

# REC Entry Assessment Information Pack

Version 1.0 - July 2021

This document describes the process to become Qualified under the Retail Energy Code (REC). It covers different requirements for different Market Roles and REC Services. This is set out in sections 3 – 10.

Many REC Parties will have entered the market under previous codes (e.g. the Master Registration Agreement or Supply Point Administration Agreement). These organisations will retain their access to REC Services. Non-parties wishing to retain access to Electricity Enquiry Service (EES) or Green Deal Central Charging Database (GDCC) will need to sign a REC Access Agreement to retain their access.

**CONTENTS**

1. INTRODUCTION .....	3
2. REC ENTRY ASSESSMENT AND QUALIFICATION – PROCESS OVERVIEW .....	9
3. REC ENTRY ASSESSMENT LOGISTICS AND FORMAT .....	14
4. REC ENTRY ASSESSMENT AND QUALIFICATION – APPLICATION.....	18
5. REC ENTRY ASSESSMENT AND QUALIFICATION – SELF-ASSESSMENT .....	22
6. REC ENTRY ASSESSMENT AND QUALIFICATION – MARKET SCENARIO TESTING ....	25
7. REC ENTRY ASSESSMENT AND QUALIFICATION – INFORMATION SECURITY AND DATA PROTECTION (ISDP) .....	34
8. REC ENTRY ASSESSMENT AND QUALIFICATION – QUALIFICATION.....	36
9. REC ENTRY ASSESSMENT AND QUALIFICATION – CONTROLLED MARKET ENTRY ..	37
10. APPEALS.....	40

## 1. Introduction

### 1.1. Purpose

To fulfil specific roles in the retail energy market, organisations must become Qualified. This can be for a specific Market Role e.g. Gas / Electricity Supplier, Distribution Network Operator, Gas Transporter or Metering Equipment Manager (MEM); or to enable access to a specific REC Service. Once Qualified, these organisations will be able to access the services governed by the REC and have obligations to meet under this code. The Qualification is specific to the Market Role the organisation takes, for example the access to services and obligations for an Energy Supplier is different to that of a MEM or Non-Party REC Service User for the Electricity Enquiry Service (EES) such as a Meter Asset Provider.

This document is aimed at organisations that:

- have already acceded to the REC and/or have access to REC Services;
- do not currently operate in the gas or electricity retail market but wish to do so and will be required to accede to the REC and/or access some form of REC Services as part of their operations;
- already operate in the gas and/or electricity retail market and now wish to operate in one, or more, additional market sectors or access additional REC Services; or
- already operate in the gas and/or electricity retail market and are subject Controlled Market Entry Conditions (CMEC).

Organisations that wish to become Qualified under the REC are referred to as 'applicants' throughout this document. This document describes in detail the REC Entry Assessment process, as further described in the Qualification and Maintenance Schedule.

Applicants need to perform specific tasks, as set out in this document, to facilitate the completion of the REC Entry Assessment process.

Successful completion of the REC Entry Assessment process is a pre-requisite for applicants to become Qualified under the REC. Energy Suppliers and Distribution Network Operators may qualify with no constraints or subject to CMEC.

