RETAIL ENERGY CODE

This document is classified as **WHITE**.
Information is for public, unrestricted dissemination and publication.

01	Proposal Plan
02	Impact Assessment
03	Consultation
04	**Final Recommendation**

CHANGE REPORT

R0168 – CLARIFY AND STRENGTHEN CRS PROVIDERS REQUIREMENTS

DOCUMENT VERSION	V1.0
PROPOSED IMPLEMENTATION DATE	28/02/2025
IMPLEMENTATION APPROACH	BIG BANG

RESPONSIBLE COMMITTEE	CHANGE PANEL	**CHANGE PATH**	SELF-GOVERNANCE
PRIORITY STATUS	HIGH	**URGENCY**	STANDARD
IMPACTED STAKEHOLDERS	ALL REC PARTIES		

LEAD ANALYST (SOLUTION LEAD)	SUBJECT MATTER EXPERT	ASSURANCE LEAD
JAMES HARDY	ANDY KNOWLES	VAISHNAVI SHARMA
Click to send an email	Click to send an email	Click to send an email

OVERVIEW

The RECCo Major Switching Incident review focused on the analysis and assessment of; Code compliance, performance, impacts and insights from lessons learned and feedback from impacted stakeholders. These assessments thematically articulated changes and improvements identified to assure industry Market Participants that clear and appropriate action is, and will be, taken to prevent, detect and mitigate the risks and impacts of another event, and prepare for the right response to any future incidents. This REC Change Proposal was raised, previously as an Issue, to address learnings from the Priority 1 (P1) Switching Incident in July 2023 and implement recommendations from the RECCo Review Report within the Retail Energy Code.

RESPONSIBLE COMMITTEE DECISION

On 04 February 2025, the REC Change Panel, in accordance with the Code Manager's recommendation, voted to:

- **APPROVE** the proposed change solution;
- **APPROVE** the proposed implementation approach; and
- **APPROVE** the proposed implementation date of 28 February 2025.

RETAIL ENERGY CODE

CONTENTS

1 Summary 3
2 Problem Statement 4
3 Impacts 8
4 Cross-Code Impacts 8
5 Proposal plan 9
6 Stakeholder Engagement 9
7 Priority Status and Urgency 10
8 Proposed Solution 11
9 Draft Legal Text 12
10 Summary of Impact Assessment Activity 12
11 Business Case Assessment 13
12 Case for Change 14
13 Summary of Consultation Responses 14
14 Summary of Amendments Made Following Consultation 16
15 Risks, Assumptions, Issues and Dependencies 17
16 Appendix 18
17 Glossary 18

RETAIL ENERGY CODE

BACKGROUND

1 SUMMARY

On 06 July 2023, a Major Switching Incident occurred with the Central Switching Service (CSS) operated by the Switching Operator and CSS Service Provider, the Data Communications Company (DCC). It prevented the successful completion of that day's planned electricity and gas, supply Switches and new Registrations.

The CSS was stabilised post-incident and any new requests submitted after 09:00am on 06 July 2023 were subsequently processed successfully. Through the collective action of the Switching Operator and industry Parties, the CSS sent the missing industry messages to give effect to the intended Switches and new Registrations during the period of the 2nd to the 8th of August 2023. P1) Major Switching Incidents of this nature are required to be resolved within 4 hours; however, the DCC reported it took 1,605.6 hours in this instance.

This incident had significant impacts on multiple industry Parties and end Consumers, demonstrating a clear need for improvement in the arrangements of Switching Service Management and responses to Major Switching Incidents. The Retail Energy Code Company ((RECCo) with the assistance of its Code Manager) completed an end-to-end incident review; to identify the root cause, consider the efficiency and effectiveness of the incident management response, assess the improvements required, and identify appropriate actions for risk mitigation. The overarching objective was envisaged that by delivering the identified review recommendations, these actions should limit the possibility, or minimise the impact of, any future Major Switching Incidents.

For further details, including the full list of review recommendations, please see the full RECCo Review Report, published on the RECCo website, including Summary and Detailed Appendix.

Within the RECCo Review Report, several of the recommendations were assigned to the REC Code Manager. Five of these recommendations were agreed to be addressed through R0168 and can be considered as the requirements for this Issue. They were references T007 – root cause communication, IM013 – Switching Operator's end Consumer communication, IM015 – Switching Operator, Switching Incident impact assessment, IM017 – incident wide Switching impact assessment, and COM022 – refresh and testing of Switching Operator's incident related policies, processes and procedures.

