that any future Change Proposals are clear and robust. In that light, we are encouraged by the establishment of the REC Change Issues Group. We believe that collaborative examination of industry issues can increase participation and awareness from parties and help shape well-informed solutions. Nevertheless, we would like clarification, before this proposal is advanced, on the implications of the proposed elimination of the Preliminary Change Report and the redesignation of the Final Change Report as the "Change Report". We note that the Preliminary Change Report is at present often the reference document for the consultation stage and we are unclear at what point the single proposed Change Report would instead be produced in the change process. The Preliminary Change Report is currently an important reference point for Change Proposals in understanding the potential impacts of proposed changes. If the single proposed Change Report would not be produced at a comparably early stage, we believe that the Preliminary Change Report should be retained. We note and welcome that the proposal would amend Schedule 5, Paragraph 7.1 to require a Change Proposal to have a fully formed solution at introduction. We also note that the proposal adds a new Paragraph 17.2 providing that any Change Proposals resulting from a Change Issue would be grouped together, with the proposer's CP as primary and the other CP(s) as alternative(s). While we appreciate a desire to promote consistency, we are not convinced that all Change Proposals from a Change Issue should be taken together. It is possible that a Change	A new single Change Report will be produced and published, at the same key engagement stages as today. All existing sections that are currently provided across the existing four reports, will remain, however will be in one Change Report that will evolve as an issue progresses. This is a report consolidation exercise and not a removal of information or engagement points. This follows feedback from parties of too much duplication across reports. We note your comments on Alternatives and agree with your view on flexibility of grouping. We believe that Schedule 5 does offer this flexibility as noted in 17.2 which states the REC Change Issue may be developed into multiple Change Proposals including Cross Code, with REC as the lead code. In addition, the enhanced issue process will allow for alternative solutions to be put forward and considered, which in turn could limit the amount of alternate Change Proposals raised. Further in 17.3(c) the Code Manager has the right to refuse an alternative if it does not address the same or similar issues. We would expect in this case if there was still a valid case for change for these to be progressed as a separate Issue or

	Issue could result in several Change Proposals with substantively different remits. In some instances, it may make sense for them to be grouped together; in other instances, it may not make sense. We believe that Schedule 5 should be flexible on this point, so that sufficiently different Change Proposals are considered on their own merits and so that false choices on CPs arising from Change Issue discussions do not arise.	Change Proposal and would use our role as critical friend to advise so.
SSE Energy Supply Ltd Energy Supplier	We welcome any amendments to the change process as the current process, as noted within the change proposal, is too long winded with little room for industry interaction.	Thank you
Data Communications Company	We agree with the intent of this Change Proposal, however have some legal text queries and suggestions. Please see below: 1. 'REC Change Issue' – we query if this is the best term to use – 'Change Proposal' is defined, but 'REC Change Proposal' is not, so we suggest the defined term should be 'Change Issue' for uniformity, or perhaps simply 'Issue Proposal' as 'Change Issue' may cause confusion, as it would imply there is an issue with a change. 2. The definition for 'REC Change Issue' is missing a full stop at the end of the definition. 3. The ordering in 14.1. is different to all other amended clauses where 'REC Change Issue' comes before 'Change Proposal': *This Paragraph 14 only applies to a Change Proposal or REC Change Issue where its Change Proposal Plan provides that the Cross Code Steering Group is to be consulted on the Change Proposal.*	Thank you for your comments. On Point 1 we have reviewed the use of the term 'REC Change Issue' and following other feedback have reverted to *Issue*. 2 – noted thank you and amended 3 – noted thank you and amended 4 - noted thank you and amended

