Performance Assurance Operating Plan (PAOP)

Version 2.0 – October 2021

RETAIL ENERGY CODE

Contents

CHANGE HISTORY

Version	Status	Issue Date	Author	Comments
v1.0	Final	19/07/2021	The Code Manager	N/A
v.2.0	Draft	18/10/2021	The Code Manager	Updated following Perofrmnace Asssurnace Framework (PAF) product review

Performance Assurance Operating Plan (PAOP)

1.   PAOP APPROACH

1.1.   How Retail Risks will be assessed

The Code Manager will use the Performance Assurance Methodology (PAM) to monitor risks, risk drivers and risk metrics, evaluating these on a monthly basis at the RPA Data Review session. Where risk drivers are higher than agreed thresholds or increasing significantly, the RPA will act and apply the appropriate technique from the suite of Performance Assurance Techniques (PATs), which can be found in the PATs document along with a diagram as to how the PAT application process works. Some of these techniques may be applied by the Code Manager automatically, with others requiring PAB input and approval.

A tiered risk system is needed so that different process areas within the REC can be considered for a specific REC Party type. Multiple Retail Risks will exist, with each Retail Risk having at least one risk driver associated with it. The tiered approach will enable PAB attention to be focused on the big picture Retail Risks affecting customer outcomes, while the Code Manager maintains scrutiny over the detail of the underlying risk drivers.

Each risk driver will be measured and classified into one of the following four categories: Pass; Minor; Major; and Fail. A risk score is then calculated in respect of each risk driver. Major instances will have a higher risk score attributed to them than minors, with fails not attracting additional points but instead directly leading to assurance intervention, including assessment activities or penalties where appropriate. Detail on how the Retail Risks will be scored can be found in the PAM document.

We will undertake analysis of risk driver scores to enhance the understanding of performance. This will include comparing performance at risk driver level across Parties, analysing direction of trend in performance at a Party level and comparing performance to the pre-defined risk baseline, as agreed by the PAB.

1.2. How Retail Risks will be managed during the year

Risk measurement will be updated on a monthly, quarterly, annual or ad hoc basis as appropriate. Upon receipt of the available data, calculations will be performed to measure the extent to which a Retail Risk is likely to materialise.

A visualisation of this information will be provided to the PAB every month, outlining the Retail Risk areas assessed and the techniques we have in place and plan to apply in response. This will be based on Parties performance against risk metrics, as well as the relative priority of each risk.

Full details of the Retail Risks, including risk drivers, can be found in the Retail Risk Register. A summary of the Retail Risks are outlined in the table below, alongside the PAB priority score for each risk. The priority score was an output from the February PAB meeting, where each PAB member was asked to give a score to each Retail Risk which contributed to the overall priority score. This priority score will be used to inform the initial position on how the risks are managed during the year, and which PATs will be used to address the Retail Risk. The final column gives an initial high-level view of which PATs will be applied within the first year, which demonstrates that the higher priority the risk is, the greater extent of techniques are applied. Further detail on these techniques and how they will be applied is set out in sections 2 and 3.

Ref	Retail Risk	PAB Priority	PATs
1	Consumer supply point communication is interrupted due to a lack of action or incorrect action by REC Parties	10 (Very high)	Ongoing Risk Monitoring Peer comparison
2	The privacy of consumer data is compromised by inappropriate use of Parties' processes and protocols	8	Direct Assessment
3	Priority Services Register is not up to date which may lead to an interruption of Priority Service Consumers (PSCs) services	8	Direct Assessment
4	Issues with Prepayment meters, including Smart Meters operating in prepayment mode, lead to problems switching, tariff errors, unallocated or misdirected payments	7.5 (High)	Ongoing Risk Monitoring
5	Consumers do not receive an accurate first and final bill, which leads to high customer dissatisfaction	7.4 (High)	Ongoing Risk Monitoring

6	Inaccurate Address Management data results in errors that impact consumers	7.4 (High)	Ongoing Risk Monitoring
7	Inaccurate meter point master data results in errors that impact consumers	7.4 (High)	Ongoing Risk Monitoring
8	Delayed Switches provides a negative customer experience of the energy market	7.4 (High)	Ongoing Risk Monitoring
9	Poor Central Switching Service (CSS) performance prevents a customer from switching suppliers effectively	7.1 (High)	Ongoing Risk Monitoring, after CSS go-live Performance charges* (from year two)
10	Inaccurate data or data that is not maintained appropriately leads to a delay in the switching process	6.9 (Moderate)	Ongoing Risk Monitoring
11	Energy Theft is not investigated nor prevented	6.4 (Moderate)	Ongoing Risk Monitoring
12	Erroneous switches occur, which result in a negative customer experience of the energy market	5.9 (Moderate)	Ongoing Risk Monitoring Peer Comparison Performance charges* (from year two)
13	Retail consumers have a negative customer experience as part of the metering works conducted	5.3 (Moderate)	Ongoing Risk Monitoring
14	Central green deal databases are not maintained and kept up to date by energy suppliers	4.6 (Low)	Ongoing Risk Monitoring

2. DEFINING THE PAOP 2021/22[1]

2.1. Overview

The following diagram illustrates the priorities for the first year and what activities will take place in order to achieve these priorities.