During the solution development and industry engagement for this Issue, the Code Manager agreed to a further three recommendations which were to be addressed through R0168 and act as further requirements for the solution. These are IM018 – Switching Operator's responsibilities to ensure appropriate guidance and instruction to Ofgem and Code Administrators, IM019 – Switching Change Advisory Board roles and responsibilities, and T009 – Data captured as part of a Switch, or otherwise, to help prioritise in the event of a Major Switching Incident.

For further details on each of these review recommendations and requirements for R0168, please see section 2.1 of this Change Report on the problem statement and requirements. Utilising the Change Issues Group, the Code Manager has engaged with Market Participants, RECCo and the DCC on how to addresses these recommendations. During the Change Issues Group meeting on 06 June 2024, attendees expressed a desire to have an outcome that addressed the recommendations without major codification of the requirements. Instead, they expressed support for a Major Switching Incident Best Practice Document to be introduced, incorporating the requirements for the Switching Operator in each of the recommendation areas. Consequently, the Code Manager has begun to develop a solution around a Major Switching Incident Best Practice Document that has been drafted with the support of RECCo, the Switching Operator and the Change Issues Group.

This Change Report contains the problem statement and requirements from each recommendation, details on stakeholder engagement and the Proposal Plan. The Proposal Plan will set out the activities required to complete the proposed solution and the definition phase, details on further stakeholder engagement and the Change Proposal process, and the voting dates for the final decision.

2 PROBLEM STATEMENT

On 6th July 2023, a Major Switching Incident occurred with the CSS operated by the Switching Operator and CSS Service Provider, the DCC. It prevented the successful completion of that day's planned electricity and gas, supply Switches and new Registrations.

P1 Major Switching Incidents of this nature are required to be resolved within 4 hours; however, DCC reported it took 1,605.6 hours in this instance. This incident had significant impacts on multiple industry Parties and end Consumers, demonstrating a clear need for improvement in the arrangements for Switching Service Management and response to Major Switching Incidents.

2.1 RECOMMENDATIONS AND REQUIREMENTS

As noted in section 1 of this Change Report, R0168 proposes to address eight RECCo Review Report recommendations as part of this Issue, with each of the recommendations providing a set of requirements that the proposed solution should ensure in addition to the problem statement. These eight recommendations and their requirements are detailed below:

Root Cause Communication (Review Ref. T007)
That the DCC, in its role as Switching Operator, delivers clear, accurate and timely information on the incident root cause, as soon as possible, once it has obtained a reasonable understanding, both to offset the risks of uncertainty and limited information. The Switching Operator should ensure Switching Parties (like Energy Suppliers, Third Party Intermediaries (TPIs) and Networks) have the right information to enable meaningful engagement, assist their end-Consumers, and ensure all impacted Market Participants can more proactively manage the incident impacts, including making appropriate plans in response to the incident and its resolution.

RETAIL ENERGY CODE

Switching Operator's End-Consumer Communication (Review Ref. IM013)
Introduce a requirement for the DCC, in its role as the Switching Operator, to provide end-Consumer appropriate information for REC Parties and Non-REC Parties use, to determine communication and action for their Consumers. This is deemed to be part of the Compliance and Technical Solution in response to the P1 Switching Incident with an aim to increase confidence in managing technical incidents.

Switching Operator, Switching Incident Impact Assessment (Review Ref. IM015)
The DCC has a responsibility to consider the cost and impact of an incident against industry, such as REC defined processes, systems, data and services, and should ensure its proposed solutions consider these impacts. A solution that seeks to purely solve the issue for REC switching systems only, can have an unnecessary impact (resource, time, cost) across the wider switching landscape. This change should clarify the existing Switching Operator's broader obligation to assess an incident impact on the wider Switching Arrangements (set out in REC Schedule 26, Switching Service Management Schedule, section 1.7, and section 2.9), to ensure the Switching Operator facilitates the most effective, efficient (in terms of time, cost, and resource) overall switching industry solution.

Incident Wide Switching Impact Assessment outcome (Review Ref. IM017)
To clarify that if a Major Switching Incident is not going to be resolved within defined Service Levels (four hours), the DCC in its role as Switching Operator should determine the impact on compliance with the REC end-to-end Switching Arrangements. The Switching Operator should subsequently work with Ofgem, the Code Administrators for BSC, UNC and DCUSA, and RECCo, to identify the cross-code impacts/impacts on other Codes when managing an incident and developing an appropriate solution for industry, with a focus on an option with the least negative impact to end-Consumers.