	4. Although not part of this Change Proposal, we noticed that 26.1. appears to be drafted in error: *Change Proposals that are approved in accordance with Paragraphs 21 and 22 or Paragraph (or in accordance with another Energy Code where Paragraph 3.5 applies) shall be implemented by the Code Manager.* – it looks like a paragraph reference is missing.	
Xoserve CDSP	No. There is insufficient information provided within the documentation for this change to make an informed assessment of the Change Proposal. The Problem Statement doesn't articulate the problem fully. We would question whether the defined term is relevant. REC Change Issue. Is the Issue being raised in relation to a REC Change, or is it (as the commentary suggests) an issue with a component of the REC? As such should this therefore be a REC Issue? What is the relationship between a REC Change Issue and a REC Issue – as per the REC Issues Group. The issues that the change states that it is trying to address which are briefly described in the 'summary of analysis section' only appears to effectively deal with engagement – which appears to be via a "Change Issues Group", but the constitution of this doesn't appear to be defined. We agree that currently, the REC Change Process is hampered by the lack of open engagement, and welcome any improvements in this regard. The extent to which the CDSP will be able to attend these sessions has not been articulated, and there have been groups held where the CDSP has not been able to attend because the Terms of Reference state that it is at the Chair's discretion. One assumes that the Change Issues group will be an Open Group that is constituted on a regular and predictable basis so that parties are able to schedule attendance? If not,	Thank you for your comments. We note your feedback on the use of the defined term 'REC Change Issue'. The term is intended to highlight an issue with a component of the REC and is separate from a REC Issue which is used currently in the REC Issues Group to cover operational workings of the REC. However, following other feedback have reverted to *Issue*. Noted thank you. As stated, these proposed amendments to Schedule 5 are an initial enabling change that enforces the current ability to use an issue route as well as a direct change route and consolidates the change report to a working document that evolves as the change progresses. Whist the Change Issues Group is not part of this change proposal, it is part of the change improvements project. The Code Manager is able to stand up these groups already and have, after discussion with RECCo and from feedback and engagement with parties, stood up a new group to discuss REC code issues. CDSP are able to

	how will parties be identified as being impacted and who will be responsible for undertaking this assessment? Subsequent to the consultation being issued we note that the Terms of Reference have been issued for a group entitled “Change Issues Group”, we note that this is only open to REC Parties, and others at the Chair’s discretion. Fundamentally this contradicts the open engagement approach that is described in the problem statement and is a fundamental flaw to this Change Proposal Solution. Assuming that this meeting is the one envisaged to be the vehicle for the engagement route envisaged in R0167 then it is poor governance that the relevant papers were not included in the Consultation. The other issues mentioned in the above section – related to ‘duplication’ and onerous amounts of paperwork’ and ‘too many steps’ appear to be contradictory to raising an additional process at the front end of the change process. The extent to which these comments relate to time taken to implement change versus the Change Process itself is unclear, but this response only addresses the specific of the Change Process. The worry is that the definition of ‘fully developed’ (in the legal text) appears subjective and solely at the discretion of the Change Manager. We disagree that the existing process lacks flexibility. We have seen many instances where Changes have progressed through mutually agreed change paths related to Impact Assessments, but we do consider that undertaking mandatory stages in Change Lifecycle is essential as different parties will use the existing Change steps within their internal engagement processes. Parties will have defined their internal processes, and in some instances their external processes, based upon the existing processes. Implementing such a change with such limited notice is wholly inappropriate for parties to reconfigure their processes in this timescale.	attend the Change Issues Group to discuss and contribute to issues that impact the CDSP. The agenda issued before each meeting will indicate where the CDSP is impacted but we will also help you to understand where the Code Manager identifies your input is required. A new single Change Report will be produced and published, at the same stage as today. All existing sections that are currently provided across the existing four reports, will remain, however will be in one Change Report that will evolve as an issue progresses. This is a report consolidation exercise and not a removal of information or engagement points – following feedback from parties of too much duplication across reports. This does not form part of this Change Proposal. For clarity, we are not creating an additional process at the front end of the existing process. As set out in the webinar in October 2023, we are utilising and developing the current ability to raise an Issue and creating clear engagement points at the front end of the process to ensure we have fully formed solutions before a Change Proposal is raised. As an Issue develops it will transform into a Change Proposal without the need for additional paperwork or steps by the proposer. Governance is still in place to ensure the effective treatment of Issues and change proposals so there will always be oversight of the Code