Improving market performance

Baseline techniques – applied to all Parties to ensure market standards are achieved

| High quality guidance | Qualification/ Maintenance of Qualification | Training and Guided Pathways |

All Retail Risks will be monitored throughout the year using ongoing monitoring. Some Retail Risks that have been classified as high priority by the PAB will have additional PATs applied, as outlined below.

Priority 1
Consumer supply point communication is interrupted due to a lack of action or incorrect action by REC Parties
(Retail Risk 1)

Priority 2
The privacy of consumer data is compromised by inappropriate use of Parties' processes and protocols
(Retail Risk 2)

Priority 3
Priority Services Register is not up to date which may lead to an interruption of PSC's services
(Retail Risk 3)

Additional PATs that will be applied to address these priorities

Peer comparison on:
- Address quality

- Direct assessment of data access (Secure Data Exchange Portal - SDEP and Electricity Enquiry Services - EES)

- Direct assessments of PSR accuracy based on Distribution Network Operator (DNO) records

In addition to the three priorities above, there will also be focus on:

Erroneous switches
- Peer comparison
- Performance charges* (*from year 2 onwards)

Metering updates
- Specific topic monitoring

Performance of the Switching Service Provider
- Performance charges* (*from year 2 onwards)

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[1] The reporting year is September 2021 – August 2022.

2.2. Overall prioritisation

In developing this plan, we have considered the relative priority of different areas of RPA responsibilities. The table below outlines how we envisage allocating PAF resources. Note that the RPA also has operational responsibilities, which are not set out here.

Areas	Indicative allocation
Entry	10%
Maintenance of qualification	15%
Party monitoring, focusing on risks where we track risk metrics	35%
Direct assessment of Parties, focusing on the risks where risk metrics are less appropriate and techniques are directly applied	10%
Direct assessment of Service Providers	30%

This allocation may change throughout the year, based on the findings identified through assurance work, or through external factors such as the number of entry applications.

How we expect this to evolve

The table above places significant emphasis on direct assessment of Service Providers. This is to reflect the fact that moving to the REC means new Code Manager Service Providers are in place, and there are changes in governance over existing Service Providers. There may also be new Service Providers, as other existing arrangements are consolidated into the REC.

We envisage that these allocations will change over the years of REC operation, based on the performance of Parties, Service Providers and the number of applicants. Our assumption is that in future years the PATs that we use will evolve, and that there will be a greater focus on Parties, with a reduction in the time spent on Service Providers. Any changes will be set out in future operating plans.

2.3. Ongoing risk monitoring

Throughout the year, Retail Risks will be monitored using ongoing risk monitoring. The following diagrams give an illustrative view of how ongoing monitoring will be used to apply additional PATs:

- diagram 2 outlines the standard approach to risk monitoring and how additional PATs will be applied;

- diagram 3 outlines the approach when risk monitoring highlights market wide issues. This approach shows that, from time to time, additional information may be requested from Parties in order to find out more information on the issue and the most appropriate way to resolve.

DIAGRAM 2 – APPROACH TO ONGOING RISK MONITORING

During assessment window data still monitored, but this doesn't trigger automatic assessment / RFI

01 Month one
02 Month two
03 Month three
04 Month four
05 Month five
06 Month six
07 Month seven
08 Month eight
09 Month nine
10 Month ten
11 Month eleven
12 Month twelve

Key

● Risk metric within expectation

● Risk metric outside expectation

RFI issued to understand the cause of the issue and how the party is addressing it

RFI issued to understand the cause of the issue and how the party is addressing it

