

The Retail Energy Code

Jon Dixon (Ofgem)

- Purpose, evolution and timeline
- Features

Transition requirements and RECCo establishment

V1.0 designated 1 Feb 2019;

Codifies transitional requirements to facilitate timely and effective implementation of new Central Switching Service (CSS) arrangements;

Establishes the RECCo:

- Procurement of REC Manager and performance assurance analytics can commence ahead of and be in place for go-live

New switching arrangements

Spring 2019 – aim to have complete (paper based) drafting of new switching governance, to be maintained through Ofgem SCR process until systems testing proven – then REC v2.0 given effect;

Change post-baseline to be progressed as programme change requests, keeping code and systems design in synch.

Consolidation

Separate SCR to complete non-switching consolidation – enables all changes to be effected as a single point of cutover, avoiding prolonged and voluminous transitional modifications;

RECCo and/or REC Manager to develop digital transformation strategy – ideally at, or ASAP after v2.0 implementation.



Summer 2021*

* Currently contingent upon readiness of CSS systems to go-live

Which features and principles are being embedded into the REC?



Consolidation

- Initially '2 become 1', but expect other agreements and codes to follow;
- Aiming to simplify and future-proof, not simply lift and shift
- May bring together governance of all existing 'BAU' touch points between industry and the consumer.



Access

- Being developed as a web-based and query-driven code;
- Bottom up targeted application – matched to prevailing business model rather than licence held;
- Non-licensees expected to become Parties and access REC data and services;
- Propose to remove restrictions on who can propose change.



Compliance

- Performance assurance 'baked into' the drafting;
- If it can't be measured it's not a 'rule';
- Focus on the principle, not the mechanics;
- Meaningful code sanctions for non-compliance.



Code Manager

- Proactive and empowered, not solely upon instruction of Panel;
- Responsible for scheduling and work and able to prioritise;
- Expected to develop and analyse proposal 'offline', not rely on F2F industry meetings;
- Resources to procure additional support;
- Able to instigate and progress change.