RETAIL ENERGY CODE

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

CHANGE REPORT

R0217 – AMENDING CONTRACTUAL OBLIGATIONS FOR SIPS AT NON-DOMESTIC PREMISES

DOCUMENT VERSION	V1.0
PROPOSED IMPLEMENTATION DATE	01 April 2025
IMPLEMENTATION APPROACH	Big Bang

RESPONSIBLE COMMITTEE	Metering Expert Panel	**CHANGE PATH**	Self-Governance
PRIORITY STATUS	Medium	**URGENCY**	Standard
IMPACTED STAKEHOLDERS	Safe Isolation Providers (SIPs)		

LEAD ANALYST (SOLUTION LEAD)	SUBJECT MATTER EXPERT
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OVERVIEW

The contractual obligations in section 21 of Schedule 14 Metering Operations are too restrictive or not relevant to Non-Domestic Premises making delivering isolators to Non-Domestic Premises more complex than it needs to be.

RESPONSIBLE COMMITTEE DECISION

On 12 March 2025, in line with the Code Manager's recommendation, the Metering Expert Panel voted to:

- **APPROVE** the proposed change solution;
- **APPROVE** the proposed implementation approach; and
- **APPROVE** the proposed implementation date of 01 April 2025.

RETAIL ENERGY CODE

CONTENTS

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

RETAIL ENERGY CODE

BACKGROUND

1 SUMMARY

Safe Isolation Providers (SIPs) have identified that section 21 of Schedule 14 Metering Operations is too restrictive or not relevant to Non-Domestic Premises. The obligations currently state that SIPs can only contract with the Premises owner, when for Non-Domestic Premises the occupier will often have rights allowing them to conduct these works.

This change proposes amending the legal text in section 21 of Schedule 14 Metering Operations to provide separate obligations for Domestic and Non-Domestic Premises that are relevant to these different market segments.

2 PROBLEM STATEMENT

Non-Domestic Consumers who occupy (but do not own) a Premises with relevant permissions allowing metering work to occur are unable to contract with SIPs due to the restrictions in section 21 of Schedule 14 Metering Operations.

3 IMPACTS

CONSUMERS
Non-Domestic Consumers

REC PARTIES AND SERVICE USERS
SIPs

REC DOCUMENTS / PRODUCTS
Schedule 14 Metering Operations

MHHS DESIGN
No impact

MHHS DATA SPECIFICATION
No impact

MHHS CODE DRAFTING
Indirect impact

This change has indirect impact to the Market-wide Half-Hourly Settlement (MHHS) code drafting as it makes changes to Schedule 14 Metering Operations, which is heavily impacted by MHHS. Although this change does not make any amendments to text being rewritten by MHHS, any amendments that are approved for implementation on or before M8 will need to be incorporated into the MHHS version of Schedule 14 implemented at M8.

4 CROSS-CODE IMPACTS

There are no cross-code impacts identified with this change.

5 PROPOSAL PLAN

Milestone	Activity	From	To
Definition		**09-Dec-24**	**21-Jan-25**
	Code Manager Assessment	December	January
Change Proposal		**22-Jan-25**	**11-Mar-25**
	Business Case Assessment	January	February
	Consultation	February	February
	Solution Refinement	February	March
	Final Determination	March	March
Voting		**12-Mar-25**	**12-Mar-25**
	Appeal Window	13-Mar-25	27-Mar-25

The Code Manager has decided that no Party impact assessment is required as part of this change, as it comes with a fully formed solution and should have minimal impacts to Parties.

6 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	Innovation and Market Arrangements	1	17	17
	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		1	9	9
Strategic Alignment	Contribution to/ Alignment with the objectives of the REC		0	17	0
	Contribution to/ Alignment with RECCo's Forward Work Plan		0		0
Urgency *(The need to progress a change to meet a targeted date)*		Other Planned Activity	0	10	0
				Overall Priority Score (rounded)	107

Priority Status	MEDIUM
Change Proposal Type	STANDARD

SOLUTION

7 PROPOSED SOLUTION

The solution for this change is to make amendments to section 21 of Schedule 14 Metering Operations.

8 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0217 can be found here.

It proposes the introduction of new text, splitting out how SIPs can contract with Domestic and Non-Domestic Premises. It requires SIPs contracting with Domestic Premises to contract with the owner of a Premises but allows SIPs contracting with Non-Domestic Premises to contract with either the owner or occupier of the Premises subject to confirmation that the occupier has obtained any permissions/consents required.