	The relationship between the REC Change Issue and the Change Proposal is not articulated. Reliance upon the Legal Text to articulate this is not appropriate, and by this not being provided as part of the consultation undermines the validity of the consultation. The Legal Text references guidance as to how these two processes should be followed – as such this documentation should be available as part of the change. Without this documentation we are reliant upon the Legal Text to try to understand the process that is being proposed. Since the Legal Text should not be at a level that operationally defines the process then there is no way to form an informed position. There is insufficient detail as to what information is required to raise an Issue. Given the proposed proximity of the implementation date (which for the avoidance of doubt we disagree with, one would assume that all paperwork would be available to describe this (and the template that is necessary to be completed).	Managers decisions. The enhanced process will also allow for flexibility to fully discuss Issues and resolve them without the need to create a Change Proposal if one is not required, reducing the need to continue through the existing process with a recommendation of rejection. We note your other comments. We have direct input from parties and stakeholders that the change process needs amending although we appreciate your belief that it works well today, we believe there is room for improvement, this is backed up by Parties and other stakeholders. We note your comments on internal processes. It is unclear however if you are referring to the internal processes of the CDSP or speculating on other parties' processes. As previously stated, this is an enabling change, we will continue to communicate separately the already agreed changes that have been discussed with Industry and are part of the Code Managers continuous improvements to all processes. There has always been the ability to raise a REC Issue and has been available on the REC Portal. We have consolidated this form online. The introduction of this was communicated in the REC Change Bulletin.

Question 2:	Do you agree with the proposed implementation date and implementation technique? If not, please explain why?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
ScottishPower Energy Retail Limited Energy Supplier	We do not have any objections to the proposed implementation date of 28 June 2024, in principle. Nevertheless, should additional time be needed to aid the effective implementation of this proposal (and given the absence of a rationale for urgency), we see no issue with an implementation date later in 2024, if it would support parties being well informed of these amendments to the change process.	Noted thank you
SSE Energy Supply Ltd Energy Supplier	We do agree with the implementation date, as the sooner these changes are implemented, we believe will be better. We also do agree that this should be completed as a big bang approach however we would like clarification on what will happen to the current changes within the register, and which are being progressed. We believe there could be issues managing changes where these have previously been raised under the current process. With that in mind, we strongly believe it would be beneficial to transfer those changes to the new improved process, at the next available stage. We would also welcome a review of the current changes to see whether there is a need for these to be progressed, whilst we appreciate these are reviewed against a certain set of criteria, some changes have not been progressed for a number of months, therefore we would question whether these are in fact needed. We would also propose that under a review of the change register, that any changes which can be amalgamated where such changes impact the same processes, albeit with different amendments, 'lifting the hood' once will see a significant improvement in market participants costs against delivering these.	Noted, thank you. As part of our ongoing Change Improvement work, we have reviewed current changes and these will be subject to the new process, where relevant, as it is implemented.

Data Communications Company	We agree with the implementation date stated in the report, however we note that the website states 30 June 2023, not 28 June 2024.	Noted, thank you.
Xoserve CDSP	No. The Change Proposal mentions that these issues were engaged upon with the industry in October 2023, yet the change paperwork was not raised until April 2024 and issued within minimal consultation without fully defined processes and supporting information. It is unclear where this information has been made available, if at all. The REC Change Process is integral within organisation's processes and other industry processes. Provision of adequate information to assess the change itself is necessary, but also to apply the changes to downstream processes. There simply is not sufficient information provided to make any assessment. We note that the Change Register now includes 'I' references which would suggest that this process has already been implemented? Clarity on whether these entries on the Change Register have been raised under the process envisaged in this Change Proposal would be appreciated.	The Change Improvement work has been running for the last year following an internal review with our Change Team, OAMs and Service Desk Teams and official external feedback from Parties. There have been various engagement points including a webinar, bulletin updates, LinkedIn posts and podcasts. This information has been available on the REC Portal including the full recording of the industry webinar. Noted. There has always been the ability to raise an issue to the REC and an obligation to hold this is a register. We believe holding them in this way is more transparent to Parties and feedback we have had supports this view. This Change Proposal does not introduce any new concepts it just makes it clearer on the ability to use an Issue as well as Change Proposals to progress change under the code.