RETAIL ENERGY CODE

Refresh and testing of Switching Operator's incident related policies, processes, and procedures, to ensure they remain fit for purpose (Review Ref. COM022)

Clarity of requirements to ensure the Switching Operator periodically reviews, reissues, maintains, evaluates, and tests its:

- Switching Incident management policy, processes, and procedures: with the inclusion of defined roles & responsibilities (i.e., RACI, to assist rapid incident resolution), and a major Switch response process, with a scheduled annual test.
- Switching Service Management policies & procedures
- Incident communications strategy: to include the channels to be used, and cadence of incident meetings (separate to the established Switching Operator forum).
- Procedure for the review and update of contact lists for CSS Users, Switching Data Service Providers (SDSP's) and other interested Parties.
- Methodology and criteria to assess the priority of incident resolution hierarchy.

Switching Operator's responsibilities to ensure appropriate guidance and instruction to Ofgem and Code Administrators (Review Ref. IM018)

IM018 seeks to ensure that the Switching Operator is provided clear guidance on the responsibilities for ensuring appropriate guidance and instruction is given when working with Ofgem and the Code Administrators (BSC, UNC, DCUSA, and RECCo) when managing an incident and determining the impact on compliance of the respective organisations within the scope of the REC.

This recommendation is closely linked to IM017, that is already included in the R0168 Best Practice document drafting. To incorporate IM018, the Code Manager will look to extend the drafting around section 2.5 – Broader Industry Impact Assessment, that already acknowledges the need for the Switching Operator to collaborate with Ofgem, RECCo and Code Administrators.

The Switching Operator has also asked for further clarification on who, and how, to engage with other Codes and organisations following a Major Switching Incident. The Code Manage believes this further clarification can be provided by incorporating IM018 into the solution for R0168.

RETAIL ENERGY CODE

Switching Change Advisory Board Roles and Responsibilities (Review Ref. IM019)
IM019 seeks to ensure the appropriate terms of reference and membership of the Switching Change Advisory Board, so that the Board can be convened to make decisions on similar incidents, should they occur in the future. Under IM019, consideration is needed around the Switching Change Advisory Board role when agreeing the right resolution, with change impacts to multiple SDSPs and Market Participants. Consideration will also be given to how an emergency Switching Change Advisory Board may be convened as part of any incident plan updates, and how Switching Change Advisory Board outputs should be communicated via REC communication channels to Market Participants. The Code Manager recommends that IM019 is incorporated into the document to help provide transparency and clarity for the Switching Operator and REC Switching stakeholders around the role of the Switching Change Advisory Board for prolonged Major Switching Incidents when considering/determining the proposed resolution activity.

Data captured as part of a Switch, or otherwise, to help prioritise in the event of a Major Switching Incident (Switching Operator's potential to identify and prioritise certain customer groups) (Review Ref. T009)
T009 seeks to review, and assess, the data captured as part of a Switch, or otherwise, to help prioritise in the event of a Major Switching Incident. This recommendation has been considered in conjunction with IM20 that states that the Switching Operator should consider the potential to identify and prioritise certain customer groups impacted by a Major Switching Incident. Previous RECCo analysis concluded that there are no appropriate data points that would, by themselves, assist in developing a prioritisation of one group of impacted Switches over another (either by Consumer segment, or volume of energy), without potentially causing inappropriate detriment to another group. In summary; 1. Each Switch/New Registration is sacrosanct and should be processed; delaying a particular Switch/Registration over another is inappropriate. 2. There is limited information (data) contained in a Switch message which the Switching Operator/CSS Provider could use to propose prioritisation of one Switch over another when developing an incident resolution plan and approach. Whilst the Domestic Premises Indicator (DPI) might indicate the market, and the Market Participant Identifier (MPID) might indicate an intracompany Switch, what neither do is tell the underlying story behind the Switch, or their relative importance to each other. Should a Major Switching Incident occur in the future, RECCo recommends the Switching Operator engages with impacted Switch Parties (i.e., Energy Suppliers, SDSPs) to identify; • Impacts • Priorities – i.e., individual switches that they believe require prioritised processing, and the rationale why. Through this stakeholder engagement, the Switching Operator can consider what the prioritisation it proposes to apply to the proposed resolution.

3 IMPACTS

CONSUMERS	REC SERVICE PROVIDERS
All Consumers	Central Switching Service
	Switching Operator

REC PARTIES AND SERVICE USERS	SWITCHING DATA SERVICE PROVIDERS	REC DOCUMENTS & PRODUCTS
Distribution Network Operators (DNOs)	Electricity Registration Data Services (ERDS)	Schedule 26 – Switching Service Management
Energy Suppliers	Electricity Enquiry Service (EES)	Central Switching Service Definition
Gas Transporters	Gas Registration Data Service (GRDS)	Switching Operator Service Definition
Third Party Intermediaries (TPIs)	Gas Enquiry Service (GES)	

MHHS DESIGN
No impact on MHHS Design.

MHHS DATA SPECIFICATION
No Data Specification.

MHHS CODE DRAFTING
No impact on MHHS Code Drafting.