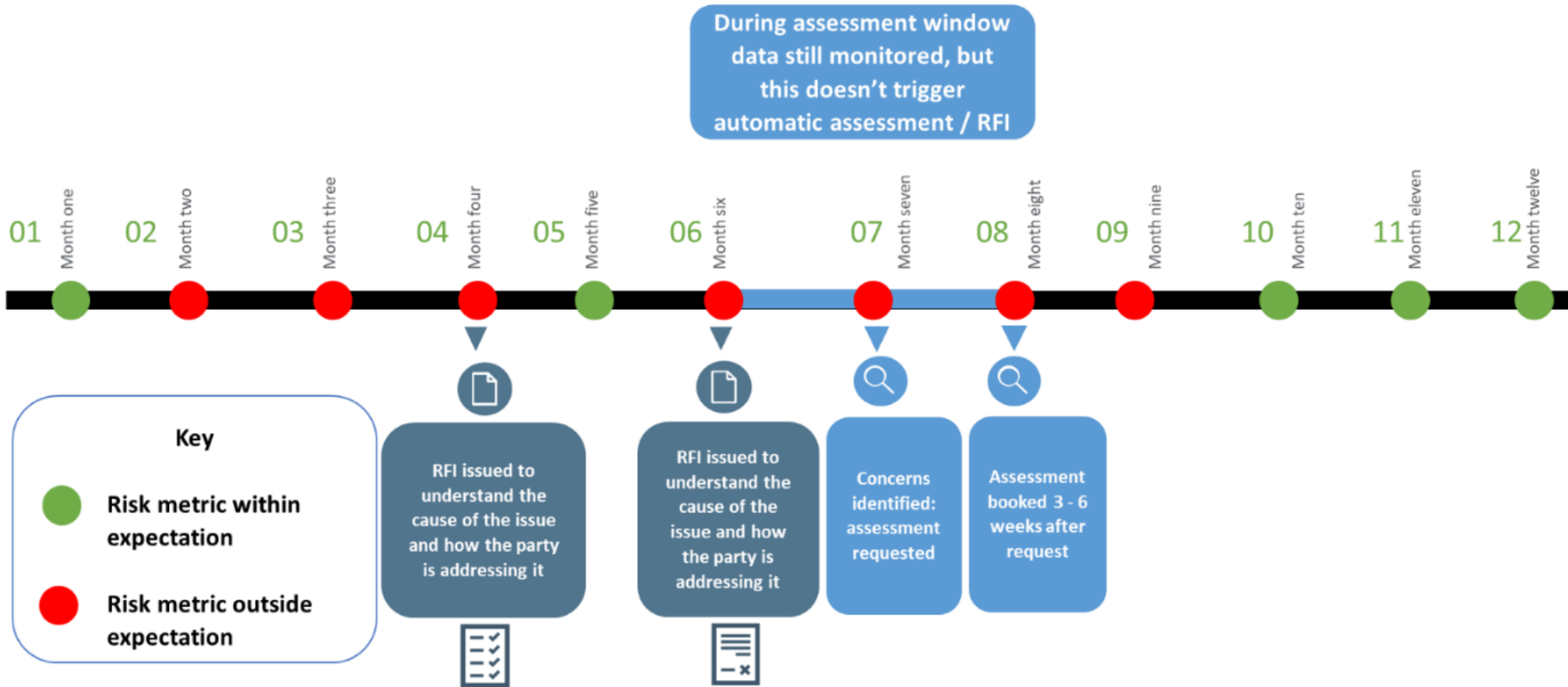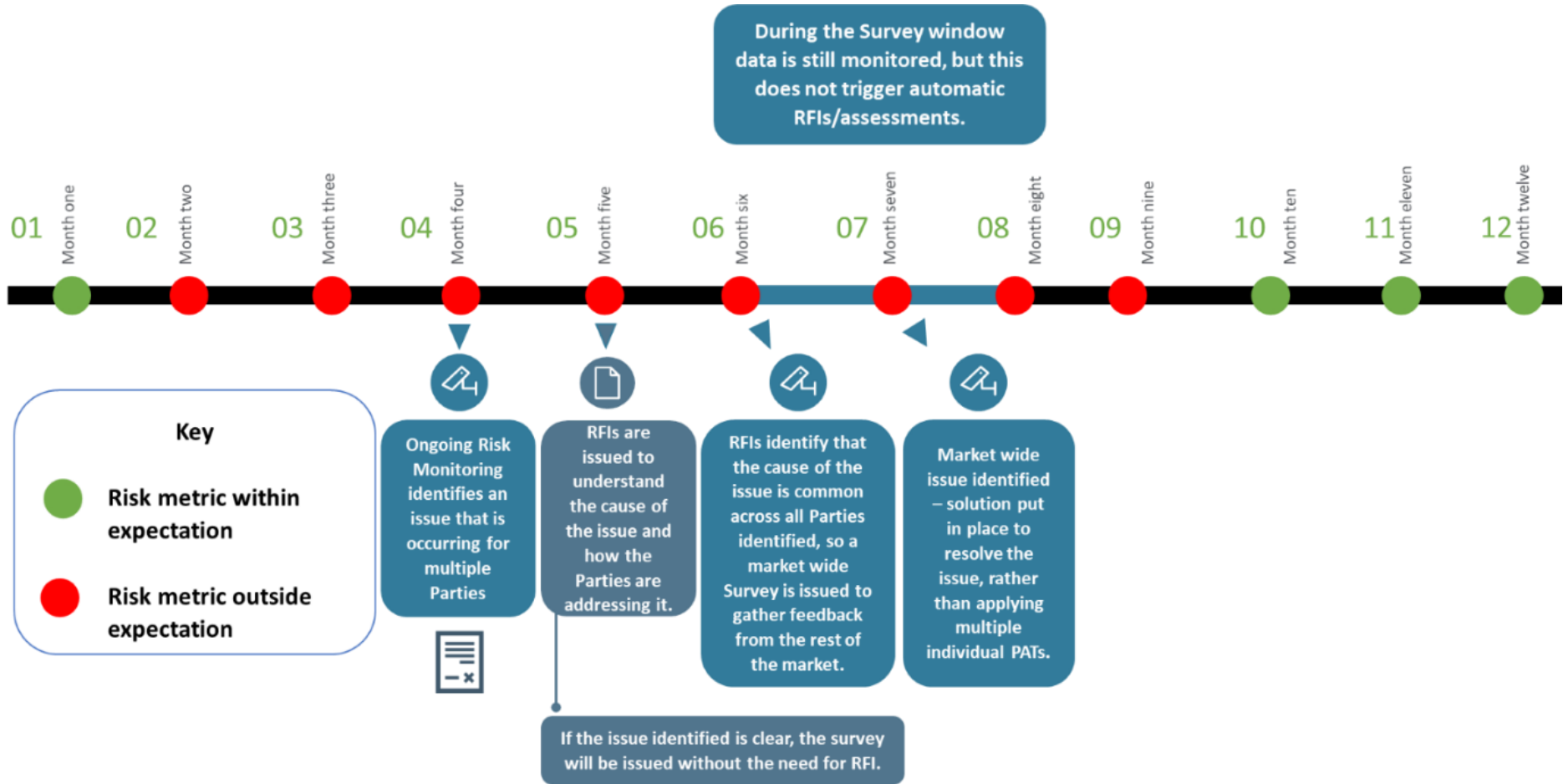Concerns identified: assessment requested

