RETAIL ENERGY CODE

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

CHANGE REPORT

R0227 DOMESTIC ELECTIVE HH SWITCHING

DOCUMENT VERSION	V1.0
PROPOSED IMPLEMENTATION DATE	07 November 2025
IMPLEMENTATION APPROACH	Big Bang

RESPONSIBLE COMMITTEE	Change Panel	**CHANGE PATH**	Self-Governance
PRIORITY STATUS	Medium	**URGENCY**	Standard
IMPACTED STAKEHOLDERS	Domestic Energy Consumers, Energy Suppliers		

LEAD ANALYST (SOLUTION LEAD)	**SUBJECT MATTER EXPERT**
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OVERVIEW

This change aims to remove unnecessary blocks to Consumer Switching, where a Domestic Consumer is registered as elective Half Hourly (HH) with the Losing Supplier, but the Gaining Supplier does not offer this.

RESPONSIBLE COMMITTEE DECISION

On **17 June 2025,** the REC Change Panel voted, in line with the Code Manager recommendation, to:

- **APPROVE** the proposed change solution;
- **APPROVE** the proposed implementation approach; and
- **APPROVE** the proposed implementation date of 07 November 2025.

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BACKGROUND

1 SUMMARY

Until Market Half Hourly Settlement (MHHS) work is completed, most Domestic Consumers will continue to be settled on a 'Non-Half Hourly (NHH)' basis. The choice as to whether to offer this is decided by Suppliers. Some Suppliers have already begun to settle Consumers Half Hourly (HH) through Ofgem's elective HH Settlement work, though not all Suppliers offer this.

Metering systems are given a Measurement Class (MC) and Profile Class (PC) to predict Settlement to identify their likely usage into ranges. For Domestic Consumers opted into elective HH, these would be MC "F" and PC "00."

Because not all Energy Suppliers have opted into providing elective HH, a Supplier has identified an issue where the Gaining Supplier request that the Losing Supplier update the Meter Point Administration Number (MPAN) to NHH before they take on the MPAN, rather than following the Change of Measurement Class process from HH to NHH and Change of Supplier as defined in the Balancing and Settlement Code (BSC). The Proposer has requested that guidance is added to the Retail Energy Code (REC) stating that this process should be followed.

2 PROBLEM STATEMENT

There are issues when a Domestic Consumer intends to Switch Energy Suppliers, but their MPAN is registered as elective HH with their current Supplier, and this is not offered by the Gaining Supplier. This can cause delays with Switching for Consumers.

3 IMPACTS

CONSUMERS
Domestic Electricity Consumers

REC PARTIES AND SERVICE USERS
Electricity Suppliers

REC DOCUMENTS / PRODUCTS
Registration Services Schedule

MHHS DESIGN
No impact

MHHS DATA SPECIFICATION
No impact

MHHS CODE DRAFTING
Indirect impact

This change has an indirect impact to the MHHS Code drafting as it makes changes to Schedule 23 Registration Services Schedule, which is impacted by MHHS. Any legal drafting will need to be assessed against the MHHS drafting to ensure there are no impacts.

Any amendments that are approved for implementation on or before M8 will need to be incorporated into the MHHS version of Schedule 23 Registration Services Schedule implemented at M8.

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4 CROSS-CODE IMPACTS

No cross-code impacts have been identified as part of this Change Proposal.

5 PROPOSAL PLAN

Milestone	Activity	From	To
Definition		**05-Dec-24**	**30-Apr-25**
	Solution Development	December	April
	Impact Assessment	March	April
Change Proposal		**01-May-25**	**14-Jul-25**
	Business Case Assessment	April	May
	Solution Refinement	April	May
	Consultation	May	June
	Final Determination	June	July
Voting		**15-Jul-25**	**15-Jul-25**
	Appeal Window	16-Jul-25	30-Jul-25

6 STAKEHOLDER ENGAGEMENT

The Code Manager worked closely with Energy Suppliers to ensure that their views and operational requirements were represented and acknowledged during solution development. Additionally, the Code Manager engaged widely with industry during the progression of this Issue, at forums including, but not limited to the Change Issues Group.