A Major Switching Incident has the potential to impact all aspects of the Retail Energy Market. Addressing the issues detailed in section 2.1 will support limit the risk of a Major Switching Incident impacting:

- Ability to switch on time, effectively stuck until Switch processed
- Poor switching experience
- Billing errors – disputed reads
- Erroneous Switch – not being spotted and resolved on time
- Limited Non-Domestic product offerings

4 CROSS-CODE IMPACTS

Whilst the REC Code Manager does not expect this issue to develop into a cross-code Change, there is an expectation that there will be indirect impacts on other Code Administrators within the solution. Further, the REC Code Manager will maintain consistent engagement with other Code Administrators throughout the solution development and Change Proposal process and ensure there are appropriate opportunities for cross-code engagement.

5 PROPOSAL PLAN

Milestone	Activity	From	To
Definition		**06 Jun-24**	**31 Dec-24**
	Solution Development	**Completed**	**Completed**
	Request for Party Feedback	**Completed**	**Completed**
	Legal Review	**Completed**	**Completed**
Change Proposal		**01 Jan-25**	**31 Mar-25**
	Business Case Assessment	**Completed**	**Completed**
	Consultation	**Completed**	**Completed**
	Solution Refinement	**Completed**	**Completed**
	Final Determination	**Completed**	**Completed**
Voting		**04 Feb-25**	**04 Feb-25**
	Appeal Window	04 February	18 February

Due to the unpredictability of Major Switching Incidents, the Code Manager sought, where possible, to progress each stage of the Change Proposal process, and implement a solution, at an earlier opportunity to reduce the risks and impacts of any future Major Switching Incident. Consequently, the voting phase is now to occur on 04 February 2025, ahead of plan.

A Party impact assessment was not included in the Proposal Plan. At the Change Issues Group meeting on 05 September 2024, Market Participants were asked about the inclusion of an impact assessment. Market Participants decided than an impact assessment would not be necessary because the Code Manager has also offered sufficient levels of continued stakeholder engagement. This approach would also quicken the change process and the solution implementation, which may help reduce the risks of any future Major Switching Incident.

6 STAKEHOLDER ENGAGEMENT

R0168 was raised (as Issue I0168) following the RECCo P1 Switching Incident Review Report. The review report was an end-to-end incident report produced by RECCo with the assistance of the REC Code Manager. To help progress with R0168, the Code Manager has utilised the Change Issues Group to support with solution development and to allow stakeholder engagement.

At the Change Issues Group meeting on 06 June 2024, the Code Manager presented attendees with the initial five recommendation areas (as detailed in section 1 and 2.1 of this Change Report) to function as first requirements for this Issue. These were agreed upon by the group to be taken forward as part of R0168's solution development.

The desired outcomes, and the requirements for the REC, for each of these recommendations were set out and agreed upon by the group. The group expressed a desire to have less codification of the requirements and instead expressed support for a Major Switching Incident

Best Practice Document to be introduced, incorporating the requirements for the Switching Operator in each of the recommendation areas.

A straw-man proposal of the Major Switching Incident Best Practice Document was presented to the Change Issues Group at the meeting on 04 July 2024, and attendees were provided with the opportunity to discuss the initial drafting. Feedback was provided and the Code Manager agreed to make amendments to the document, including changes to the title of the sections and recommendations, before publishing this for a wider Party/stakeholder review and opportunity for feedback that took place between 02 August 2024 and 16 August 2024.

Following further engagement with RECCo, the Code Manager proposed to incorporate three further recommendations (IM018, IM019 an T009) into the solution for R0168. The Change Issues Group was once again invited to discuss the inclusion and requirements of these additional proposed recommendations at the Change Issues Group meeting on 05 September 2024, where stakeholders agreed for these to be included. The Proposal Plan was discussed, and stakeholders agreed with the Code Manager's proposed plan, activities, and timescales for R0168. The Code Manager also discussed Performance Assurance options with the Performance Assurance Board (PAB) at their meeting on 29 October 2024.

The Code Manager provided opportunities for stakeholder engagement by providing further updates and opportunities for discussion through the Change Issues Group, and via the industry consultation.

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	2	27	53
	Retail Markets Impact	Retail Risk(s)	2	17	33
	RECCo / REC Party / REC Service Provider Impact	Operational Effectiveness and Efficiencies	2	7	13
		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		3	17	25
	Contribution to/ Alignment with RECCo's Forward Work Plan		1		8
Urgency *(The need to progress a change to meet a targeted date)*		Other Planned Activity	0	10	0
				Overall Priority Score (rounded)	166

Priority Status	HIGH
Change Proposal Type	STANDARD

The priority status of this Issue is "High" based on a weighted prioritisation score of 166. This reflects the direct impact that a Major Switching Incident may have on Consumers, the urgency required to ensure that any risks or impacts from a future Major Switching Incident are addressed, and to ensure that a Major Switching Incident does not have negative implications for the objective of the REC.

