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for energy consumers

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Dear Steve,

Authority decision and direction to send back R0268: Consequential Cross-Code Change for BSC proposal P441 'Creation of Complex Site Classes'

On 13 March 2026, the Final Change Report (FCR) for Retail Energy Code (REC) modification R0268 was submitted to the Authority¹ for decision. We have decided that we are unable to form an opinion on R0268 based on the FCR as submitted to us and are therefore sending the proposal back for further work. The scope of this further work is limited to the alignment of the decision and implementation timetables with Balancing and Settlement Code (BSC) modification P441 and Distribution Connection and Use of System Agreement (DCUSA) modification DCP424.

Background

P441² was raised under the BSC following recommendations arising from BSC Issue 88³, which considered the treatment of Complex Sites⁴ and proposed the introduction of defined Complex Site Classes.

¹ References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day-to-day work. This decision is made by or on behalf of GEMA.

² [P441 Creation of Complex Site Classes - Elexon BSC](#)

³ [Issue 88 - Elexon BSC](#)

⁴ A Complex Site is a site at which multiple Meters must be "differenced" from each other and so the Meter Technical Details (MTDs) are too intricate to be accurately described in the MTD flow. In the context of the REC, it means any site that requires a 'Complex Site Supplementary Information Form' to be sent by the Meter Operator Agent to enable Supplier Agents to interpret the MTDs and calculate consumption data for Settlement purposes.

During development of the P441 proposal, it was identified that consequential changes would also be required to the REC and DCUSA to ensure a consistent cross-code framework.

R0268⁵ and DCUSA modification DCP424⁶ have been developed as consequential modifications to support the implementation of P441. Together, these modifications seek to align the relevant industry codes with the new Complex Site framework proposed under the BSC.

P441 introduces a set of defined Complex Site Classes (1-6)⁷ and seeks to provide greater clarity regarding the circumstances in which Import and Export volumes may be netted for settlement purposes across multiple Metering Systems. The modification is intended to establish a more standardised framework for the treatment of Complex Sites within the BSC.

R0268 proposes consequential changes to the REC to support the operation of these new Complex Site Classes. In particular, it introduces amendments to Schedule 14 (Metering Operations) to facilitate the identification and administration of Complex Site arrangements under the REC framework.

Reasons for our decision

We have considered the FCR and note that R0268 and DCP424 form part of a wider cross-code package sitting alongside BSC Modification P441.

Since the submission of the FCR, we have been informed that the expected submission date for DCP424 has moved beyond the current recommended R0268 decision date of 5 October 2026. As a result, the implementation and decision timetable for R0268 may no longer align with the associated modifications that are intended to operate alongside it.

We consider it important that the Authority has the opportunity to assess the entire cross-code solution before making decisions on the individual but related modifications. We therefore consider that the current timetable set out in the FCR should be revised accordingly.

For these reasons, we have decided to send the REC Change Report back to the REC Metering Expert Panel so that the recommended decision and implementation dates can

⁵ [Consequential Cross-Code Change for BSC P441 - Complex Site Classes Creation - REC Portal](#)

⁶ [Use of System charging for Complex Sites - DCUSA](#)

⁷ Class 1 - Licence Exempt Distribution Networks; Class 2 - Licence Exempt Distribution Networks with embedded generation; Class 3 - Feed through sites and network flows impacting Settlement Meters; Class 4 - Feed through sites and network flows impacting Settlement Meters with embedded generation; Class 5 - Netting of Imports from Export across multiple Boundary Points over the Total System; Class 6 - Non – Standard Complex Sites.

be reviewed and, where appropriate, revised to reflect the latest timelines for P441 and DCP424.

Direction under section 21 of Schedule 5 of the REC

Paragraph 21.3 of the REC Change Management Schedule 5 enables the Authority, when sending back a change proposal, to direct additional steps to enable the Authority to form an opinion. Consequently, we direct that further steps are undertaken to address the timetable issues identified above:

- The REC Metering Expert Panel and REC Code Manager, in liaison with Elexon and ElectraLink, revise the recommended decision and implementation dates to take account of and align with the latest expected timelines for BSCP441 and DCP424, and that the proposed REC timetable is aligned with the corresponding BSC and DCUSA modification processes.

After addressing the issues discussed above the REC Panel should re-submit the revised FCR to us for decision as soon as reasonably practicable.

The reasons for this decision are made under section 49A of the Electricity Act 1989.

Andrew Malley
Head of Distribution Charging

Signed on behalf of the Authority and authorised for that purpose