RETAIL ENERGY CODE

PRELIMINARY ASSESSMENT

9 SUMMARY OF IMPACT ASSESSMENT ACTIVITY

No Service Provider or Party impact assessment was conducted as part of this change.

10 RISKS, ASSUMPTIONS, ISSUES AND DEPENDENCIES

No risks, assumptions, issues or dependencies have been identified as part of this change.

11 BUSINESS CASE ASSESSMENT

11.1 COSTS

No costs have been identified as part of this change.

11.2 BENEFITS

INTANGIBLE BENEFITS	BENEFITS DESCRIPTION
ALLOW OCCUPIERS OF NON-DOMESTIC PREMISES WITH CORRECT PERMISSIONS TO CONTRACT WITH SIPS	For Non-Domestic Premises, the Occupier will often have permission from the Owner to make changes to the Premises. The current wording in of section 21 in Schedule 14 Metering Operations is too restrictive in not allowing SIPs to contract with Non-Domestic Occupiers who have these permissions. The proposed legal text will benefit Non-Domestic Consumers with these permissions as they will be able to contract directly with SIPs (where they can evidence they have these permissions).

11.3 COST BENEFIT ANALYSIS

As there are no costs associated with this change and one intangible benefit which will provide positive outcomes for Non-Domestic Consumers, the Code Manager believes there is a positive case for change.

12 CASE FOR CHANGE

The Code Manager considers there is a positive case for change for implementing this Change Proposal on the basis that the proposed solution:

- Is both viable and implementable, and effectively resolves the problem statement;
- Has no costs and has proportionate effort required for implementation; and

- Provides a benefit for Non-Domestic Consumers, by no longer preventing Non-Domestic Premise Occupiers with relevant permissions from contracting directly with SIPs.

13 SUMMARY OF CONSULTATION RESPONSES

A consultation was circulated on 23 January 2025 to obtain views on the Change Report (For Consultation). In total four responses were received from one Distribution Network Operator (DNO), one Energy Supplier and two Metering Equipment Managers (MEMs). One of these responses was submitted anonymously. The public responses have been published here.

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

13.1 SUMMARY OF RESPONSES

All respondents were in favour of this change being implemented.

13.2 COMMENTS ON THE PROPOSED LEGAL TEXT

The DNO respondent proposed the addition of “in accordance with paragraph 9 of the Metering Accreditation Schedule” to the legal text, to specify that SIPs can only work on Whole Current Metering. The Code Manager does not believe this insertion is required as it is already documented in the REC and DCUSA what work SIPs are and are not allowed to undertake.

The Energy Supplier respondent raised concerns that the proposed legal text does not account for where there is a domestic end-user in a non-domestic premise. The Code Manager believes that as the definition of Non-Domestic Premise in REC Schedule 1 should preclude there being a Domestic end-user, and that any such exceptions should be covered in the contract between the Non-Domestic owner and Domestic occupier, no further clarity is required.

13.3 BENEFITS RELATIVE TO IMPLEMENTATION AND OPERATIONAL COSTS

All respondents agreed with the Code Manager’s assessment of the costs and benefits as laid out in section 11 of this Change Report.

13.4 IMPLEMENTATION DATE AND APPROACH

All respondents agreed with the Code Manager recommendation that this change is subject to the self-governance change path, that the Metering Expert Panel should be the responsible committee and that a big bang implement was appropriate. All respondents agreed with the proposed implementation date of 01 April 2025.

14 SUMMARY OF AMENDMENTS MADE FOLLOWING CONSULTATION

No amendments have been made following consultation.

15 APPENDIX

CHANGE PROPOSAL	Link
LEGAL DRAFTING	Link
CONSOLIDATED CONSULTATION RESPONSES	Link

16 GLOSSARY

TERM	DEFINITION
Domestic Premises	means a premises at which a supply of Energy is (or will be) taken wholly or mainly for domestic purposes, which is to be interpreted in accordance with the Energy Supply Licences.
Non-Domestic Premises	means a premises at which a supply of Energy is (or will be) taken wholly or mainly for non-domestic purposes, which is to be interpreted in accordance with the Energy Supply Licences.
Premises	is to be interpreted in accordance with the Gas Act and the Electricity Act.
Safe Isolation Provider (SIP)	means a Meter Operator Agent which has been (and remains) accepted as a Safe Isolation Provider in accordance with paragraph 9 of the Metering Accreditation Schedule.