8 PROPOSED SOLUTION

As discussed, and agreed by the REC Change Issues Group, who expressed their desire for a solution that does not contain major codification, the proposed solution for R0168 is to introduce a new Category 3 guidance document titled “Major Switching Incident: Switching Operator Best Practice Document”. This document will set out the steps the Switching Operator should consider in the event of a Major Switching Incident not being resolved within the required Service Levels. The document is based upon the recommendations provided as part of the RECCo Major Switching Incident Review. These are further detailed section 2 of this Change Report.

Incorporating these actions into the R0168 solution will ensure that the problem statement is resolved as the best practice document will support the Switching Operator in reducing the impacts of a Major Switching Incident on industry Parties and end Consumers and provides an improvement in the arrangement of Switching Service Management and responding to Major Switching Incidents. Please note, where the Switching Operator is expected to contact the Code Manager in line with the best practice, the Switching Operator should determine an appropriate email contact ensuring they have a recmanager.co.uk email address. The Switching Operator should also carbon copy the REC Service Desk using enquiries@recmanager.co.uk.

The Major Switching Incident: Switching Operator Best Practice Document that forms the solution can be found, here. This document will be introduced through a subsequent Category 3 Change Proposal prior to the implementation date for R0168. A separate Category 3 Change Proposal will also be required to update the DCC-owned Category 3 ‘Switching Operator – Incident Management Policy’ document to ensure that the approaches captured throughout the Major Switching Incident: Switching Operator Best Practice Document are aligned with the existing Incident Management Policy document. The Code Manager will support the DCC in raising this Category 3 Change Proposal.

Following consultation, where the DCC asked for the Code Manager to provide a template to complete to show where best practice has been followed, an additional document has been drafted titled ‘Major Switching Incident: Switching Operator Best Practice Evaluation Form. This can be found here and is also included as an appendix in the Major Switching Incident: Switching Operator Best Practice Document. As part of the assurance of a Major Switching Incident, this form will allow the Switching Operator to qualify the areas and methods in which the best practice document has been followed, offer any justifications for non-reference with best practices, or describe the situations in which best practice actions have not been necessary.

8.1 AMENDMENTS TO EXISTING REC SERVICE DEFINITIONS AND SCHEDULES

As part of the solution, there will be references to the new Category 3 document within existing REC Category 1 and Category 2 documents. This will ensure the Switching Operator can be appropriately assured in the event of a Major Switching Incident and ensure the Switching Operator adheres to the document and the recommendations included.

The references will contain the following clause drafting: “The Switching Operator must refer to the Major Switching Incident: Switching Operator Best Practice Document if the Switching Operator has failed to resolve a Major Switching Incident within the required Service Levels.”.

This clause will be added to the following REC Documents:

- **Switching Operator (SO) Service Definition –** Section 5: Service Levels – Switching Incidents (new clause 2.24)
- **Central Switching (CSS) Service Definition –** Section 5: CSS User Support (new clause 2.23)
- **Schedule 26 – Switching Service Management –** Section 2: Switching Service Requests and Switching Incidents – Switching Problem Management (new clause 2.23)

Further, clause 2.17 of Schedule 26 – Switching Service Management will be amended to ensure that the Switching Operator is required to inform the PAB as soon as possible if they are aware than a Major Switching Incident will not be resolved within the required Service Levels. Currently, clause 2.17 states "Where a Major Switching Incident is not resolved within the required Service Levels, the Switching Operator shall inform the REC Performance Assurance Board on a daily basis until the Major Switching Incident has been resolved". As part of the R0168 solution, the Code Manager proposes to add "The Switching Operator shall also inform the REC Performance Assurance Board as soon as the Switching Operator has identified that it will not be able to resolve a Major Switching Incident within the required Service Level".

9 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0168 can be found below.

- Major Switching Incident: Switching Operator Best Practice Document (Category 3 Document)
- Major Switching Incident: Switching Operator Best Practice Evaluation Form
- Central Switching Service Definition
- Switching Operator Service Definition
- Schedule 26 – Switching Service Management

10 SUMMARY OF IMPACT ASSESSMENT ACTIVITY

At the Change Issues Group meeting on 05 September 2024, Market Participants were asked about the need for a Service Provider and/or REC Party impact assessment. Market Participants decided that, considering the proposed solution and urgency of the change, impact assessments would not be necessary. Change Issue Group attendees also noted that in the absence of an impact assessment the Code Manager had also offered sufficient levels of continued stakeholder engagement, including an invitation to comment and review and initial draft of the proposed solution guidance document.