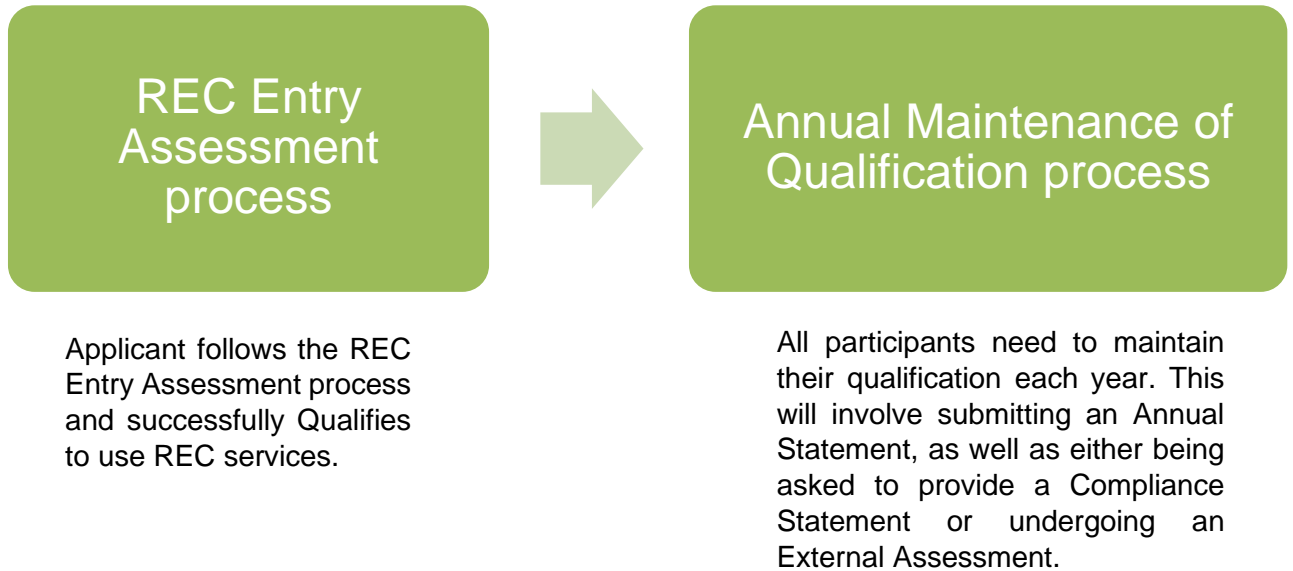
An overview of the REC Entry Assessment process is set out below. This includes the section numbers where further details can be found.

**REC Entry Assessment process**



In addition to the REC Entry Assessment process set out above, there is also an annual Maintenance of Qualification that participants will need to complete. There may also be occasions, such as after a material event, where Maintenance of Qualification is required. This process is illustrated further in the diagram below.