Assessment booked 3 - 6 weeks after request

DIAGRAM 3 – APPROACH TO RISK MONITORING WHERE MARKET WIDE ISSUES ARE IDENTIFIED.

During the Survey window data is still monitored, but this does not trigger automatic RFIs/assessments.

| 01 Month one | 02 Month two | 03 Month three | 04 Month four | 05 Month five | 06 Month six | 07 Month seven | 08 Month eight | 09 Month nine | 10 Month ten | 11 Month eleven | 12 Month twelve |

Key

● Risk metric within expectation

● Risk metric outside expectation

Ongoing Risk Monitoring identifies an issue that is occurring for multiple Parties

RFIs are issued to understand the cause of the issue and how the Parties are addressing it.

RFIs identify that the cause of the issue is common across all Parties identified, so a market wide Survey is issued to gather feedback from the rest of the market.

Market wide issue identified – solution put in place to resolve the issue, rather than applying multiple individual PATs.

If the issue identified is clear, the survey will be issued without the need for RFI.

2.4. Indicative timeline

The following table outlines an indicative timeline for when year 1 activity (as outlined in 2.1) will take place.

Key:
- Planned activity
- Potential activity dependent on findings

	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22
Baseline techniques												
Market entry assessment	■	■	■	■	■	■	■	■	■	■	■	■
Maintenance of Qualification					■	■	■	■	■	■	■	■
Core Party Monitoring, Assessment and Remediation												
Monthly risk determinations where all Retail Risks are monitored			■	■	■	■	■	■	■	■	■	■
Commission of new enhanced techniques, based on determinations		▨	▨	▨	▨	▨	▨	▨	▨	▨	▨	▨
Additional PATs applied												
Peer comparison on address quality (Priority 1 - Risk 1.0)			■	■	■	■	■	■	■	■	■	■
		■	■	■	■	■	■	■	■	■	■	■
Direct assessment of data access SDEP and EES (Priority 2 - Risk 2)		■			■			■			■	

Activity												
Direct assessments of PSR accuracy based on DNO records (Priority 3 - Risk 3)				■			■			■		
Peer comparison on Erroneous Switches			■	■	■	■	■	■	■	■	■	■
Performance charges on Erroneous Switches* (*year 2 onwards)												
Specific topic monitoring on Metering updates			■	■	■	■	■	■	■	■	■	■
Performance charges on Performance of the Switching Service Provider * (*year 2 onwards)												

