RETAIL ENERGY CODE

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01	Proposal Plan
02	Consultation
03	Final Recommendation

CHANGE REPORT

R0342 - ENABLING DUAL MSA & MSS (SVA MOA) APPOINTMENTS FOR WC CONNECTION TYPES

DOCUMENT VERSION	V1.0
PROPOSED IMPLEMENTATION DATE	26 February 2026
IMPLEMENTATION APPROACH	Big Bang

RESPONSIBLE COMMITTEE	Metering Expert Panel	CHANGE PATH	Self-Governance
PRIORITISATION CATEGORY	Low	URGENCY	Standard
IMPACTED STAKEHOLDERS	Energy Suppliers, Metering Equipment Managers		

LEAD ANALYST (SOLUTION LEAD)	TECHNICAL LEAD	ASSURANCE LEAD	SUBJECT MATTER EXPERT
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OVERVIEW

This Change Proposal seeks to align REC Schedule 14 section 26, with the Balancing Settlement Code (BSC) proposal CP1650 – Extending the lapse period for Smart to Advanced Change of Market Segment.

RESPONSIBLE COMMITTEE DECISION

On 06 October 2026, the REC Change Panel approved this Proposal Plan and that this Change Report contained sufficient information to proceed to consultation.

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BACKGROUND

1 SUMMARY

Under the legacy/pre-Market-wide Half Hourly Settlement (MHHS) arrangements, the market is segmented by Measurement Class (MC) for Settlement purposes which is not sensitive to the Meter Type that is installed or is to be installed. With the exception of Unmetered Supplies (UMS allocated to MC D), the current arrangements (pre-MHHS) mean that the replacement of Traditional Metering Assets to either Smart or Advanced Metering Asset can be arranged without the need for the Change of Measurement Class (CoMC) process to be conducted concurrent with the meter exchange.

This results in a simpler installation process for either Meter Type, as the meter exchange is no longer dependent on the existing Market Segmentation arrangements (Half-Hourly (HH) and Non-Half-Hourly (NHH)). For example, where a Traditional Metering Asset is being exchanged for an Advanced Metering Asset, the exchange can be completed under Metering Configuration (MC) A. If a Consumer with a Whole Current (WC) Metering Point subsequently elects to move to HH Settlement, the Change of Metering Configuration (CoMC) from MC A to MC G can be undertaken at a later date, independently of the meter exchange process.

The MHHS baseline design moves the Market Segmentation to a combination of Meter and Connection Type for Settlement purposes. This requires Traditional Metering Asset types with Whole Current (WC) connections to be allocated to the Smart Metering Asset segment upon migration to the MHHS Arrangements. This was a design choice to cater for most of the electricity market (where the Consumer choice of Metering Asset is not optional) because the largest number of metering systems are in the Supplier Volume Allocation (SVA) market.

The result of this means that:

- Where non-domestic Consumer choice can be offered to non-domestic Consumers in line with Supplier Licence Condition (SLC) 39.13, and Consumers opt for Advanced Metering solutions, it creates a need for the Change of Market Segment (CoSeg) to be performed in line with a planned meter exchange date.
- Where a Consumer (domestic or non-domestic) cannot be offered a choice of Metering Asset in line with Supplier Licence Condition (SLC) 39.13 but has an Advanced Meter installed in their premises, the CoSeg is to be performed in line with a planned meter exchange date.

Consequently, when a WC connection goes through a meter exchange from Traditional to Advanced, or from Advanced to Smart in the MHHS arrangements, a new complexity is placed on Suppliers because the CoSeg process must be tightly co-ordinated to a specified planned meter exchange date and processed through the Metering Point Registration System (MPRS) within three Working Days of that date, otherwise the CoSeg process lapses. This arises because Suppliers initiate the CoSeg process only once a planned meter exchange date is agreed with the Metering Service provider which is to be appointed.

2 PROBLEM STATEMENT

BSC CP1650 was raised due to an issue with current MHHS arrangements which require Electricity Suppliers to closely coordinate a Change of Market Segment with a planned meter exchange. If the required activities are not completed within the relevant timescales, Appointments can lapse, creating additional administration and making it more difficult to arrange meter exchanges efficiently. CP1650 proposes changes to the Registration and Appointment arrangements for WC connection types by introducing a new Service Provider Appointment Scenario.

This consequential REC Change has been raised to incorporate the new Appointment scenario into Schedule 14 and to define the associated process steps required to support its implementation.

3 IMPACTS

CONSUMERS
Electricity
Microbusiness
Small and Medium Enterprise (SME)
Industrial and Commercial (I&C)

REC PARTIES AND SERVICE USERS
Metering Equipment Managers
Electricity Suppliers

REC DOCUMENTS / PRODUCTS
Schedule 14 – Metering Operations

MHHS
No impacts have been identified to the current MHHS arrangements.

The change will better facilitate Consumer choice in metering where applicable and where not applicable, it would enable a more streamlined process for changing meters concurrent with the Change of Market Segment process.

4 CROSS-CODE IMPACTS

This Change Proposal aligns with BSC CP1650 – Extending the lapse period for Smart to Advanced Change of Market Segment.