### Maintenance of Qualification process

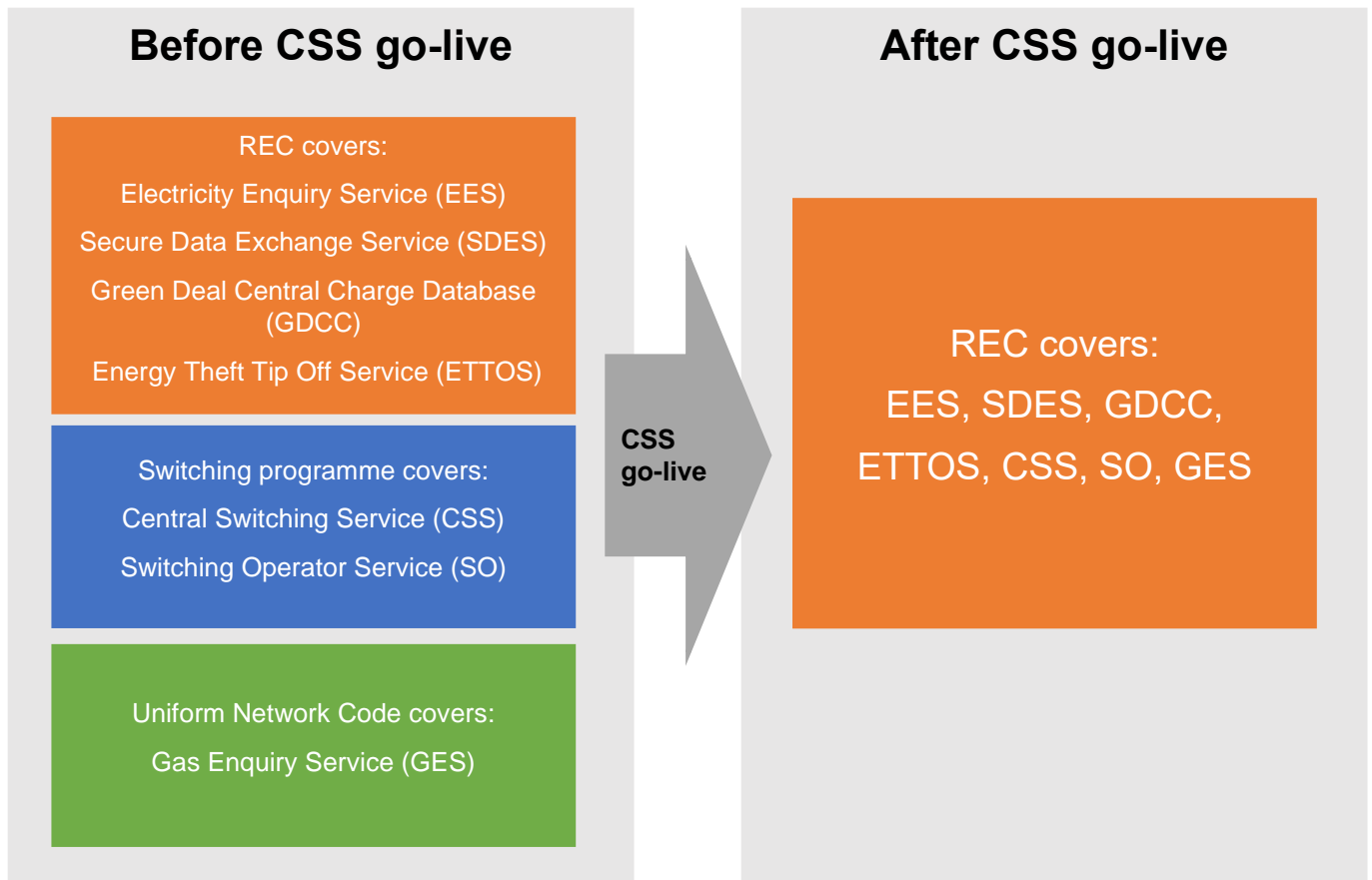


### 1.2. Governance

The governance of the REC Entry Assessment process is set out in the REC, and specifically the REC Qualification and Maintenance Schedule. The governance body for the REC Qualification and Maintenance arrangements is the REC Performance Assurance Board (PAB).

### 1.3. Applicability

This document details the requirements on those wishing to become Qualified under the REC, which at this stage does not include access to the new Central Switching Service (CSS) or the Gas Enquiry Service (GES), as illustrated in the diagram below. The guidance will be updated to reflect these before CSS goes live.



### 1.4. REC Entry Assessment Principles

Below is a list of principles that you, as the applicant, must meet during the REC Entry Assessment:

- the applicant must have all systems, business processes and resources ready to be assessed prior to the commencement of each applicable stage of the REC Entry Assessment;
- organisations applying to be a REC Party need to have acceded to the REC in order to commence the REC Entry Assessment;

- the applicant is required to formally agree its REC Entry Assessment Plan with the Code Manager;
- entry Assessment applications will be treated on a “first come, first served” basis. Whilst the Code Manager will use reasonable endeavours to plan and carry out the REC Entry Assessments in line with applicants’ timescales, no guarantees can be given regarding the availability of the Code Manager resources to achieve this;
- where third parties acting on behalf of the applicant complete part of the Entry Assessment, the applicant is ultimately responsible for ensuring the accuracy and completeness of any submissions;
- applicants commit to being fully prepared at each stage of REC Entry Assessment. A lack of preparedness is likely to result in a number of issues being raised and a delay to the applicant’s REC Entry Assessment timetable;
- the applicant is responsible for the quality and preparedness of its business processes, designs, evidence and the compliance of these with the REC requirements;
- if the applicant intends to make use of the services of a third party for some or all of its business solution the applicant remains responsible in all respects for those in relation to the REC Entry Assessment;
- each applicant must provide all of the access to staff, systems and IT environments necessary to carry out all REC Entry Assessment activities applicable to them;
- where testing is required, all tests executed as part of, or to provide evidence for, the REC Entry Assessment activity must be carried out in an environment closely representing the live environment;
- where testing is required, all tests executed as part of, or to provide evidence for, the REC Entry Assessment activity must include all parties that comprise the organisational unit requiring REC Entry Assessment. This includes all the applicant’s sub-contracted service operators or partners that carry out activities included in the REC Entry Assessment;
- applicants must provide the Code Manager’s Assessment Team with a copy of any documents necessary for them to carry out each applicable stage of the REC Entry Assessment. This would include (but is not limited to): business processes, work instructions, designs for applications, test plans, test results, management processes, procedures and associated records;
- the applicant is responsible for producing and securing evidence, providing this to the Code Manager for assessment and explaining the significance of particular items as requested;
- the Code Manager supports, advises, guides and inspects, but does not participate directly in any aspect of the design or testing of the applicant’s business solution, except where explicitly required to do so as part of the REC Entry Assessment;

- the Code Manager provides its assessment for the benefit of the PAB. Any reports are provided for the PAB, but may be shared with the applicant if the applicant confirms it agrees to the terms of disclosure, which include confidentiality and restrictions of use.

Failure to abide by these principles could lead to issues being raised and the Entry Assessment being postponed or stopped.

