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1 June 2021

Dear Rachel

## Statutory consultation on licence changes for Retail Code Consolidation

Thank you for the opportunity to respond to the Statutory consultation on the proposed changes to the RIIO-ED1 licence for the Retail Code Consolidation Significant Code Review.

We have reviewed the drafting contained in the consultation document and have not identified any issues with the current proposals.

We responded to the November consultation on the proposed licence changes and we are pleased that Ofgem has incorporated our feedback into its latest licence amendments. We are particularly pleased that Ofgem has recognised the industry's concern of the proposed definitions of Metering Point and Registered Metering Point and the removal of the MRA guidance contained within Schedule 8. We support Ofgem's proposal to transfer this guidance to the MRA Transition Schedule in the REC and update the licence definition. It would be helpful for Ofgem to provide an updated MRA Transition schedule with the amendments.

We also support the proposal for the REC Code Manager to lead a review of the content of Schedule 8 to determine the most appropriate enduring form and location for the guidance. We note that REC will have until November 2021 to complete this review and propose modifications. We would suggest that REC should start work on this as soon as possible and (ideally) start ahead of the Ofgem decision for these licence modifications.

One of the issues raised with Ofgem in our previous response relates to the SLC18 Provision of and charges for Metering Point Administration Services. We understand Ofgem's position and welcome the recognition that a licence modification or derogation could be used to remove the current DNO obligations. This would represent an option and would remove the current duplication of obligations across different sectors.

We have some concerns over the lack of progress to discuss and agree the transition plan, for making the necessary changes to the BSC SMRS governance to best facilitate the transfer of MRA obligations. We note that this is required as the current BSC objectives do not recognise the distribution business requirements.



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Appendix 1 provides our detailed responses to Question 5 which directly relate to Ofgem's proposals to modify our SLCs.

I hope these comments are helpful. Please do not hesitate to contact me or Bryan Heap (07500 849220) if you would like to follow up on any particular aspect of our response.

Yours sincerely

Paul Auckland Head of Economic Regulation

c.c. Bryan Heap

## Appendix 1 – Response to Consultation Question.

Question 5: Do you agree that the proposed changes to the Electricity Distribution Standard Licence Conditions will ensure the licence reflects Retail Code Consolidation?

We have reviewed the proposed changes and agree that the changes will ensure the licence reflects the code consolidation. It would have been helpful for the proposed text for the REC MRA Transition Schedule to be included as part of this consultation to reflect the MRA Schedule 8 transfer.