

Smart Energy Code Administrator
& Secretariat (SECAS)

(by email)

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Date: 8 February 2022

Dear Colleague,

**Switching Significant Code Review: Authority-Led Variation
Direction pursuant to Section D9A (Authority-Led Variations) of the Smart Energy
Code**

We refer to our update¹ published on 31 January 2022, which sets out the proposed process for the suite of industry code modification proposals now being raised by the Gas and Electricity Markets Authority (the Authority)² pursuant to its Switching Significant Code Review (SCR)³.

DIRECTION PURSUANT TO SEC SECTION D9A

Pursuant to and in accordance with (1) Licence Conditions 23.7 and 23.12 of the Smart Meter Communication Licence⁴; (2) Sections D1.3(d), D2.4 and D9A of the Smart Energy Code (SEC), and (3) the Switching SCR, the Authority hereby submits to the SEC Code Administrator the enclosed Authority-initiated Modification⁵ by way of direction under SEC Section D9A.2.⁶

In line with the Authority's SCR guidance⁷, we have worked with code administrators and stakeholders on all of the Authority-Led code modification proposals related to this SCR. In

¹ Link [here](#) to the update

² The terms "the Authority", "we" and "us" are used interchangeably in this document.

³ Link [here](#) to the Launch Statement for the Switching SCR

⁴ Granted pursuant to sections 7AB(2) and (4) of the Gas Act 1986 and sections 6(1A) and (1C) of the Electricity Act 1989

⁵ As defined by the SEC

⁶ We note the terms of SEC Section D9A.2 and confirm that this direction is pursuant to the ongoing Switching SCR – the scope and subject matter of this SCR is set out in its [Launch Statement](#)

⁷ Link [here](#) to the Authority's SCR guidance

terms of SEC Section D9A.3 (Authority-Led Consultation), whilst we consider that there has already been thorough consultation outside of the processes set out in the SEC in relation to this Authority-Led Variation, including through the Switching Programme Regulatory Design User Group (RDUG), we have been working with colleagues in SECAS to coordinate the SEC procedures for consideration of this Authority-Led Variation and those procedures shall include further consultation carried out by SECAS in accordance with the timescales outlined below.

We note that SEC Section D3.16 states that the SEC Panel shall, in the case of Authority-Led Variations, determine a timetable consistent with any relevant timetable issued by the Authority, and specify the date by which the Modification Report is to be finalised. We also note that SEC Section D3.18 states that the SEC Panel and other bodies shall complete any and all of the respective tasks gained to them in respect of a Modification Proposal in accordance with the applicable timetable.

Accordingly, and having consulted with SECAS, the Authority hereby sets the following timetable for completion by the relevant party of the procedural steps for this Authority-Led Variation:

SEC provision	Procedural step	Deadline for completion
D3.16 and D9A.4	"D9A.4 The Authority may submit its proposed Authority-Led Variation to the Code Administrator, together with such supplemental information as the Authority considers appropriate"	8 February 2022
D3.16 and D9A.6 – consultation period	"D9A.6 Upon completion of the Authority-Led Modification Report, the Code Administrator will place such report on the agenda for the next meeting of the Panel, which shall refer the report to the Change Board."	15 February 2022 to 16 March 2022

SEC provision	Procedural step	Deadline for completion
D3.16 and D9A.7	"D9A.7 In respect of each Authority-Led Modification Report referred to the Change Board, the Change Board shall vote whether to approve the Authority-Led Variation."	23 March 2022
D3.16 and D9A.10	"D9A.10 The Code Administrator shall communicate the outcome of the Change Board vote to the Authority and the Panel, and shall send copies of the following to the Authority: (j) the Authority-Led Modification Report; and (k) the outcome of the Change Board vote, including the reasons given by the Change Board Members pursuant to Section D8.17 (The Change Board Vote)."	24 March 2022

In terms of SEC Section D9A.5 (Authority-Led Modification Report), we note that the Authority-Led Modification Report to be prepared by the Code Administrator is to specify the proposed implementation timetable, including the proposed implementation date. We will advise on implementation actions in due course, if this Authority-Led Variation is approved. As you are aware, if the Authority decides to approve this Authority-Led Variation then implementation will need to take place in time for the CSS Go-Live Date. With reference to the Retail Energy Code (REC) Transition Schedule, the CSS Go-Live Date will be designated by the Gas and Electricity Markets Authority, and is currently expected to be 18 July 2022. We therefore recommend that the proposed implementation date be noted in the relevant Change Board report/recommendation as "CSS Go-Live Date, to be designated by the Authority in due course."

Please ensure that the Authority-Led Variation is published on the SEC website.

Decision stage

As set out in our update⁸, and following discussions with colleagues in the code bodies, we will be submitting the Authority-led proposals in relation to the Switching SCR to the panels of all relevant industry codes at slightly different times in order to align with the specific panel meetings being targeted for each code. This means that there will not be a single date for Authority decisions on all of the Authority-led modification proposals under the Switching SCR.

Our target date for decision in relation to this Authority-Led Variation is end-April 2022, although we will endeavour to issue a decision as soon as possible following our receipt of the Change Board vote in relation to this Authority-Led Variation.

This is an Authority-Led end-to-end SCR⁹, We will confirm when we have made our final decision and the Switching SCR has ended. We will only end the SCR at the point that we are confident that no further code changes are required for the Switching Programme.

Finally, we would like to once again extend our thanks to SECAS for their support in developing the legal text for the SCR modification proposals on the timelines that have been required by the programme.



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Nicola Garland
Head of Delivery, Switching Programme
Duly authorised on behalf of the
Gas and Electricity Markets Authority

8 February 2022

⁸ Link [here](#) to the update

⁹ We set out in paragraph 8.26 of our Outline Business Case in Feb 2018, link [here](#), that the Switching SCR would follow an Ofgem led end-to-end process