Associated Operational Processes

Activity												
Meter Accreditation	■	■	■	■	■	■	■	■	■	■	■	■
Theft detection incentive schemes	■	■	■	■	■	■	■	■	■	■	■	■
Helpdesk Service	■	■	■	■	■	■	■	■	■	■	■	■
Improvement activities related to Change Management	■	■	■	■	■	■	■	■	■	■	■	■

Performance Assurance Improvement Activities

Activity												
Market engagement on risk scores and expectations	■		■		■							
Assessment of the effectiveness of the initial enhanced techniques						■						
Recommendations for updated enhanced techniques						■						
PAB risk reprioritisation							■					
RPA Performance Assessment								■				

3. DETAILED PAOP WORKSTREAMS

3.1. Baseline techniques

Baseline techniques will apply to all REC Parties who operate in the market. The requirements for this baseline which require direct interaction with the Code Manager will be predominantly preventive and with intrusion kept to a minimum. Detective baseline activities will include regular monitoring of relevant Retail Risks. The maintenance of qualification process will be the key mechanism for baseline assessments, although in specific instances peer comparisons may apply to all Parties.

The following baseline techniques will be used:

- high quality guidance (e.g. good practice guides) will be provided by the Code Manager (including REC Professional Services, Technical Services and Performance Assurance providers) to all Parties and will act as preventive measure to stop operational or process issues from occurring and reoccurring in the future;

- qualification is a preventive technique which will be used to assess the capability of applicants to fulfil their role in the market. Completion of this process may result in Parties qualified for a market role, qualified but with specific conditions in place, or qualification rejected with reasons provided for this decision. Ongoing maintenance of this qualification is used to assess changes which could impact a Party or Service User's ability to continue to meet their REC obligations and can result in additional assessments or conditions being applied;

- training and guided pathways will act as a preventive measure to stop operational / process issues from occurring or reoccurring in the future. RECCo will provide all Parties with relevant training and pathways, and the Code Manager will monitor effective completion of training.

The following section (3.2) goes into further detail on how the Maintenance of Qualification will be managed within the first year of operation.

3.2. Initial techniques and their PAB approval forms

Our performance assurance methodology involves a dynamic application of assurance techniques based on real Party performance. However, there will be some techniques which will be activated from REC go live. These are summarised below.

Preventive

Qualification/Maintenance of Qualification

All Parties need to maintain their qualification each year. At the start of reporting year (September) the Code Manager will set out the schedule for the annual cycle of maintenance of qualification, and will notify all REC Parties or Non-Party REC Service Users, via the REC Portal, of the date by which it is required to submit a REC Service User Compliance Statement or REC Service User Assurance Evidence alongside its Annual Statement. In addition to this, REC Parties and Non-Party REC Service Users will also get a reminder, via the REC Portal, 30 days before the submission due date.

Preventive

Provision of High Quality Guidance

Qualification / Maintenance of Qualification

Training and Guided Pathways

To avoid intrusion during the period immediately after REC go-live, we had planned not request any Maintenance of Qualification within the first two months of REC operation and insteadspread the schedule of qualification of Parties and non-Party Service Users for the year from month three onwards, to allow a staggered approach and mean the resource and time taken to respond can be managed effectively.

As the functionality for submissions to be completed has not yet been developed on the REC Portal, and consistent with the recent decision to delay new reporting requirements until January 2022, we will now also delay the start of maintenance of qualification submissions to 2022.

Parties will be selected (at energy company licence level) on a sampling or judgemental approach, so there is scope to select Parties that are higher risk to complete the qualification and annual statement first. This will mitigate the risk of low performance and allow there to be sufficient assurance that Parties will fulfil their obligations as set out under the REC. The size of the Parties selected will also be taken into consideration in order to manage resource and capacity. The process is illustrated through the diagram below.

September 2021 - Market opening

All Parties completed annual statement within 12 months

September - December - no qualification is requested

January 2022 - selected Parties complete their annual maintenance of qualification.

January 2022 onwards - Parties continue to complete their annual maintenance of qualification in line with the agreed schedule.

Sampling approach used to select Parties based on risk. Party size also considered.

