RETAIL ENERGY CODE

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NON-CONFIDENTIAL CONSOLIDATED CONSULTATION RESPONSES

R0332 – AMEND THE REC TO PERMIT RECCO TO UNDERTAKE ADDITIONAL CODE MANAGER ACTIVITIES

On 28 July 2026, the Code Manager issued a consultation to industry to seek feedback on the Change Report (For Consultation) for R0332 – Amend the REC to permit RECCo to undertake additional Code Manager activities.

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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RESPONSE TYPE	Non-Confidential
DATE ISSUED	28 July 2026
RESPONSIBLE COMMITTEE	Change Panel
LEAD ANALYST	Bela Ashworth

DATE CONSULTATION ISSUED	28/07/2026
RESPONSE DEADLINE	11/08/2026

Question 1:	Do you agree with the proposed solution? If not, please explain why?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
SSE Energy Supply Ltd (Energy Supplier)	SSE has no issue with the proposed solution.	Thank you for your comments.
SP Energy Networks (Distribution Network Operator)	Yes, SPEN agree with the solution.	Thank you for your comments.
Octopus Energy (Energy Supplier)	Yes we agree with the processed solution. The current licence only mentions REC, so this is a necessary change to allow for that to happen.	Thank you for your comments.
British Gas (Energy Supplier)	**Position**: We support the proposed solution, subject to clear conditions on ECC scope, REC funding protection, cost transparency and future governance. We broadly agree with the proposed solution because it addresses the identified vires issue and enables RECCo to participate in the ECC Code Manager licensing assessment and related transition activity. We recognise that the REC currently frames RECCo's objective and permissible activities by reference to the REC only, and that R0332 is intended to provide a clear basis for RECCo to undertake activities connected with the Electricity Commercial Code (ECC). **Scope condition**: Our support is conditional on the proposed solution remaining tightly scoped to the ECC at this stage. We do not support the change being treated as a general or open-ended approval for	Thank you for your comments. The Code Manager believes that the proposed amendments to the REC are sufficiently forward-looking and ensures that the necessary governance and funding arrangements are in place to allow for additional Code Manager activities, however, limits the use of these arrangements to the ECC at this stage. As outlined in the FAQ document, any Additional Code Manager Activities that emerge in the future would be incorporated through a separate Change

	RECCo to undertake activities in respect of other Energy Codes without further REC governance, consultation and, where appropriate, Authority scrutiny. We understand from the Change Report and supporting FAQs that any future Additional Code Manager Activity beyond the ECC would require a further Change Proposal. We support that approach and consider it an important safeguard. **Funding condition:** We note the explanation provided in the FAQs regarding funding, including the use of the 2026-27 contingency budget, the separate identification of costs and the stated intention to seek reimbursement of transition costs where possible. We support the principle that REC funding should not be diverted from approved REC activities, nor should it compromise delivery of REC Services or REC-related workstreams. The final legal text and supporting Change Report should make clear that any costs, liabilities, recoveries or reimbursements associated with Additional Code Manager Activities are separately identifiable, transparently reported and applied for the benefit of REC Parties where appropriate. **Future governance condition**: We are comfortable with the creation of a framework for Additional Code Manager Activities where this is necessary to support RECCo's involvement in the ECC. However, any future Additional Code Manager Activity beyond the ECC should be brought forward through a separate Change Proposal, with appropriate REC Party consultation and scrutiny. **Summary of support**: Subject to these points, we agree with the proposed solution. Our support is based on the understanding that:	Proposal and undergo the formal change process, allowing for the appropriate consultation with REC Parties, industry and the Authority.

	• the Additional Code Manager Activity permitted by this change is limited to the ECC; • any future Additional Code Manager Activity beyond the ECC would require a separate REC Change Proposal and consultation; • REC Party funding will not be used in a way that delays, reduces or deprioritises approved REC delivery; • costs, liabilities, recoveries and reimbursements will be separately identifiable and transparently reported; and • any reimbursement or recovery linked to ECC transition activity will be applied for the benefit of REC Parties where appropriate.	

Question 2:	Do you agree with the proposed implementation approach (BIG BANG)? If not, please explain why?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
SSE Energy Supply Ltd (Energy Supplier)	Yes.	Thank you for your comments.
SP Energy Networks (Distribution Network Operator)	Yes.	Thank you for your comments.
Octopus Energy (Energy Supplier)	Yes we agree with a Big Bang Approach.	Thank you for your comments.
British Gas (Energy Supplier)	**Position**: We agree with the proposed Big Bang implementation approach.	Thank you for your comments.

	Given that this Change Proposal primarily amends RECCo's vires and associated governance/funding provisions, rather than requiring phased operational or system changes by REC Parties, we consider a single implementation date to be appropriate.	

Question 3:	Do you agree with the Code Manager's assessment of the costs and benefits for this change?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
SSE Energy Supply Ltd (Energy Supplier)	SSE agrees that implementing this change should have no cost and we welcome the confirmation that ECC costs will be recovered.	Thank you for your comments.
SP Energy Networks (Distribution Network Operator)	We have no visibility of the costs that the Code Manager will incur, however those stated seem reasonable.	Thank you for your comments.
Octopus Energy (Energy Supplier)	We agree with the Code Manager's assessment of the costs, benefits, and overall approach to funding and reimbursement for these additional activities. We welcome the clarification that current REC activities will not be compromised. And we note that the RECCo Board is maintaining close oversight of delivery and expenditure. We agree with the ongoing engagement with Ofgem to establish a robust mechanism that ensures full reimbursement.	Thank you for your comments.
British Gas (Energy Supplier)	**Position**: We agree with the Code Manager's assessment of the costs and benefits, subject to the funding safeguards being maintained.	Thank you for your comments.