11 BUSINESS CASE ASSESSMENT

INTANGIBLE BENEFITS	BENEFITS DESCRIPTION
INTANGIBLE BENEFITS	The Switching Operator will be provided with appropriate guidance to ensure it can deliver clear, accurate, and timely information, to enable Switching Parties to have meaningful engagement with other Market Participants and can more accurately assist their end-Consumers.
	Increased guidance for the Switching Operator, to provide end-Consumer appropriate information for REC parties and non-REC Parties use, to determine communication and action for their Consumers, resulting in increased confidence in the Switching Operator's ability to manage technical incidents.
	Increased guidance will ensure that the Switching Operator will be able to facilitate the most effective and efficient overall switching industry solution in terms of time, cost and resource, that will benefit all Parties. Increased requirements to consider the costs will also provide more accurate and effective impact assessments of incidents.
	Increased engagement between the Switching Operator, Ofgem, and the Code Administrators for BSC, UNC, DCUSA, and RECCo to ensure cross-code impacts are quickly identified and an appropriate solution is found, with the least negative impacts for Consumers.
	Further clarity provided on the role of the Switching Change Advisory Board to ensure there are appropriate terms of reference and membership, allowing the board to easily be convened to make decisions on Major Switching Incident's, should they occur in the future.
	Increased engagement between the Switching Operator and impacted Switch Parties (for example, Energy Suppliers) to identify impacts and individual Switches that they believe required priorities processing, to ensure the business and Consumer detriment is kept to a minimum in the event of a Major Switching Incident.
	Increased guidance, actions, and engagement involving the Switching Operator will lead to a more effective Major Switching Incident resolution that will limit the risk of a Major Switching Incident preventing Consumer's ability to Switch on time, billing errors, and Erroneous Switches not being spotted and resolved in the required timeframe, leading to a more positive, overall switching experience and Consumer confidence in the market.

11.1 COST BENEFIT ANALYSIS

No costs have been identified to deliver the solution for this Change Proposal.

Since the solution for this change is a legal text change only, and as there are no costs associated with the implementation of this change, the cost benefit analysis relies on the intangible benefits that this change facilitates.

12 CASE FOR CHANGE

The Code Manager considers that there is a case for change to implement this Change Proposal on the basis that:

- the proposed solution is fully formed and appropriately resolves the problem statement;
- the proposed solution appropriately ensures the actions and recommendations from the RECCo Major Switching Incident Review are met;
- the proposed solution provides appropriate guidance and support to the Switching Operator, and provides further clarity and expectations for REC Parties and end Consumers in the event of a Major Switching Incident;
- the proposed solution can be implemented with a short lead time and without costs and impact to REC Parties, and will ensure the guidance is quickly available should another Major Switching Incident occur in the near future, thus reducing any risks associated with a Major Switching Incident;
- the proposed solution outcomes provide improved efficiency in the operation of the retail energy market in the event of a Major Switching Incident; and
- the proposed solution was supported by a range of Market Participants during the consultation, with respondents noting that the Change Proposal will bring benefits to the Major Switching Incident resolution process and reduce the risks associated with a Major Switching Incident.
- a positive business case can be made, as set out in Section 11,12 and 13 of this Change Report.

13 SUMMARY OF CONSULTATION RESPONSES

A consultation was circulated on 13 December 2024 to obtain views on the Change Report (for consultation). In total 5 responses were received. These were from the Data Communications Company (DCC) in their role as the Switching Operator, two Distribution Network Operators, one Energy Supplier, and one further response that was submitted confidentially. The consolidated non-confidential consultation responses can be found, here.

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

13.1 SUMMARY OF RESPONSES

Respondents were pleased to see the progression of this Change Proposal and expressed their support of the solution, benefits, and business case assessment detailed in the Change Report. All respondents also agreed with the implementation date and approach, and the Code Manager's recommendation that this Change Proposal should be approved.

Respondents supported the introduction of a new Category 3 REC document called "Major Switching Incident: Switching Operator Best Practice document and highlighted that the existence of a document would support the Major Switching Incident resolution process. Two respondents, including the Switching Operator, provided additional comments on the drafting of

these documents, with recommendations to include additional details or clarifications, remove actions that are not required or possible, to correct some typographical issues, and to ensure the document more appropriately aligns with the proposed legal text.

13.2 COMMENTS ON THE SOLUTION AND PROPOSED LEGAL TEXT

Parties largely agreed with the proposed legal text for Schedule 26 – Switching Service Management, the Switching Operator Service Definition and the CSS Service Definition. The DCC stated that they agreed in principle to the amendments but asked for some minor alterations to ensure further clarity, and to ensure that the DCC has an appropriate level of flexibility in its approach to handling a Major Switching Incident.