There is recognition that there will be a number of pinch points in other programmes throughout the year. We will therefore use best endeavours to profile the scheduling of our maintenance of qualification

15

around existing programme plans, particularly in year one around CSS go-live. This is a pragmatic approach to alleviate undue pressure on industry.
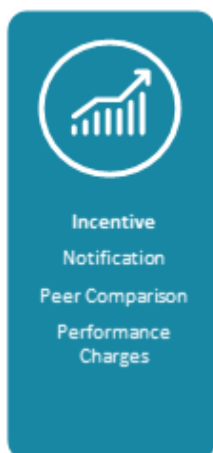
Incentive

Peer Comparison

We will use peer comparison in the first year of operation primarily to focus on the following areas:

- Erroneous switches – how erroneous switches are identified and resolved.
- address quality – initially focusing on progress resolving plot addresses by Party.
- overall Party score – how Parties perform based on the risk metrics monitored by the RPA.

Peer comparison will be conducted through performance league tables. The contents of these league tables, as well as how they will be published, will be approved by the PAB prior to REC go live. This will include whether Parties are able to see the performance of other Parties, or if this data will be anonymised. This will be in line with the PAB's principles of publication of performance reporting data.

Performance charges

At REC go-live we do not propose to apply performance charges within the first year, however there will be certain areas that we consistently monitor within the first year with the view to apply charges in year two, once data has been received in order to set charging thresholds. These will include:

- subject to REC v3, performance charges related to the performance of the Switching Service Provider.
- performance in relation to Erroneous Switches.

There are a number of Ofgem's Guaranteed Standards (GS) where there is overlap with the RPA's identified risks as set out in the Retail Risk Register, which are set out in the table below. Where there is overlap with GS, we do not propose to implement performance charges in the same areas to avoid duplication. However, the aim of GS is to recompense customers for the detriment or unsatisfactory experience suffered, and there may be justification for the introduction of REC Performance Charges to recognise impact on the effective operation of the market arrangements, e.g. where other Parties and/or Service Providers bear increased costs due to the failure by a REC Party.

RPA Retail Risk	Ofgem Guaranteed Standards
Number of Smart Metering installation meetings missed or rescheduled (linked to Retail Risk 13 – Risk Driver 13.5)	GS related to appointments: - Supplier must offer customer appointment at appropriate date and time.

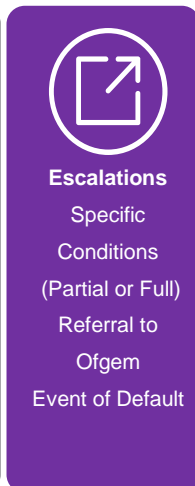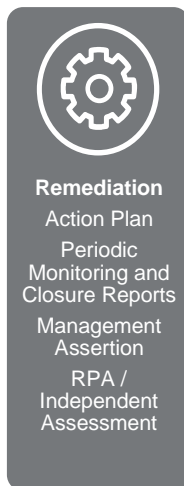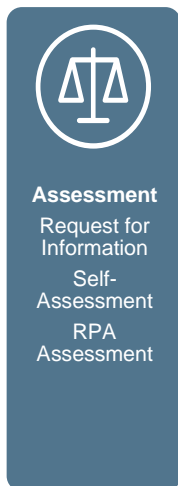|	
	▪ Supplier must not cancel an agreed appointment without good reason. ▪ Supplier must not rearrange agreed appointment at less than 1 WD's notice. ▪ Supplier must honour appointment offered and accepted by the customer, unless reasonable reason to cancel. ▪ Supplier's representatives must be professionally competent and qualified.
Faulty prepayment meters (linked to Retail Risk 1 – Risk Driver 1.4)	GS related to response time to fix prepayment meters: ▪ Supplier must arrive at the customer's premises to commence work, commence work remotely (where visit not required) within 3h on a WD, or 4h any other day. ▪ Supplier must take appropriate action to rectify fault within 3h on WD and 4h any other day.
Reconnection after non-payment has been resolved (partially linked to Retail Risk 8 and Retail Risk 4)	GS related to resolving disconnection after non-payment has been resolved: ▪ Supplier must reconnect the supply of gas or electricity to the customer's premises within 24h of the earlier of events relating to non-payment of gas or electricity charges.
Erroneous transfers (ETs) in terms of identification/investigation/resolution/avoidance (linked to Retail Risk 12)	GS related to ETs: ▪ Old and new Suppliers must agree whether the customer has been transferred without a valid contract within 20 WDs of the customer notification. ▪ Supplier who receives notification must provide written confirmation that the customer has been transferred without a valid contract, and they will be returned to their original supplier within 20 WDs of the customer notification. ▪ Supplier must provide customer with written statement confirming the outcome of the investigations carried out by the suppliers. ▪ Old supplier must re-register the customer with the old supplier within 21 WDs of the agreement.
Final bill (linked to Retail Risk 5)	GS related to the provision of a final bill: ▪ Supplier must issue the customer's final bill within 6 weeks of the later of: ▪ The Supplier no longer has responsibility for the supply of electricity or gas; or ▪ The Supplier is notified of no longer having responsibility for the supply of electricity or gas.