### **1.5. Contacts**

For further information regarding the REC Entry Assessment please raise enquiries through the REC Portal.



## 2. REC Entry Assessment and Qualification – Process Overview

There are multiple REC Services that you can apply to access, with associated Market Roles. You can specify which roles you are applying for and which services you wish to access when you apply. Your application will then be tailored to your specific circumstances.

You can always apply for additional Market Roles and access, if your business model changes.

### 2.1. Roles

We have summarised the types of Market Role and REC Services below. Further details are included in the REC Service User Categorisation and Assessment Document.

Table 1 details those Market Roles for which an organisation can be Qualified under the REC.

Table 2 details the different REC Services.

**Table 1**

Market Role	Description
<b>Electricity Supplier<sup>1</sup></b>	means a person holding an Electricity Supply Licence.
<b>Gas Supplier<sup>2</sup></b>	means a person holding a Gas Supply Licence.
<b>Distribution Network Operator (DNO)</b>	means a person holding an Electricity Distribution Licence.
<b>Gas Transporter (GT)</b>	means a person holding a Gas Transporter Licence which requires that person to become a party to this Code.
<b>Metering Equipment Manager (MEM)</b>	means, as applicable, either: <ul style="list-style-type: none"> <li>a) for electricity, the 'Meter Operator Agent' appointed by an Electricity Supplier; or</li> <li>b) for gas, the 'Meter Asset Manager' appointed by the Gas Supplier.</li> </ul>

Energy Suppliers can either qualify as an Electricity Supplier, a Gas Supplier or both.

<sup>1</sup> For the purposes of this document both Domestic and Non-Domestic Electricity Suppliers follow the same process, though their REC obligations may differ.

<sup>2</sup> For the purposes of this document both Domestic and Non-Domestic Gas Suppliers follow the same process, though their REC obligations may differ.

**Table 2**

REC Service	Description
<b>Electricity Enquiry Service</b>	The Electricity Enquiry Service (EES) allows EES Users to access data where they are entitled to do so in accordance with the Data Access Matrix defined within the Data Access Schedule.
<b>Secure Data Exchange Service</b>	The Secure Data Exchange Service (SDES) consists of several web-based services that enable Parties to securely exchange data. These services comprise: <ul style="list-style-type: none"> <li>a) The Secure Data Exchange Portal (SDEP);</li> <li>b) The Crossed Meter Resolution Portal (CMRP); and</li> <li>c) New Metering Point Requests.</li> </ul>
<b>Green Deal Central Charge Database</b>	The Green Deal Central Charge (GDCC) Database securely stores data and supports data exchange transactions between Green Deal Providers, Green Deal Finance Parties and Green Deal Remittance Processors to, or from, Electricity Suppliers and / or MPAS Providers in accordance with relevant clauses of the Green Deal Schedule.
<b>Energy Theft Tip Off Service</b>	The Energy Theft Tip Off Service (ETTOS) allows tip offs regarding suspected energy theft, received from the general public, to be sent to the relevant Energy Supplier or network operator for investigation.
<b>Central Switching Service*</b>	The Central Switching Service (CSS) provides a Registration service and an address management service. These provide a centralised record of key data used when switching suppliers, covering both gas and electricity supplies.
<b>Gas Enquiry Service*</b>	The Gas Enquiry Service (GES) allows GES Users to access gas market data where they are entitled to do so in accordance with the Data Access Matrix defined within the Data Access Schedule.

\* Qualification for CSS and GES will not fall under REC governance until CSS go-live, which takes place after REC v2.0 goes live. Therefore, organisations wishing to access these services will need to gain access to CSS through the Switching Programme and to GES through the Uniform Network Code. After CSS go-live they will need to qualify through the REC, as described in this document.

## 2.2. Assessment stages

There are several stages that form part of the REC Entry Assessment process that you must complete in order to operate in the market.

Table 3 details what is required depending on the Market Role and/or the REC Service User role that you are applying for, and what you are required to do to maintain your qualification.

