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## MP171 ‘Undertaking a FUSA without a Supply Licence’

### April 2022 Working Group – meeting summary

#### Attendees

Attendee	Organisation
Ali Beard	SECAS
Kev Duddy	SECAS
Anik Abdullah	SECAS
Joey Manners	SECAS
Khaleda Hussain	SECAS
Mike Fenn	SECAS
Tom Mudryk	SECAS
Rainer Lischetzki	SECAS
Elizabeth Woods	SECAS
David Walsh	DCC
David Rollason	DCC
Emma Johnson	British Gas
Alex Hurcombe	EDF Energy
Daniel Davies	ESG Global
Alastair Cobb	Landis+Gyr
Ralph Baxter	Octopus Energy
Mafs Rahman	Scottish Power
Gordon Hextall	Security Sub-Committee (SSC)
Matt Alexander	SSE Networks
Shuba Khatun	SSE Networks
Audrey Smith-Keary	SSE - OVO
Emslie Law	SSE - OVO
Robert Johnstone	Utilita
Kelly Kinsman	WPD

#### Overview

The Smart Energy Code Administrator and Secretariat (SECAS) provided an overview of the issue identified and the Proposed Solution.

## Issue

- Delayed time for new market entrants to offer smart services once Supplier has been awarded their Supply Licence
- Consumers unable to choose the new Supplier without risk of temporary loss of smart services

## Proposed Solution

- Allow new applicants to apply for FUSA and Supply License concurrently
- FUSA approval only granted if Supply Licence is approved
- Enables new market entrants to be 'smart from the start'
- Protect the rest of industry from potential socialisation of costs

## Working Group Discussion

SECAS presented an overview of the issue and identified the case for change.

A Working Group member (RB) was concerned of FUSA costs, if the new market entrant's Supplier License is revoked or withdrawn prior to completion of the FUSA and there is an outstanding payment (as current process for FUSA, payment is only due once the FUSA has been completed). This was concurred by several members of the Working Group (MR & AH).

SECAS (EW) and The Proposer (KL) advised that they are looking into ensuring the socialisation of costs is kept to a minimal, if any, and we are developing a caveat within the legal text to include an upfront deposit of a certain percentage of the FUSA cost.

A Working Group member (RB) was uncomfortable with just a partial deposit of the FUSA cost and suggested possibility of costs being covered in stages as the FUSA progresses or a full payment upfront.

The Proposer (KL) also advised by being able to apply for the FUSA and Supplier License concurrently, once they are approved, it would mean the new market entrant is complying with the SEC right from the very start and meeting their Smart obligations.

A Working Group member (RB) was still not convinced and was very clear that they would like the new market entrant to pay for FUSA costs upfront or in stages and for this to be set out in the legal text. SECAS (AB) advised that this point would be noted in the Modification Report and that SECAS and the Proposer will consider this.

The Working Group had no further comments.

## Next Steps

The following actions were recorded from the meeting:

- SECAS to confirm the legal text changes to include clauses to consider if the costs should be either paid upfront or payment in stages.
- SECAS will update the Modification Report and issue MP171 for a Refinement Consultation.
- SECAS to present the Refinement Consultation responses to the Working Group on 1 June 2022.