5 PROPOSAL PLAN

Milestone	Activity	From	To
Change Proposal		**06 Sept-26**	**11 Dec-26**
	Business Case Assessment	September	October
	Consultation	October	November
	Solution Refinement	November	December
	Final Determination	December	December
Voting		**11 Dec-26**	**11 Dec-26**
	Appeal Window	11 Dec-26	29 Dec-26

The Code Manager is proposing to issue the industry consultation on 12 October 2026, to align with the timetable proposed by BSC. This consultation will close at 23:59 on 26 October 2026.

6 PRIORITISATION CATEGORY AND URGENCY

6.1 PROPOSER REVIEW

The Proposer of this Change Proposal has provided a review stating this Change Proposal:

- Does not meet the criteria for Urgency;
- Aligns to the Strategic Direction Statement (SDS) as the proposal will better facilitate Consumer choice in metering where applicable, and where not applicable, it would enable a more streamlined process for changing meters concurrent with a Change of Market Segment, so it aligns to improvements to Consumer service and Consumer outcomes as set out in the SDS.
- In addition to improving Consumer outcomes, it will better enable Electricity Suppliers to meet their Supply Licence Condition 39 requirements by removing their current SLA of three Working Days to process Change of Market Segment for the specific reason only; and
- SMRS changes will be required with low complexity expected.

Their review can found in the initial submission form here.

6.2 CODE MANAGER REVIEW

The Code Manager is proposing this Change Proposal be given an Urgency Status of Standard and a Prioritisation Category of Standard.

The Code Manager believes this Change Proposal:

- Does not meet the Ofgem criteria for Urgency;
- Has a low alignment to the Strategic Direction Statement as it has a limited SDS relevance when compared to other Standard changes;

- Has medium importance as it delivers useful but broadly comparable benefits to other Standard changes; and
- Has a low complexity as it requires simple documentation updates with no expected system changes.

SOLUTION

7 PROPOSED SOLUTION

R0342 seeks to deliver a solution that enables WC metering points to enter the CoSeg process for both Smart-to-Advanced and Advanced-to-Smart metering segments following migration to the MHHS arrangements. The CoSeg pathway would remain available indefinitely and would be completed upon the issuance of the relevant IF/PUB-005 notifications to Supplier Meter Registration Service (SMRS). In addition, the proposal would allow a CoSeg to be undertaken once a Consumer's metering preference has been confirmed as Advanced, rather than requiring it to be performed concurrently with a meter exchange. This removes the additional complexity introduced to Advanced meter deployment under the MHHS arrangements and supports a more flexible and efficient implementation process.

8 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0342 can be found here.

9 CASE FOR CHANGE

SELF GOVERNANCE

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 expected central system costs;
- Has minimal effort required for implementation; and
- Is providing needed consistency in the market by aligning with the BSC.

ASSESSMENT AGAINST REC OBJECTIVES

As the Proposal Plan for R0342 presents the Final Determination step within the transition period for DA and SAF, the Code Manager is providing an assessment of the REC Objectives to mitigate any potential risks for delaying this activity post-Code Reform (for any BSC delays). The Code Manager believes that R0342 better facilitates the following REC Objectives:

OBJECTIVE	IMPACT TYPE	DESCRIPTION AND JUSTIFICATION
To ensure the REC operates and evolves in a manner that facilitates the achievement of its mission statement[1]	Positive	The proposal introduces a new Appointment scenario that allows Metering Appointments to remain active until the required activity is completed, enabling Suppliers to progress Market Segmentation activities once the Consumer's choice of Metering Asset is known, rather than waiting for a fixed installation date.
To ensure customers interests and data is protected in the operation of the REC	Neutral	As no additional customer information is processed and existing governance arrangements remain unchanged, the Code Manager considers there is a neutral impact against this REC Objective.
To drive continuous improvements and efficiencies in the operation of the REC and the central systems and communication infrastructures it governs	Positive	Reduces administrative burden, increases flexibility, prevents appointment lapses and improves operational efficiency.

10 APPENDIX

CHANGE PROPOSAL	Link
LEGAL DRAFTING	Link
RELATED CHANGE(S)	CP1650 Extending the lapse period for Smart to Advanced Change of Market Segment

11 GLOSSARY

TERM	DEFINITION
Advanced Metering Asset	means an electricity Metering Asset of a Meter Type which belongs to the Advanced Meter Group within Industry Standing Data (and has the same meaning as Advanced Meter within the Electricity Supply Licence).

[1] REC Mission Statement

TERM	DEFINITION
Market-wide Half Hourly Settlement	means market-wide half hourly settlement, which is being introduced pursuant to the BSC (see MHHS Implementation).
Market Segmentation	means a Smart Market Segment, Advanced Market Segment or Unmetered Market Segment as defined in the BSC.
Measurement Class	has the meaning given to that expression in the BSC.
Metering Asset	shall have the same meaning as Metering Equipment.
Metering Point Registration System	means the System used or procured by each DNO in order to provide the Electricity Retail Data Service in accordance with the REC and / or the Supplier Meter Registration Service in accordance with the BSC.
Metering Service	used within the Data Specification to refer to a Meter Operator Agent and / or an Unmetered Supplies Operator.
Smart Metering Asset	means an electricity Metering Asset of a Meter Type which belongs to the Smart Meter Group within Industry Standing Data.
Supplier Volume Allocation	has the meaning given to it under the BSC.
Traditional Metering Asset	means an electricity Metering Asset of a Meter Type which belongs to the Traditional Meter Group within Industry Standing Data.
Whole Current Metering Point	means a Metering Point where the Metering Asset is directly connected to the current carrying lines.