**Table 3**

Role	REC Parties					Non-Party REC Service User	
	Electricity Supplier	Gas Supplier <sup>3</sup>	DNO	GT	MEM	EES user	GDCC user
<b>Applying for Qualification</b>							
Entry Assessment Application Form	✓	✓	✓	✓	✓	✓	✓
Accede to the REC	✓	✓	✓	✓	✓		
Entry Assessment Plan	✓	✓	✓	✓	✓	✓	✓
<b>Self-Assessment</b>							
Self-Assessment Form	✓		✓		✓		
<b>Market Scenario Testing</b>							
Internal Testing Assessment	✓		✓		✓		
External Testing	✓		✓				
<b>Information security and data protection</b>							
Information Security and Data Protection Assessment	✓		✓			✓	
<b>Qualification</b>							
Sign Access Agreement						✓	✓
CMEC <sup>4</sup>	✓		✓				

<sup>3</sup> Once CSS and GES go-live under the REC, the qualification process for Gas Suppliers and Electricity Suppliers will be consolidated, so there is only one set of requirements to meet.

<sup>4</sup> This will be on a case by case basis and these are expanded upon within each section of this document.

Organisations may apply for multiple Market Roles or access to multiple REC Services. For each REC Service, there are onboarding activities required. These are set out in the relevant REC Schedule.

A bespoke Entry Assessment Plan will be developed for each applicant. This will cover the steps of the application process, onboarding activities to specific services, as well as a plan for when they will be delivered. Where these applicants are not REC Parties (which is only applicable to the GDCC, Enquiry Services and CSS), they will also need to sign an Access Agreement to become a Non-Party REC Service User.

Where you are applying for a Market Role and REC Service User role, there may be certain stages which are duplicated. These stages will be completed at the same time using the same set of evidence.

For example, if you are applying to become an Electricity Supplier and an Electricity Enquiry Service User, you would not be required to have a separate Information Security and Data Protection Assessment.

Once Qualified as a REC Service User, you need to maintain your qualification, and how to do this varies by the roles you take on. The REC Service User Categorisation and Assessment Document provides guidance on the different maintenance of qualification requirements different organisations have. Organisations will be notified of the expectations of them each year, through the REC Portal.

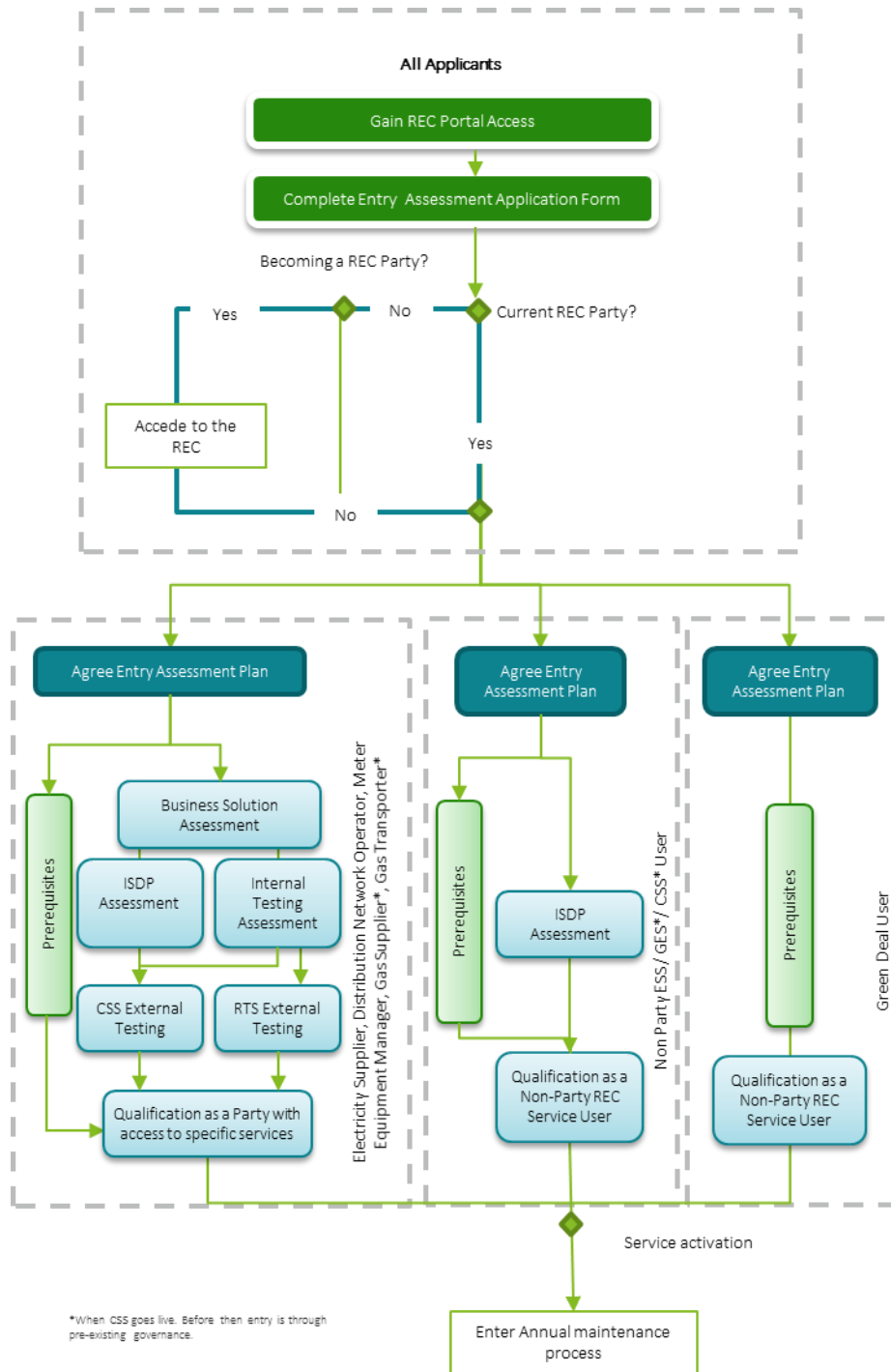
The Code Manager uses a risk-based approach to assessment. This means that the amount of evidence you are required to submit will vary based on what you are applying for, the way you are approaching meeting your requirements, and consideration of specific risk factors.

