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

CHANGE REPORT	FINAL
DOCUMENT VERSION	1.0
ISSUED DATE	25/06/2024
DOCUMENT APPROVAL STATUS	POST-VOTE

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 the Change Process Improvements project.

	High Impact: N/A
	Medium Impact: N/A
	Low Impact: REC Professional Service REC Technical Service REC Performance Assurance Service All REC Parties All REC Service Users

RESPONSIBLE COMMITTEE DECISION

On 02 July 2024, the Change Panel voted to **APPROVE** R0167 for implementation on 19 July 2024.

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RETAIL ENERGY CODE

BACKGROUND

1 SUMMARY

Early 2023, the Code Manager initiated a project to address feedback received, from stakeholders, on the REC Change Process. The project team have been working with internal and external stakeholders to identify opportunities for improvement in the REC Change Process. This work has highlighted a series of amendments to the current REC Change Process, that would enable a more efficient and streamlined process. As a result, some 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 change process dependant on an individual case, re-enforcing the ability to raise change issues that can be developed and progressed through expert groups, allowing Responsible Committees to be identified to help shape solution options. It would also allow efficiencies in the stages of managing change, including duplication of documentation produced.

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

This Change Proposal has been raised to update the legal text of Schedule 5 thus supporting these change improvements which are being progressed outside of this Change Proposal. In addition, improvements have been identified to systems that support the Change Process, and these will be addressed in a separate Change Proposal, when appropriate.

Additional information regarding the wider activities being undertaken by the project, was presented at the next Change Improvement Webinar on the 20 June 2024.

2 PROBLEM STATEMENT

Feedback gathered has highlighted issues with the current process including speed of the process, engagement, and inefficiencies. Amendments are required to Schedule 1 and Schedule 5, 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 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 effectively and efficiently in the REC Change Process including the development and progression of industry issues, to shape and develop solutions.

PROPOSAL

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.

This Change Proposal does not seek to address all the feedback from stakeholders as these will be addressed under activities being progressed under the change improvement project.

A 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 to raise an issue 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 needs to be developed and agreed using engagement, including expert or issue groups if and as required. At the point solution is agreed the REC Issue will be formalised as a REC Change Proposal and progress to industry consultation.

R0167 addresses the process defined in Schedule 5, 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.

For clarity, to address the desire for discussion groups and more engagement in the solution development, the Code Manager has introduced an additional forum – The Change Issue

Group. The introduction of this group has not required a change to the REC and has therefore been established outside of this Change Proposal.

In addition, a review of the existing Change Reports - Initial Assessment Report, Change Proposal Plan, Preliminary Change Report and Final Change Report, is underway to consolidate into one Change Report which will be published at key stages of the process. This aligns the REC with the Code Administration Code of Practice process. This review does not seek to remove any of the information or engagement points that are currently provided across existing reports but will remove duplication of information across different templates. This has resulted in the removal of terms for the Preliminary Change Report and Final Change Report as set out in the legal text for this change, however the templates are internal documents and do not require a formal change to the REC to address them.

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 the project looking at change process improvements.

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.~~
Issue	means an issue affecting this Code that may become a Change Proposal in accordance with the Change Management Schedule
Urgent Issue	means an Issue that should be treated as urgent in accordance with on the criteria for urgency published by the Authority from time to time.

Multiple amends to Schedule 5 are also proposed.

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

6 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	19/07/2024	**PROPOSED IMPLEMENTATION APPROACH**	BIG BANG

9 SUMMARY OF CONSULTATION RESPONSES

A consultation was circulated on 17 May 2024 to obtain views on the Preliminary Change report. In total five responses were received. One response was confidential. The responses have been consolidated and comments provided by the Code Manager. This can be found here.

The key themes from these responses have been summarised and set out below.

9.1 SUMMARY OF RESPONSES

9.1.1 COMMENTS ON THE SOLUTION AND LEGAL TEXT

Four respondents were supportive of the proposal to codify the concept of a change Issue and to frame the change process through Change Issues and Change Proposals, however three of these respondents suggested additional clarity was required, which has been addressed through the legal text or in this Final Change Report. One respondent disagreed stating there is insufficient information provided within the documentation for this change to make an informed assessment of the Change Proposal.

9.1.2 CHANGE PATH AND CODE MANAGER'S RECOMMENDATION

All responses were in agreement with the Change Path determined by the Code Manager however one respondent highlighted that they believed there was limited information to assess this change properly but consider that it is unlikely to warrant Authority Consent. Three of the responses were supportive of the proposed implementation date however requested additional clarity on activities that form part of the change improvement work and added that they would also support an implementation date later in 2024, if it would support parties being well informed of these amendments to the change process.

Two respondents were not supportive of the proposed implementation date and requested that additional information and clarification is provided.

Following the consultation, the Code Manager, in agreement with RECCo, delayed the publication of this Final Change Report. This was in order to address some of the comments and clarification sought from the consultation responses. Individual sessions have been held with our Service Providers and a webinar for industry was held on the 20 June to ensure any questions were addressed.

10 SUMMARY OF AMENDMENTS MADE FOLLOWING CONSULTATION

DOCUMENT	SECTION	AMENDMENT	REASON
Schedule 1 – Interpretations and Definitions		Proposed Term: REC Change Issue amended to Issue	Following consultation feedback.
Schedule 1 – Interpretations and Definitions		New definition of Urgent Issue created	Following RECCo feedback.
Schedule 1 – Interpretations and Definitions		No longer removing the Definitions for Preliminary Change Report and Final Change Report.	Following consultation feedback.
Schedule 5 – Change Management	All	REC Change Issue amended to Issue	Following consultation feedback.
Schedule 5 – Change Management	Clause 2	Inclusion of a requirement to allow Change Proposals the flexibility to be referred to other stages as required.	Following RECCo feedback.
Schedule 5 – Change Management	Clause 2.1	Added the number of stages back into the text.	Following consultation feedback.
Schedule 5 – Change Management	Clause 7.1	Updated *fully formed* solution to *developed* solution.	Following RECCo feedback.
Schedule 5 – Change Management	Clause 9.3	Removed unnecessary reference to Issue and Change Proposal	Following RECCo feedback.
Schedule 5 – Change Management	Clause 10	Inclusion of a requirement to allow Change Proposals the flexibility to be referred to other stages as required.	Following RECCo feedback.
Schedule 5 – Change Management	Clause 17.2	Deleted proposed new clause	Following RECCo feedback.

11 CASE FOR CHANGE

The Code Manager believes this change encourages further engagement with the change process by enhancing a route for Issues raised which enables additional touchpoints for stakeholders, the Code Manager and Service Providers to shape and develop solutions. Alongside this change, the recent introduction of the Change Issues Group introduces a platform for any interested stakeholder to share their expertise and contribute directly into the progression of issues and changes. This change also offers more flexibility and clarity in the way change issues and proposals are developed, ensures that Issues are subject to an agreed Change Path for completion and supports the drive for continuous improvement and efficiencies in the operation of the REC.

12 CODE MANAGER'S RECOMMENDATION

Based on the evidence provided in section 11 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 19 July 2024.

13 RESPONSIBLE COMMITTEE DECISION

This report was discussed at the REC Change Panel meeting on 18 June 2024.

The REC Change Panel voted to:

- **APPROVE** the proposed change solution;
- **APPROVE** the proposed implementation approach; and
- **APPROVE** the proposed implementation date of 19 July 2024 as a big-bang, extraordinary REC release.

14 APPENDIX

CHANGE PROPOSAL	Link
CONSOLIDATED CONSULTATION RESPONSES	Link
LEGAL DRAFTING	Link

15 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.