An Energy Supplier and the DCC provided comments on the draft Major Switching Incident: Switching Operator Best Practice Document. The Energy Supplier noted some of their experiences around the Major Switching Incident actions included in the document and provided some suggestions for further points to reference, including an additional impact. DCC provided two main themes. Firstly, the document proposes several new requirements on the DCC, that if taken forward, the DCC would need to carry out an impact assessment for each new requirement. The DCC also noted a discrepancy in the name of the document and the name included in the legal drafting for the REC Schedule and Service Definition. This has subsequently been amended by the Code Manager to ensure consistency.

The DCC provided feedback on the document in a marked-up version. This has been reviewed by the Code Manager who has further engaged with the DCC to discuss their feedback and action this where appropriate.

13.3 BENEFITS RELATIVE TO IMPLEMENTATION

Respondents noted throughout their consultation responses, that the implementation of this Change Proposal, with a solution and a new document that is fit for purpose, would bring benefits to the Major Switching Incident resolution process. These benefits include improvements in communication during an incident, improved arrangements in Switching Service Management to ensure a more beneficial and structured response to Major Switching Incidents that reduces the risks associated with Major Switching Incidents and provides increased assurance to industry Parties.

13.4 CASE FOR CHANGE AND CODE MANAGER'S RECOMMENDATION

All respondents agreed with the Code Manager's case for change and recommendation. Respondents noted that improvements in arrangements in responding to Major Switching Incidents were required, and that the Change Proposal would provide additional structure to the processes in cases where a Major Switching Incident cannot be resolved within the required Service Levels.

13.5 IMPLEMENTATION DATE AND APPROACH

All respondents agreed with the proposed implementation data and approach. Respondents also noted support for this change being implemented more quickly, as part of the February 2025 REC release, as this will help reduce any risks associated with any future Major Switching Incidents.

14 SUMMARY OF AMENDMENTS MADE FOLLOWING CONSULTATION

Following the consultation and further engagement with the Switching Operator, minor updates have been made to the Major Switching Incident: Switching Operator Best Practice Category 3 document. An amendment has also been made to the legal drafting for Schedule 26, the Switching Operator Service Definition, and the CSS Service Definition. No amendments have been made to the case for change, or the Code Manager recommendation.

DOCUMENT	SECTION	AMENDMENT	REASON
Major Switching Incident: Switching Operator Best Practice Document Schedule 26 – Switching Service Management CSS Service Definition Switching Operator Service Definition	Title 2.23 5.3 5.4	Correction to 'Major Switching Incident: Switching Operator Best Practice Document'.	During consultation, it was brought to the Code Manager's attention that there was a discrepancy throughout between the Change Reports, the proposed Category 3 document, and the legal drafting around the name of the best practice document, with "Major Switching Incident: Switching Operator Best Practice Document' and Switching Operator – Major Switching Incident Best Practice both being used. This amendment confirms the title of the document accurately, ensuring multiple, alternative titles are not used throughout.
Schedule 26 – Switching Service Management CSS Service Definition Switching Operator Service Definition	2.23 5.3 5.4	The Switching Operator must ~~adhere~~ refer to the ~~Switching Operator: Major Switching Incident Best Practice Document~~ Major Switching Incident: Switching Operator Best Practice Document if a Major Switching Incident has not been resolved within the required Service Levels.	Wording change to increase flexibility for the Switching Operator to follow the best practice document whilst factoring in the unique nature, and situations, that arise during Major Switching Incidents. The wording change also ensures the obligations in the Schedule and Service Definitions aligns with the purpose and requirements stated in the best practice document. Title of the document has also been corrected.

Major Switching Incident: Switching Operator Best Practice Document	2.7	Addition of section 2.7 – Engagement to Understand any Potential Resolution Prioritisation.	This new section has been added to ensure review reference T009 is included in the solution. T009 formed a requirement as stated in the problem statement. T009 also received support for inclusion during the consultation. The addition of this section acts upon this.
Major Switching Incident: Switching Operator Best Practice Document	Appendix 1	Addition of Major Switching Incident: Switching Operator Best Practice Evaluation Form	During the consultation, and subsequent engagement, DCC/the Switching Operator asked the Code Manager to create a form that they could use to evaluate their use of the best practice document as part of the assurance of the process. The Code Manager agreed and created an evaluation form to be included within the best practice document. This has now been added in as Appendix 1.
Major Switching Incident: Switching Operator Best Practice Document	2.4	Section title changed to Switching Operator Impact Review	Following engagement with the Switching Operator, this section title has been changed from Switching Operator Impact Assessment to Switching Operator Impact Review. This is to provide increased clarity since a full, formal impact assessment would not be required, and to accurately reflect the requirements in the section.
Major Switching Incident: Switching Operator Best Practice Document	2.5	Section title changed to Broader Industry Impact Review	Following engagement with the Switching Operator, this section title has been changed from Broader Industry Impact Assessment to Broader Industry Impact Review. This is to provide increased clarity since a full, formal impact assessment would not be required, and to accurately reflect the requirements in the section.