Risk factors vary by type of applicant and include (but are not limited to):

- the number of metering points that you plan to register (for Energy Suppliers);
- the complexity of the systems and business solution to be used;
- the volume of energy supplied;
- which REC Services you are applying for; and
- the experience of your organisation in the market.

Any information you are required to submit as part of this process will be done using the REC Portal. Further detail of what each stage entails is detailed in sections 5-10 of this document.

The flow chart below shows the individual flows that you must follow for each Market Role and REC Service User Category to become Qualified under the REC:



### **3. REC Entry Assessment Logistics and Format**

#### **3.1. Logistical Arrangements**

The Code Manager will provide individuals to act as ‘Assessors’ at each stage of your REC Entry Assessment. These are collectively referred to as the ‘Assessment Team’. A member of this team will be appointed as Lead Assessor and will be the main point of contact for you during the REC Entry Assessment process.

You will in turn be required to provide the following:

- A co-ordinator to act as the main point of contact throughout the assessment; and
- The appropriate level of resources at each stage required to demonstrate to Assessors how compliance with REC Entry Assessment requirements is achieved.

If there are any difficulties in providing the above, these should be discussed with the Lead Assessor.

If you wish to raise any questions or points, these should be raised through the REC Portal to either the Lead Assessor, or applicable Assessor, unless another communication method is agreed as part of the Entry Assessment Plan.

This will be updated once the REC Portal is developed to include the appropriate communication channels, including a screenshot of how to raise a question in the REC Portal.

#### **3.2. Format of Assessments**

Most assessment work is conducted at the Code Manager’s place of work and is based on evidence provided by yourself via the REC Portal. The process and format employed is broadly as follows:

- submission of information to the Code Manager through the REC Portal for each applicable stage. This will comprise of “standard” information in the form of completed forms/questionnaires on the REC Portal together with uploaded supporting evidence and documents appropriate to the stage of assessment;
- analysis of the submission by the Assessment Team against detailed assessment criteria;
- where your submission does not comply with REC requirements or does not provide sufficient evidence to demonstrate compliance, the Assessment Team will request that additional information is provided;
- where there are individual instances of a failure to follow defined REC procedure or satisfy a REC requirement, or testing does not yield the expected results, this will be documented as an issue, as detailed in 3.3, depending on the severity and impact to the market/market processes;