Risk Monitoring

Baseline risk monitoring will be used to identify which Performance Assurance Techniques to apply. The method for identifying, assessing and measuring risks is described in the Performance Assurance Methodology, whereas how high or increasing risk levels relating to a specific Party is described in the Performance Assurance Techniques document.

We may opt to enable enhanced monitoring of Parties, for example in relation to market changes or to further understand the causes of cross cutting issues. At REC go-live we do not propose any further monitoring over and above our baseline risk monitoring. Should we determine further monitoring is required, either of specific Parties or across the market, this will be agreed with PAB and communicated to the relevant Parties prior to monitoring going live.

Risk monitoring
Cross Industry Monitoring

Specific Topic Monitoring

Sentiment Analysis

Surveys

Assessment, Remediation and Escalation Techniques

Our approach to assessment techniques is based on a monthly cycle of risk analysis. Based on risk metrics, thresholds and trends we will determine which assessment techniques to apply. This will vary each month, depending on Party performance. Full details of this approach are included in our Performance Assurance Techniques document. This includes examples of how we will assess performance data, as well the different techniques we will apply. It also includes our methodology for responding to issues identified through assessments in the form of remedial or escalation techniques.

Assessment
Request for Information
Self-Assessment
RPA Assessment

Remediation
Action Plan
Periodic Monitoring and Closure Reports
Management Assertion
RPA / Independent Assessment

Escalations
Specific Conditions (Partial or Full)
Referral to Ofgem
Event of Default

This approach will apply from the live operation of the REC. In our first year we will also undertake additional assessment or remedial techniques related to issues identified within assurance processes for predecessor codes. This will include the following steps:

1. analysis of the identified issues and associated action plans to confirm that they remain relevant under the REC. Where issues relate to obligations that have changed, we may apply additional assessment techniques (such as a request for information) to assess whether to close the action, or to apply REC assessment or remedial techniques;

2. we will inform the Party of the status of these actions, for example by including actions in the REC portal, or marking actions in the REC portal as closed;

3. where we deem alternative procedures are necessary (e.g. further assessment) we will communicate this, along with next steps to the relevant Party.

Direct assessments related to risk

In addition to assessments on predecessor codes, we will also commit in the first year to undertake specific assessments in the following areas:

- **assessment of changes to the Priority Services Register (PSR)** – we will undertake an annual assessment of changes to the PSR. This may include data analysis (e.g. use of the relevant data flow), as well as direct assessment of the information held by Parties, or their processes. This will be a market wide assessment, for which specific Parties will be sampled. This is in recognition that the PSR is a high priority Retail Risk and therefore we want to monitor and address any issues within the first year.

- **assessment of data access** – we will undertake an annual assessment to assess that access to the Electricity Enquiry Services (EES) data is being used in accordance with a Data Access Matrix, as set out in the Data Access Schedule (REC v.2.0). This assessment is not related to the data being used but is about the EES making data available in accordance with the Data Access Matrix.

4. PERFORMANCE ASSURANCE OF CENTRAL SERVICE PROVIDERS

As well as assurance over REC Parties, the RPA will also conduct assurance over REC Service Providers. Most of these providers are governed by a contract with RECCo that reflects REC obligations. In this case we will assess compliance with relevant elements of these contracts. We will then report to PAB upon:

- our progress completing our Service Provider assessments;
- any significant non-compliance with its REC obligations; and
- remediation activity, including progress completing key actions.

REC Service Provider	Scope of Services	Criticality to REC processes	Performance Assurance Approach
REC Code Manager Providers	Professional and technical services provided to enable the delivery of the Retail Energy Code.	High	Evaluation of the delivery of core contractual requirements, including assessment of the accuracy of reporting to RECCo.
Electricity Enquiry Service	Supply meter point service covering electricity meters. This is used by suppliers, including during switching.	Moderate	Evaluation of the delivery of core contractual requirements, including assessment of the accuracy of reporting to RECCo.
Gas Enquiry Service	Supply meter point service covering gas meters. This is used by suppliers, including during switching.	Moderate	Evaluation of the delivery of core contractual requirements, including assessment of the accuracy of reporting to RECCo.
Switching Operator Provider	Delivery of switching service desk and service management system, which support the resolution of issues	Very high	Evaluation of the delivery of REC obligations, including the accuracy of any information reported to PAB. ***This will take place post-CSS go-live.***