	We note that the Change Report identifies no central systems costs and no expected costs to Parties arising from implementation of the change, while recognising the benefit of providing clearer legal drafting around the scope of RECCo's role and safeguarding cost recovery mechanisms for Additional Code Manager Activities. Our agreement is on the basis that the funding safeguards set out in the Change Report and FAQs are maintained, including the separate identification of costs, liabilities, recoveries and reimbursements associated with Additional Code Manager Activities. This is important because REC Parties fund RECCo and should be able to understand how any ECC-related expenditure is treated, tracked and recovered.	

Question 4:	Do you agree with the Code Manager's assessment of the Change Path, that this Change Proposal should be subject to determination by the Authority following approval by the Change Panel?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
SSE Energy Supply Ltd (Energy Supplier)	As this change is updating the remit of RECCo, we feel it should be reviewed by the Authority.	Thank you for your comments.
SP Energy Networks (Distribution Network Operator)	Yes.	Thank you for your comments.
Octopus Energy (Energy Supplier)	Yes we agree with the Code Managers Assessment.	Thank you for your comments.
British Gas (Energy Supplier)	**Position**: We agree with the proposed Change Path.	Thank you for your comments.

	We agree with the Code Manager's assessment that this Change Proposal should be subject to Authority determination following approval by the Change Panel. Given that the proposal amends RECCo's permitted activities and introduces provisions relating to Additional Code Manager Activities, Authority determination is appropriate.	

Question 5:	Do you agree with the Code Manager's recommendation that this Change Proposal should be approved for implementation on 01 October 2026, subject to receiving the Authority's determination by 28 September 2026, or the next appropriate implementation date a week after receiving the Authority's determination? If not, please explain why?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
SSE Energy Supply Ltd (Energy Supplier)	We have no issue with the proposed implementation date.	Thank you for your comments.
SP Energy Networks (Distribution Network Operator)	Yes.	Thank you for your comments.
Octopus Energy (Energy Supplier)	Yes, we agree with the proposed implementation date subject to receiving the Authority's determination.	Thank you for your comments.
British Gas (Energy Supplier)	**Position**: We agree with the proposed implementation date. We agree with the proposed implementation date of 01 October 2026, subject to receiving the Authority's determination by 28 September 2026, or the next appropriate implementation date one week after receiving the Authority's determination. We recognise that the Change Proposal is being progressed on an urgent basis to align with RECCo's ECC licensing assessment	Thank you for your comments.

	timetable, including the stated requirement for RECCo to submit its ECC delivery plan to Ofgem by 01 September 2026. On that basis, we agree that the proposed implementation timetable is appropriate.	

Question 6:	Do you have any other comments relating to this Change Proposal?	
RESPONDENT DETAILS	**RESPONSE**	**CODE MANAGER COMMENTS**
SSE Energy Supply Ltd (Energy Supplier)	No.	Thank you for your comments.
SP Energy Networks (Distribution Network Operator)	No further comments.	N/A.
Octopus Energy (Energy Supplier)	We have no further comments.	N/A.
British Gas (Energy Supplier)	**Position**: We have additional comments on governance, transparency and budget reporting. We note that the Change Report does not identify direct REC Party impacts or risks arising from this Change Proposal. However, given that R0332 expands RECCo's ability to undertake Additional Code Manager Activities, REC Parties retain a clear interest in the governance, transparency and funding arrangements associated with those activities. We consider it important that any use of REC budget provisions, including contingency funding, is clearly reported and does not compromise delivery of approved REC activities or REC Services. We	Thank you for your comments. The proposed amendments to the REC Main Body restrict the funding of Additional Code Manager Activity to be funded only from contingency or other budget provision approved in accordance with the REC, without diverting funding from identified REC workstreams unless that funding is no longer required for the originally identified purpose within that year. The proposed changes will require costs, liabilities, recoveries and reimbursements connected with Additional

	also consider that any costs, liabilities, recoveries or reimbursements associated with ECC related activity should remain separately identifiable, with appropriate transparency provided to REC Parties through the relevant budget and reporting processes. We also consider that the treatment of ECC transition costs should recognise the distinction between the current REC funding base and the future ECC party base. While we understand the practical need to use approved REC budget provisions in the short term, REC Parties should not be left bearing costs that are properly attributable to the establishment or future operation of the ECC. We therefore support continued transparency on the route to reimbursement, including how any recovered amounts will be returned or applied for the benefit of REC Parties. We welcome the clarification that the immediate scope of the proposed change is limited to the ECC, and that any future Additional Code Manager Activity beyond the ECC would require a separate Change Proposal. We consider this to be an important safeguard and would expect this principle to be maintained.	Code Manager Activity to be separately identifiable and applied for the benefit of REC Parties where appropriate. The Code Manager recognises the need to safeguard REC funds so as to not dilute funded REC delivery. The Code Manager believes the proposed amendments provide sufficient protection for REC Consumers and Parties by ensuring Code Manager activity is Board-approved, transparently controlled, separately identifiable for cost purposes.