Question 3:	Do you agree with the Code Manager's assessment of the Change Path, that this Change Proposal should be subject to Self-Governance approval by the REC Change Panel?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
ScottishPower Energy Retail Limited Energy Supplier	We have no comments to make at this stage on the change path for this change proposal.	Thank you
SSE Energy Supply Ltd Energy Supplier	Yes.	Thank you
Data Communications Company	Yes	Thank you
Xoserve CDSP	There is limited information to assess this change properly, but we consider that it is unlikely to warrant Authority Consent.	Thank you

Question 4:	Do you agree with the Code Manager's recommendation that this Change Proposal should be approved for implementation on 28th June 2024? If not, please explain why?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
ScottishPower Energy Retail Limited Energy Supplier	We have set out our position on implementation in our response to Question 2.	Thank you

SSE Energy Supply Ltd Energy Supplier	Yes, although has we have answered in Q2, we believe a review of the current changes should be completed.	Thank you
Data Communications Company	Yes. Please note that this question is very similar to Question 2.	Thank you
Xoserve CDSP	No. For the reasons provided above. We appreciate that not all Changes have the same milestones (as the existing Change process has flexibility!) however it is notable and ironic with a change that is being introduced citing improved engagement that this change has not followed any formal engagement process. We think that it would have been valuable to have a consultation period following the Initial Assessment as well as the Preliminary. We were not made aware of this Change through any bulletins or newsletters, and we do not consider that we are alone in having no visibility of this prior to the change being raised. We consider a full Consultation should be provided with supporting information to describe the revised process without this parties cannot properly consider impacts and the necessary changes.	The change improvement work has been running for the last year following an internal review with our change team, OAMs and service desk teams and official external feedback from Parties. There have been various engagement points including a webinar, bulletin updates, LinkedIn posts and podcasts. This information has been available on the REC Portal including the full recording of the industry webinar. As stated, these proposed amendments to Schedule 5 are an initial enabling change that enforces the current ability to use an issue route. Some of the concerns raised by parties referred to in the Preliminary Change Report, are being addressed outside of this Change Proposal however are part of the change improvement project. This project includes the introduction of a consolidated Change Report as a working document that evolves as the change progresses rather than the existing four reports that have multiple sections duplicated throughout. It also

		includes the introduction of the Change Issues Group and its ToR.

Question 5:	Do you have any other comments relating to this Change Proposal?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
ScottishPower Energy Retail Limited Energy Supplier	We note that the current draft legal text amends Schedule 5, Paragraph 2.1 to read: "Whilst each Change Proposal submitted in accordance with Paragraph 7 will follow a process that is particular to its requirements, there are stages to the process, as follows (subject to Paragraph 2.5):". The original "six stages" and the proposed "usually five stages" have both been removed. We believe, for clarity, that either the number of stages should be specified, or this element should be rephrased.	Noted, now amended. Thank you.
SSE Energy Supply Ltd Energy Supplier	The term 'REC Change Issue' within the legal text, we believe should be amended to state 'REC Issue' since an issue may not necessarily progress to a change. Where an issue is raised and it is identified that only the raiser is seeing this issue, this would not warrant a change to any of the processes within the REC and therefore would not be classed as a change, more of an education piece to ensure the raiser is following and understands the correct process. Therefore, in these instances of 'non-issues' a process should be developed within the change management schedule. Clause 2.1 – It is not clear whether the drafting is removing the number of stages	Thank you - following other feedback have reverted to *Issue*. Noted, now amended. Thank you.