15 RISKS, ASSUMPTIONS, ISSUES AND DEPENDENCIES

No risks, assumptions, issues or dependencies have been identified.

16 APPENDIX

ISSUE / CHANGE PROPOSAL	Link
LEGAL DRAFTING	Major Switching Incident: Switching Operator Best Practice Document (Category 3) Major Switching Incident: Switching Operator Best Practice Evaluation Form Central Switching Service - Service Definition Switching Operator - Service Definition Schedule 26 – Switching Service Management
CONSOLIDATED CONSULTATION RESPONSES	R0168 Non-Confidential Consolidated Consultation Responses
ANY OTHER DOCUMENTS / LINKS	RECCo Review Report Summary and Detailed Appendix.

17 GLOSSARY

TERM	DEFINITION
Central Switching Service	means the Systems and processes provided or procured by the CSS Provider for the purpose of providing the Address Management Service and the Registration Service.
Code Manager	means the person described in Clause 7 of the main body of this Code.
CSS Service Provider	means the DCC when performing functions under or in relation to this Code (but always excluding its functions under the Smart Energy Code and its roles as CSS Systems Integrator, SI Provider and Switching Operator), including in respect of the Central Switching Service and including in effecting the design, build and testing of any System that will allow it to perform functions under this Code after the CSS Go-Live Date. This role is the CSS Procurer and Manager function as described in the E2E Data Migration Plan, E2E Integration Plan, E2E Post Implementation Plan, E2E Testing Plan, E2E Transition Plan: Implementation Approach and E2E Transition Plan: In-Flight Switches Approach.
Domestic Premise Indicator (DPI)	means the indicator used to identify a Domestic Premises.
Electricity Enquiry Service (EES)	means the service described as such in the EES Service Definition.

Electricity Registration Data Services (ERDS)	means the electricity registration services provided under this Code to support the provision of electricity retail data to the CSS and other services.
Energy Supplier	means a person which is either or both an Electricity Supplier and/or a Gas Supplier.
Erroneous Switch	means where a Consumer has been switched to an Energy Supplier which does not have an Energy Contract in place, as further described in the Resolution of Consumer-Facing Switching and Billing Problems Schedule.
Gas Enquiry Service (GES)	means: (a) until CSS Go-Live Date, the enquiry service provided pursuant to the UNC which allows authorised users to access Gas Retail Data; and (b) from CSS Go-Live Date, the service of that name procured by RECCo pursuant to the Data Access Schedule.
Gas Registration Data Service (GRDS)	means the gas registration services provided under this Code to support the provision of gas retail data to the CSS and other services
Issue	means an issue affecting this Code that may become a Change Proposal in accordance with the Change Management Schedule.
Major Switching Incident	means a high impact Switching Incident which results in significant disruption to the Switching Arrangements.
Market Participant	means a participant in either or both of the gas and electricity markets of Great Britain, each of which is identified by a Market Participant Role.
Market Participant Identifier (MPID)	means the unique identifier by which a Market Participant is identified.
RECCo	means the company established under Clause 5 of the main body of this Code.
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.
Data Communication Company (DCC)	means the person holding the DCC Licence.
Switching Change Advisory Board	means the group responsible for the review and approval of Operational Switching Service Changes. This is separate from the code bodies that would approve changes to Energy Codes.

Switching Data Service Providers (SDSP)	means the CSS Provider, the SMDSP (in respect of the services provided under the Smart Energy Code), the Enduring Change of Supplier Service Provider (in respect of the services provided under the Smart Energy Code), the Gas Retail Data Agent, the Electricity Retail Data Agents, and the Enquiry Service Providers.
Switching Incident	means an issue that arises with a System or process forming part of the Switching Arrangements that has been working but is no longer working or is not working correctly.
Switching Operator	means the DCC in performing the role of managing the co-ordination of the CSS Provider and the other Switching Data Service Providers, including the mechanisms for Users to report incidents and access service management support, from the CSS Go-Live Date
Switching Service Management	means the function in place to ensure co-operation and co-ordination between the Market Participants and Switching Data Service Providers, as further described in the Switching Service Management Schedule.
Third Party Intermediaries (TPIs)	means a broker or introducer acting between Consumers and Energy Suppliers, including Price Comparison Websites.