- review and progress meetings (exchanges of information and feedback) will normally take place on the phone or electronically between yourselves and the Assessment Team. The following areas will be discussed, where applicable:
  - walkthroughs of documentation, systems, business processes and underlying evidence;
  - any findings and observations that have been raised within the REC Portal by the Assessment Team;
  - any remedial/corrective actions you have raised within the REC Portal, or proposed remedial/corrective actions not yet documented on the REC Portal where applicable;
  - your progress on applying remedial/corrective actions, test progress and any issues that may affect the assessment.
- at the end of each stage a final review meeting will be held between yourselves and the Assessment Team to discuss any outstanding issues and applicable corrective actions are reviewed;
- following completion of each assessment stage you will be notified via the REC Portal, with any outstanding issues from that stage clearly identified on the REC Portal. Where the Code Manager recommends that you do not progress to another stage of the process, you will be informed of this and the reasons why and may submit further evidence or opt to end the application;
- should you disagree with an issue raised as part of the process or require clarification, you can raise this via the REC Portal. If required, a meeting will be arranged to discuss the issue;
- an appeals process also exists where you can appeal a decision or issue to the PAB. An appeals form is available via the REC Portal;
- after an appeal decision, whether upheld or not, you may re-join the entry process at the same point at which you left it, with the same issues and assessment status, other than alterations made during the appeal;
- when each applicable stage of the Entry Assessment is complete, or Entry Assessment is ended, the Code Manager will create a completion report summarising the tests completed and any issues outstanding on the REC Portal;
- the completion report will be shared with yourself to provide relevant responses, actions and remediation dates on top of those you have already submitted on the REC Portal;
- at the end of all applicable stages of the assessment the Code Manager will create a report, summarising all issues outstanding from all stages;

- the report will be shared with yourself to provide relevant responses, actions and remediation dates on top of those you have already submitted on the REC Portal;
- the report will then be issued to the PAB for endorsement, along with any recommendations and, as required, CMEC.

### **3.3. Issues**

During the assessment, if the Assessment Team discovers any elements of the assessment of testing which fail to comply with the requirements it will raise a finding or an observation (collectively referred to as an “issue”).

These will be raised within the REC Portal and will allow you to provide a response including the corrective action taken and the timeframe.

This will be updated once the REC Portal is developed to include a screenshot of how issues are raised in the REC Portal, and how they are responded too.

#### **3.3.1. Findings**

Findings are raised when:

- the applicant fails to demonstrate that they will comply with an obligation within the REC products; or
- the applicant fails to comply with any of the REC Entry Assessment principles.

Each finding is individually documented on the REC Portal and discussed at the review and progress meeting, where required. All findings, because of their nature, may need to be cleared prior to commencement of a subsequent stage or next step within a stage.

Any corrective actions to clear a finding are identified by the applicant, who may seek clarification, e.g. if something is unclear.

Findings must be cleared during the course of the assessment. Corrective actions are uploaded to the REC Portal and reviewed by the Code Manager who will sign off completion of the action, or provide an explanation as to why it has not been completed.

#### **3.3.2. Observations**

An observation may be raised when:

- there are individual instances where an applicant fails to follow defined procedure or to demonstrate compliance with any single detail of the REC;
- failures are detected but they do not affect the outcome; or
- the Code Manager wishes to make known to the applicant something they have observed but this does not affect the outcome of the assessment.



The key difference between a finding and an observation is that corrective action is always required for findings before qualification, whereas observations may be addressed before or after qualification. The qualification decision will take into account the number and nature of outstanding observations.

## **4. REC Entry Assessment and Qualification – Application**

### **4.1. Entry Assessment Application Form**

#### **Required for all applicants.**

This is the first step to becoming Qualified under the REC. The Entry Assessment application form is a simple form designed to signal your intent to start the process. It provides the Code Manager with information on you, your intended Market Role and/or what REC Services you are requesting access to.

To initiate the Entry Assessment process, you will make a formal application using the Entry Assessment Application form available on the REC Portal.

This will be updated once the REC Portal is developed to include a screenshot of where to find the form.

If you wish to see the questions before completing an application you can look at the complete set of entry questions in the Entry Assessment Forms document [here](#).

You must detail on the form all applicable Market Roles and/or REC Services you wish to hold and access, along with providing other information such as contact details of the contract

This will be updated once the REC Portal is developed to include a screenshot of where to create an account.

manager and other operational contacts. Depending on the role you are applying for additional questions will be included. This will include the information required to start key assessment steps such as the information security and data protection assessment applicable to all REC Party applicants and Non-Parties applying to use enquiry services or the Green Deal Central Charging Database. For REC Parties it will also include information for the additional assessment steps required for these roles.

If you are already Qualified under the REC but wish to operate in other sectors of the market or access an additional REC Service which you are not currently Qualified for, you must also complete the Entry Assessment Application form.

The Code Manager will review the form, and where details are not complete will send you a message via the REC Portal to ask for these to be updated. They will then validate the form and make you aware if the application has been accepted or rejected.