	Clause 8.5 – Should the panel have the ability to revisit an issue? If so, the drafting has not been amended to reflect that. Clause 9.3 – We do not believe that an issue should follow the Authority change path, any issues should be fully formed prior to submission to the Authority. In this instance, it may be beneficial for an issue to not have an indication of whether it is self-governance or Authority, until it progresses to the change proposal stage Clause 9.5 – We note that drafting was removed for the determination of whether an issue is urgent or not, however we do not believe that any issue would have an urgency status, if an issue is deemed to be of an urgent nature, this should be progressed straight to change proposal. Clause 16 – It would be beneficial to create a 'Closed' criteria, in instances where the issue has been identified as a 'non-issue' in that the proposer is the only market participant to experience the issue. In our opinion, withdrawing an issue appears that the issue still exists but it is not being progressed. A criteria of closed will ensure that industry is aware that the issue has been closed as it has been deemed a 'non-issue'. Clause 17.2 – We do not agree that an issue should be able to progressed into several changes, as we noted within our response to Q2, any changes that review the same processes should be progressed as one change to reduce the burden to industry participants.	It is not intended that the Change Panel would have the ability to revisit an issue, however 8.2 gives the Change Panel visibility of the decision. Noted. The Code Manager believes there is benefit in indicating whether an Issue is likely to be Self-Governance or Authority Led. However, we agree that a only Change Proposals with a fully formed solution will be issued to the Authority for determination. Noted thank you. However, the Code Manager believes that an Issue may need an urgent timetable to scale and develop an appropriate solution based on the Urgency Status, however this may not result in a Change Proposal and instead could be resolved by introducing new guidance for example. Noted. However, the Code Manager believes that the current status of Withdrawn is clearer and creates less ambiguity. Any reason for an Issue or Change Proposal no longer progressing will be made clear and recorded on the relevant Issue or Change Proposal Page on the REC Portal and in the Change Register. The Code Manager believes there is flexibility in 17.2 to either develop one or multiple changes on a case-by-case basis. We believe that Schedule 5 does offer this flexibility as noted in 17.2 which states the REC Change Issue may be developed into multiple Change Proposals. In addition, the enhanced issue process will allow for alternative solutions to be put forward and considered, which in turn

		could limit the amount of alternate Change Proposals raised. Further in 17.3(c) the Code Manager has the right to refuse an alternative if it does not address the same or similar issues. We would expect in this case if there was still a valid case for change, for these to be progressed as a separate Issue or Change Proposal and would use our role as critical friend to advise so.
	Clause 26 – This clause refers to implementation of changes and whilst we note that the majority of implementation dates reflect the standard industry releases, we are seeing several changes being implemented as 'ad-hoc' releases. These ad-hoc releases should not become the norm. Industry have followed specific releases for a number of years, and whilst some do warrant ad-hoc releases, a number do not. Any changes which have a system impact should follow the standard industry releases only unless directed by the Authority. It would be beneficial to colour an Issue and a Proposal differently, although the references will be an indication of whether it is an issue or change, a different colour will provide clear indication at first glance. We also believe that it would be beneficial for this new process, once adopted, to be reviewed in 6 months to see whether there are any tweaks that can be made. With any new process we may not identify any issues until it is being used.	Noted. This Change Proposal has not made any changes to clause 26 however, we welcome your feedback and will be discussed for further improvements.
Data Communications Company	No further comments.	Thank you
Xoserve CDSP	We would support the principle to develop an Issue Process to support the Change Proposal process where a proposer has an Issue and wishes for an opportunity to assess the issue with their peers and industry counterparts to develop solutions. If this is the case, we would expect that Issues are optional – then would progress into a **separate** Change Proposal. The extent to which	It is the intention that the development of an Issue is given the opportunity to be assessed by industry and to help develop and shape solutions. We are utilising the existing ability to raise an Issue and create front end engagement to ensure we have formed solutions before a Change

