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Smarter Markets Project Update

1. Purpose

The Smart Energy Code (SEC), along with other Codes, are providing resource support for Ofgem's Faster Switching Programme. This paper provides the SEC Panel and Parties with a monthly overview of the key activities of the Ofgem Switching Programme Subject Matter Experts (SMEs) provided by SEC. The paper also covers other updates from the Programme that may be relevant to Parties. The Panel is requested to note the contents of this paper.

2. Switching Programme update

Ofgem published the timetable below for the Retail Energy Code (REC) Consequential Changes (RCC) in September:

- November 2019 – Scope for Retail Code Consolidation confirmed with a launch statement
- Autumn 2019 – Further consultation on legal text for consequential changes
- Q1-Q3 2020 – Switching Programme Significant Code Review (SCR) Maintenance Period
- Q2 2020 – Three-month consultation on consequential code drafting
- Q3 2020 – RCC SCR Maintenance Period
- Q4 2020 – Ofgem submits modifications for both SCRs to Code Panels
- Early January 2021 – Panel recommendation on SCRs to Ofgem
- Late January 2021 – Decision on modifications issued by Ofgem, SCR complete
- April 2021 – REC v2.0 implemented including switching provisions

However, in October, following the increased likelihood of a general election (now confirmed) and the period of purdah for government offices, Ofgem indicated that this timetable is likely to be revised. Additionally, they have also indicated that they are considering a different approach and we await further information to confirm their current thinking.

The Design Forum have completed the CSS (Central Switching Service) interface work and the normal agenda, considering changes to the design baseline, has resumed.

3. SEC consequential changes

During the last month the Smart Metering Key Infrastructure Policy Management Authority (SMKI PMA), Security Sub Committee (SSC) and the Technical Architecture Business Architecture Sub-Committee (TABASC) have reviewed a draft of the consequential changes to the SEC and discussed the DCC solution design. Some minor comments were provided on the text which have been included in the latest draft. Following this review of the sub-committees, a copy of the draft text has been issued to Ofgem for inclusion in their November consultation on consequential changes. Pending any unknown changes to the design that might impact the legal text, SECAS believe the draft changes are complete.

4. Inclusion of Enduring Change of Supplier arrangements

In May 2019, BEIS issued a consultation on directing the DCC to plan for the design and implementation of smart meter Enduring Change of Supplier (ECoS) arrangements. The new ECoS arrangements will replace the existing Transitional Change of Supplier (TCoS) arrangements and seek to avoid reliance on the energy supplier who is losing the customer to process the change of security credentials. TCoS also relies on the Data Service Provider (DSP) to act as a Change of Supply party, using its copy of registration data to validate switches. The ECoS solution would separate out this function from the DSP providing independent access to registration data.

In order to deliver the solution, a new 'CoS Party' will be introduced and require access to registration data from the Central Registrations Service (CRS). As a result, CR-E46 has been raised under the switching programme to implement the required changes to the design baseline.

This change request was due to be discussed at the design forum on 4 November 2019 but has been pushed back to a subsequent meeting.

5. Working Support to Ofgem

The majority of the effort this month by SEC SMEs has been on finalising the consequential impacts of the programme and confirming the final design with the DCC and Switching Programme.

In line with the effort as set out above, a total of **7.4 days** has been expended on the project by the SECAS SMEs.

6. Recommendations

The Panel is requested to **NOTE** the contents of this paper.

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8 November 2019