	and improvement activities.		
Central Switching Service	Registration and address management services, which are critical to switching processes.	Very high	Evaluation of the delivery of REC obligations, including the accuracy of any information reported to PAB. *This will take place post-CSS go-live.*
Electricity Retail Data Service	Enables the exchange of Registration and Registerable Meter Point data between DNOs, suppliers and central services.	Moderate	Evaluation of the delivery of REC obligations, including assessment of the accuracy of reporting to RECCo.
Gas Retail Data Service	Enables the exchange of data the Central Switching Service and the Central Data Service Provider.	Moderate	Evaluation of the delivery of REC obligations, including assessment of the accuracy of reporting to RECCo.
Energy Theft Tip Off Service	Services to enable anonymous reporting of energy theft for investigation.	Low	Our work will be limited to reactive investigation of issues, to reflect the lower level of risk and the nature of the ETTOS provider.

5. SPECIFIC CONSIDERATIONS FOR THE FIRST YEAR OF THE REC

5.1. Performance Assurance Improvement Activities

Our approach is dynamic and evidence based. This means that the techniques that we will apply may change throughout the year, based on our ongoing monitoring of risk. As set out in the PATs document, the following governance will apply to these changes:

PAT related activity	Governance and oversight
Introducing a new PAT	A REC change request. This includes consultation with Ofgem and the industry.
Introducing a new performance charge	A REC change request. This includes consultation with Ofgem and the industry.
Applying an existing PAT in a new way	PAB decision to approve the use of the technique, with affected Parties notified via the REC Portal
Applying an existing PAT	RPA decision, based on observable data, subject to PAB approval where required.

In the first year of operation we will need enhanced communications, explaining our approach and the risk meaning of the risk information that we are reporting. We will also continue to refine and tune our focus based on actual market performance. We therefore will:

- provide enhanced communication to Parties on our work cover over the first few months after RECv2 implementation. This will focus on understanding the risk information that we provide to Parties individually, and what the performance of all Parties is telling us about the market;
- we keep all techniques under review, considering potential improvements to them each month. In recognition of the new assurance regime we will additionally complete a full review of the effectiveness of the techniques we have in place after 6 months, and any changes, additions or removals that reflect a better use of resources;
- we will also seek updated priorities from PAB after six months, in the form of reassessing the PAB's risk priorities. This, alongside the assessment of techniques above, will enable us to tune or enhance our PATs based on real world performance;
- we will undertake a self-assessment of our own performance, alongside a survey to gain feedback from Parties and other relevant stakeholders. This input will be used to refine our ways of working, communication and reporting;
- we will provide an annual report which summarises our activities and insights into market performance and priorities.

5.2. CSS readiness

The Central Switching Service is scheduled to go live during our first year in operation. This will be one of the most significant changes to retail operations in the energy market for many years, and will require many Parties, particularly DCC, to undertake key work around the go-live window. While Parties will still have REC obligations, it is important that we adjust our work appropriately during the go-live window. Within three months of the CSS go-live date (June –August 2022) we will provide an overview of our approach to the CSS go-live window. This will include full details of the following actions we intend to take to reflect the additional asks on Parties during this period. A summary of these is included below:

- where we are raising actions or requests which are not urgent, we will avoid setting the due dates so that they fall due within this window. For example, we may defer some maintenance of qualification submissions, requests for information, surveys, self-assessments or RPA assessments so that they do not conflict with key CSS go live activities. This will vary by the type of actions, the most critical actions still required within the usual timeframes and there may be some targeted actions required related to CSS go-live;

- we will adapt our approach to the additional areas within the scope of our work, providing details of the performance information that we will be assessing from CSS, how this will relate to the risk information that is available to Parties on the REC portal and our expectations of how we will respond to risk data over the first few months of operation;

- we will conduct specific monitoring of key CSS processes around the go live window, for example assessing market wide performance in key areas such as total volumes of switches, end to end switch times and system availability. This monitoring will aim to build confidence in the effectiveness of operations, or clearly understand the root causes of pervasive issues.

We will work closely with DCC, as well as the Licensed Party Assurance provider, and other relevant bodies, so that any communications that we issue are consistent, do not duplicate, and fully aligned to Switching Programme plans. We are aware that there may be suppliers who do not fully test under the programme so will not be qualified as CSS Users at go-live. The RPA will work with these suppliers so that customers are not unduly impacted while monitoring that suppliers are not operating outside the bounds of their qualification. This will be part of the Specific Conditions performance assurance technique and will be set out in further detail closer to CSS go-live.

To find out more please contact:

performanceassurance@recmanager.co.uk

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ENERGY
CODE