7 PRIORITY STATUS AND URGENCY

PRIORITISATION MATRIX

Category	Significance / Resource impacts / Urgency	Further selection / breakdown	Score (0-3)	Weighting	Weighted Score
Impacts	Consumer Impact	Indirect	1	27	27
	Retail Markets Impact	Innovation and Market Arrangements	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		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		1		8
Urgency *(The need to progress a change to meet a targeted date)*		Other Planned Activity	0	10	0
				Overall Priority Score (rounded)	105

Priority Status	MEDIUM
Change Proposal Type	STANDARD

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SOLUTION

8 PROPOSED SOLUTION

The proposed solution is to add the below text into Schedule 23 Registration Services, section 11.3:

- where the RMP is subject to elective Half-Hourly Settlement (Measurement Class F, and Profile Class 0), if the Gaining Supplier does not offer elective Half-Hourly Settlement, then the Gaining Supplier shall follow the 'Change of Measurement Class – Change of Supplier' process under the BSC.

This solution will only be applicable to MPANs which have not transitioned into the MHHS arrangements.

9 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0227 can be found on the REC Portal.

- The changes in the pre-MHHS version of Schedule 23 can be found here.
- The changes in the post-MHHS version of schedule 23 can be found here.

Only the pre-MHHS version was available for impact assessment, and no changes were made between impact assessment and consultation.

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PRELIMINARY ASSESSMENT

10 SUMMARY OF IMPACT ASSESSMENT ACTIVITY

10.1 SERVICE PROVIDER IMPACT ASSESSMENTS

No Service Provider impact assessment was required as part of this Change Proposal.

10.2 REC PARTY IMPACT ASSESSMENTS

A Party impact assessment was conducted from 14 March to 04 April 2025. A total of three responses were received, all from Energy Suppliers. All responses were submitted non-confidentially and have been published here.

ENERGY SUPPLIERS	• All three Energy Suppliers agreed with the proposed solution and legal text, and that it resolved the problem statement. One Energy Supplier raised a further query around Switches where the Gaining Supplier does offer elective HH but the Losing Supplier does not. In this situation the Code Manager would expect the Gaining Supplier to already have their own processes set up, and with the imminent implementation of MHHS would not seek to codify this. • All three Energy Suppliers confirmed they believe the solution appropriately accounts for the move to MHHS and called out that this change is not required once NHH no longer exists. The Code Manager will add this to the future/potential change log. • Two Energy Suppliers confirmed they required no lead time to implement this Change, the third did not provide a comment to this question. All three Energy Suppliers confirmed they foresaw no costs associated with the implementation of this Change. • All three Energy Suppliers identified benefits to their business and believe this Change should be progressed.

11 RISKS, ASSUMPTIONS, ISSUES AND DEPENDENCIES

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

12 BUSINESS CASE ASSESSMENT

12.1 COSTS

There are no central system costs associated with this Change Proposal. All Energy Suppliers who responded to the impact assessment confirmed they foresaw no costs related to the implementation of this Change Proposal.

12.2 BENEFITS

INTANGIBLE BENEFITS	BENEFITS DESCRIPTION
CLARITY FOR ENERGY SUPPLIERS	The introduction of this text into Schedule 23 Registration Services provides clarity for Energy Suppliers who do not offer elective HH on how to handle the Switch where they are gaining an MPAN that is Measurement Class F. This means all Energy Suppliers should be following the same process, increasing cohesion within the market.
IMPROVED CONSUMER SWITCHING JOURNEY	The Code Manager has heard anecdotally that where a Consumer is currently opted into elective HH but wishes to move to an Energy Supplier who does not offer this, sometimes the Switch does not progress as timely as possible as the Gaining Supplier wishes for the Change of Measurement Class to be done prior to the Switch. Introducing this legal text into Schedule 23 Registration Services should make it clearer that the Gaining Supplier should follow the 'Change of Measurement Class – Change of Supplier' process under the BSC. This should in turn lead to an improved Consumer Switching journey as there is no delay in them Switching to their chosen Energy Supplier.

12.3 COST BENEFIT ANALYSIS

As there are no costs associated with this Change Proposal and two intangible benefits, the Code Manager believes there is a positive case for change.

13 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 associated costs and has proportionate effort required for implementation;
- Provides clarity for Energy Suppliers; and
- Improves the Consumer Switching journey.

14 SUMMARY OF CONSULTATION RESPONSES

A consultation was circulated on 09 May 2025 to obtain views on the Change Report (For Consultation). In total two responses were received from Energy Suppliers. The key themes from these responses have been summarised and set out below.

14.1 SUMMARY OF RESPONSES

Both respondents were supportive of the Change Proposal being implemented.

14.2 COMMENTS ON THE SOLUTION AND PROPOSED LEGAL TEXT

Both respondents agreed with the solution and had no comments on the legal text.