	the existing Change Proposal process requires a change is not articulated in the Change but we note that some steps have been removed which we think is inappropriate based on the limited information provided to date. Insufficient information has been provided on the process to properly assess this and we consider that it is currently at a stage where the process cannot be assessed fully due to the level of information that has been provided with the change. Other assessments regarding other regulatory documents and contracts will need to be assessed. The Legal Text cannot be fully assessed due to the lack of supporting information provided to assess the change. The following comments are not intended to be exhaustive, rather illustrative of lack of definition of the process: - The definition of a REC Change Issue is wrong. It is possible that an Issue is raised that does not warrant a Change Proposal. As suggested above, question the naming of REC Change Issue itself. - The extent to which the 'REC Change Issue' process is a distinct process. The majority of the Legal Text seems to infer that it is the same process given the commonality of drafting. - There is no justification for the removal of the Preliminary Change Proposal. This now appears to be replaced with the Change Proposal – does this mean that all content currently in the PCR will be included in the Change Proposal template? Currently the CM is responsible for the PCR, but the Proposer is responsible for the CP – does this work? The extent to which this has been assessed has not been articulated.	Proposal is raised. The Code Manger does not agree that a separate Change Proposal needs to be raised after an Issue has been developed as this creates additional burden. The intention of this proposal is that formed Issues transform into Change Proposals without the need for additional paperwork. The Change Improvement work has been running for the last year following an internal review with our Change Team, OAMs and Service Desk Teams and official external feedback from Parties. There have been various engagement points including a webinar, bulletin updates, LinkedIn posts and podcasts. This information has been available on the REC Portal including the full recording of the industry webinar. Noted, following feedback this has been amended to Issue. For clarity, not all Issues will become Change Proposals and not all Change Proposals will come from an Issue. Noted, however we believe the amends to Schedule 5 give us the ability to enhance the current process to ensure Change Proposals are raised with a formed solution and ready for Consultation. A new single Change Report will be produced and published, at the same stage as today. All existing sections that are currently provided across the existing four reports, will remain, however will be in one Change Report that will evolve as an issue progresses. This is a report consolidation exercise and not a removal of information or engagement points –

	- The extent to which a REC Change Issue becomes one or more Change Proposals. It is unclear whether REC Change Issues will progress as such to implementation or whether a Change Proposal, or Change Proposals, could be raised following conclusion of the Issue. The inference is that an issue becomes a change proposal (subject to a valid change being necessary) – this being true, then I think that Issues cannot be subject to Authority Consent and also they cannot be subject to Urgency. We are concerned regarding how Issue Groups are constituted. This is not covered at all in the documentation and we consider that this is fundamental and should be explicit if this change is to achieve the objective set out in the PCR of: "Few opportunities to discuss or engage with development and solution of a change". It is unclear how this process will interact with the RTS meeting – which is well chaired and managed that discusses solutions and allows parties to contribute to Change Development. Without defined Terms of Reference we are concerned that this well-functioning group may be negatively impacted. The extent to which this has been considered is not explicit within the document.	following feedback from parties of too much duplication across reports. Noted. The Code Manager believes there is benefit in indicating whether an Issue is likely to be Self-Governance or Authority Led. Only a Change Proposal will be subject to Authority determination. Noted thank you. As stated, these proposed amends to Schedule 5 are an initial enabling change that enforces the current ability to use an issue route as well as a direct change route and consolidates the change report to a working document that evolves as the change progresses. The Change Issues Group is not part of this change. The Code Manager is able to stand up these groups already and we have after discussion with RECCo and from feedback and engagement with parties, stood up a new group to discuss REC code issues. Invites have been sent to REC Parties and the wider REC Stakeholder community and we have accepted responses from across the market. In the October Webinar there was a walkthrough of the process mapping. This will be revisited at the next webinar in June 2024. For clarity, the Technical Workshop is still one of the engagement vehicles we will continue to use to get impacts assessed. We thank you for your positive comments on this group.