

# ELEXON

**30 July 2021**

By e-mail to: [switchingprogramme@ofgem.gov.uk](mailto:switchingprogramme@ofgem.gov.uk)

Rachel Clark  
Ofgem  
Canary Wharf  
10 S Colonnade,  
Canary Wharf, London  
E14 4PU

Dear Rachel,

## **Switching Programme Significant Code Review: Retail Energy Code v3.0**

Thank you for the opportunity to respond to this consultation on the complete drafting for v3.0 of the Retail Energy Code (REC), which will go live at the same time as the new switching arrangements and Central Switching Service (CSS), expected to be in mid-2022. We also note the addendum to the consultation that contained the consequential changes to other industry codes including the BSC.

As you are aware, Elexon is the Code Manager for the Balancing and Settlement Code (BSC). We are responsible for managing and delivering the end-to-end services set out in the BSC and accompanying systems that support the BSC. This includes responsibility for the delivery of balancing and imbalance settlement and the provision of assurance services to the BSC Panel and BSC Parties. We manage not just the assessment, but also the development, implementation and operation of changes to central systems and processes.

In addition, through our subsidiary, EMR Settlement Ltd, we are the Electricity Market Reform (EMR) settlement services provider, acting as settlement agent to the Low Carbon Contracts Company (LCCC), for the Contracts for Difference (CfD) and Capacity Market (CM). EMR services are provided to the LCCC through a contract and on a non-for-profit basis.

As set out in the explanatory note Ofgem published alongside this consultation, we agree that the published BSC drafting was prepared in March 2020 and is therefore redlined against a 2020 baseline which does not reflect more recent changes to the BSC. Most significantly, the BSC redlining does not reflect the BSC consequential changes required to support v2.0 of the REC which will be introduced by BSC Modification [P420 'Retail Code Consolidation Significant Code Review'](#) and implemented on 1 September 2021. Elexon will be updating the redlining to facilitate the creation of v3.0 in the autumn such that it uses the v2.0 text as the baseline, which will make it easier to review.

As at the time of this response, we recognise there are elements of the v3.0 BSC redlining that still need to be finalised. One of these elements is the provision of Market Participant Role information, as set out in the REC Switching Data Management Schedule. We note that CR-D059 (changes to support Energy Company Data) is in progress but not yet approved, while the Switching Data Management Schedule describes the process on the basis that it will be approved. We have indicated our support for CR-D059 and have put in processes to provide similar information based on this change request to the REC Code Manager from 1 September. However, the original CSS design requires Elexon to provide this data directly to CSS via an application programming interface (API) and the uncertainty regarding CR-D059 means that, although we are still planning for that requirement, the lead time may be insufficient for us to be able to do so. We, therefore, would welcome a prompt decision on CR-D059 so that the necessary business processes can be set up and we can design our solutions accordingly without the need to use the API.

Another change we believe should be considered for REC v3.0 is whether the BSC's SVA Data Catalogue could be incorporated into the Energy Market Data Specification (EMDS). This document contains definitions of all data items and messages used for settlement processes, most of which will also be defined in the EMDS, with the exception of some specific messages that are sent by means other than the Data Transfer Service (DTS). As these messages are used in the SVA arrangements and these arrangements are transferring to the REC, we believe there is an opportunity to rationalise our documents and move all data definitions into the EMDS. This proposal would also make it easier for market participants to understand and find information relative to the REC in the REC arrangements. We would welcome the opportunity to work with the REC Code Manager and Ofgem to establish whether this could be implemented at v3.0, creating another opportunity to streamline and remove duplication.

Finally, we note that work is still ongoing to ensure that BSC governance arrangements are suitable for governance of the Supplier Meter Registration Service (SMRS) once the former Metering Point Administration Service (MPAS) provisions transfer from the REC's MRA Transition Schedule to CSS go-live. We are looking to convene a series of workshops with Supplier Meter Registration Agents (SMRAs) in late August/early September to consider how changes to SMRS will be progressed under the BSC and how SMRAs will support that process.

If you would like to discuss any of the above points, please contact Matthew McKeon, Market Architect, on 020 7380 4377 or via email at [matthew.mckeon@elexon.co.uk](mailto:matthew.mckeon@elexon.co.uk) or Thomas Demetriades, Senior Strategy and External Affairs Analyst, on 020 7380 4142 or via email at [thomas.demetriades@elexon.co.uk](mailto:thomas.demetriades@elexon.co.uk).

Yours sincerely,

Angela Love  
Director of Future Markets and Engagement