One respondent did say they believed MHHS redline changes will not be required. The Code Manager has clarified that what is labelled “post MHHS” is the Schedule that will go live at M8, currently aiming for September 2025. This legal text will be required post M8 and throughout transition, but the Code Manager has taken an action to raise a new Change Proposal once MHHS migration has completed to remove this from the Schedule.

14.3 CASE FOR CHANGE AND CODE MANAGER’S RECOMMENDATION

Both respondents agreed with the Code Manager’s assessment of the costs and benefits for this Change Proposal.

Both respondents agreed with the Code Manager’s recommendation to approve this Change, and with the assessment this Change Proposal should be subject to Self-Governance approval by the REC Change Panel.

14.4 IMPLEMENTATION DATE AND APPROACH

Both respondents agreed with the proposed implementation approach of a Big Bang implementation.

One respondent agreed with the proposed implementation date of 07 November 2025, while the other said they believed this Change Proposal should be implemented as soon as possible. As November 2025 is the next standard REC release available to implement this change, and the Code Manager is being cautious with extraordinary releases this close to MHHS, the Code Manager has taken this response as being supportive of a 07 November 2025 implementation.

15 SUMMARY OF AMENDMENTS MADE FOLLOWING CONSULTATION

No amendments have been made following the consultation.

16 APPENDIX

CHANGE PROPOSAL	Link
LEGAL DRAFTING	Link – pre MHHS version Link – post MHHS version
CONSOLIDATED IMPACT ASSESSMENT RESPONSES	Link
CONSOLIDATED CONSULTATION RESPONSES	Link

17 GLOSSARY

TERM	DEFINITION
Consumer	means any person supplied (or seeking a supply) of Energy at an RMP (whether or not that person also exports or is seeking to export electricity at an RMP).
Domestic Consumers	means a Consumer at Domestic Premises.
Gaining Supplier	means, in relation to a proposed Switch (or Switch), the Energy Supplier which is proposing to become the Registered Supplier at an RMP as a result of that proposed Switch (or which has become the Registered Supplier as a result of that Switch).
Half Hourly (HH)	refers to electricity being traded and/or settled on a half hourly basis
Losing Supplier	means, in relation to a proposed Switch (or Switch), the Energy Supplier which will cease to be the Registered Supplier at an RMP as a result of that proposed Switch (or which has ceased to be the Registered Supplier as a result of that Switch).
Market Half Hourly Settlement (MHHS)	Market-wide Half Hourly Settlement (MHHS) is the new electricity market arrangements that will enable the flexibility to support transition to Net Zero. A shorter and more accurate Settlement timetable using Half Hourly meter readings for settled energy will support a cost-effective electricity system, encourage flexible use of energy, and help Consumers lower bills. The MHHS Programme is an industry-led programme established to deliver the Target Operating Model and aims of the Electricity Settlement Reform Significant Code Review (SCR). Market-wide Half Hourly Settlement (MHHS) - REC Portal

Measurement Class (MC)	A classification of Metering Systems which indicates how Consumption is measured i.e. Non-Half Hourly Metering Equipment (equivalent to Measurement Class “A”) Non-Half Hourly Unmetered Supplies (equivalent to Measurement Class “B”) Half Hourly Metering Equipment at above 100kW Premises (equivalent to Measurement Class “C”) Half Hourly Unmetered Supplies (equivalent to Measurement Class “D”) Half Hourly Metering Equipment at below 100kW Premises with current transformer (equivalent to Measurement Class “E”) Half Hourly Metering Equipment at below 100kW Premises with current transformer or whole current, and at Domestic Premises (equivalent to Measurement Class “F”) Half Hourly Metering Equipment at below 100kW Premises with whole current and not at Domestic Premises (equivalent to Measurement Class “G”) BSC Section X-2: Technical Glossary - Elexon Digital BSC
Meter Point Administration Number (MPAN)	means the unique reference number used to identify electricity Metering Points.
Non-Half Hourly (NHH)	Refers to electricity being traded and/or metered by reference to periods of more than half an hour (normally monthly or longer).
Profile Class (PC)	A classification of profiles which represents an exclusive category of customers whose Consumption can be reasonably approximated to a common profile for Settlement purposes Profile class “00” represents the consumers with the highest usage and rely on Half Hourly metering. BSC Section X-2: Technical Glossary - Elexon Digital BSC
Settlement	means settlement under the relevant industry codes (the BSC for electricity and the UNC for gas).
Switching	means a change to the Registered Supplier for an RMP.