If accepted, the Code Manager will confirm the status of your application and then hold a planning meeting with you, and other codes if required.

If you are not a REC Party and are applying to use an enquiry service, the Central Switching Service or the Green Deal Central Charging Database you will also be asked to sign an Access Agreement as per section 5.2. REC entry processes will cover the Gas Enquiry Service and Central Switching Service only from Central Switching Service go-live.

## 4.2. Access Agreement

### **Required if you want to be a REC service but not become a REC Party.**

If you are not a REC Party and do not intend to become a REC Party, you will need to sign an Access Agreement for those REC Services you are requesting access for and you will be sent an Access Agreement by the Code Manager on the REC Portal to sign and return. This should be signed by a director or equivalent representative, as detailed within the Entry Assessment Application form, and returned to the Code Manager.

An example of the Access Agreement can be found here.

You will not be able to access the service until this Access Agreement has been signed and returned.

## 4.3. Initial planning meeting

The Code Manager will contact you within 5 working days of you submitting your completed Entry Assessment Application form and your application being validated to schedule an initial planning meeting. For applicants to be REC Parties this will take place after accession, whereas for Non Party applicants, this will be when your application form has been validated. This planning meeting may be in person at your or the Code Manager's location or via a conference call.

Within this planning meeting the Code Manager and you will discuss:

- the REC Entry Assessment process as a whole, including the expectations and requirements at each stage depending on the Market Role(s) and/or REC Service(s) you have applied for;
- your market aspirations. For example, for an Energy Supplier this would consist of numbers of Registrable Measurement Point, the rate of capture and duration and any circumstances that would have an effect on the risk posed to the market (e.g. self-supply);
- for Electricity Suppliers and DNOs, the potential for CMEC;
- arrangements for developing and agreeing the Entry Assessment Plan;
- the next steps to be undertaken by yourself;
- any other matters considered relevant by yourself and the Code Manager.

The Code Manager will determine the approach to be taken based on the information provided and the Code Manager will allocate resources and work with you to implement the approach.

The Code Manager will, using information gained from this meeting, and subsequent meetings/information requests as required, create an Entry Assessment Plan and provide this to you for comment, update and agreement.

Further advisory meetings may be required and requested by yourself to discuss the different REC Entry Assessment stages. These discussions may cover the preparedness that is required for each stage, the documentation that must be submitted to the Code Manager and the evidence that is required in order to demonstrate compliance with the REC requirements.

The Code Manager will not provide any consultancy services to yourself regarding the REC Entry Assessment process and all support provided by the Code Manager during the REC Entry Assessment process is to ensure that the process is clear and unambiguous only, and is not to assist in the development of your business solution, processes or systems.

#### **4.4. Entry Assessment Plan**

##### **Required for all applicants.**

The Entry Assessment Plan is a document produced by the Code Manager showing how you expect to proceed through the rest of the REC Entry Assessment. This will only be finalised on agreement between yourself and the Code Manager. Prior to this, a planning meeting is held between yourself and the Code Manager at which point options and considerations for the assessment stages are discussed.

The Entry Assessment Plan will detail the relevant operational requirements, assessment requirements and resource availability to support your Entry Assessment process through to qualification, and will include details such as:

- the expected commencement of each stage of the Entry Assessment process;
- the expected timeframes in which documentation for each stage will be provided to the Code Manager by yourself;
- the expected communications methods and frequencies between you and the Code Manager; and
- your expected timeframes to obtain your other preconditions. This includes Energy Licences (where relevant), metering accreditation and various forms of system access (including Market Participant IDs, becoming a CSS user etc.) as required. A full list of preconditions is included in the Entry Assessment Forms document here.

Though it may not be possible to prepare and agree this plan at the initial meeting, it must be agreed by you and the Code Manager prior to the commencement of the next stage.

Once the Entry Assessment Plan has been agreed you will then progress to the next stage depending on your requested Market Role and/or REC Service:

- Electricity Supplier, Distribution Network Operator, Metering Equipment Manager – section 6 - Self Assessment.
- EES User (If not a Party) – Section 8 – ISDP.
- Gas Supplier, Gas Transporter and Green Deal Central Charging Database User – section 9 – Qualification.

## **5. REC Entry Assessment and Qualification – Self-Assessment**

**Required if you are an Electricity Supplier, DNO or MEM. Post CSS go live this is required for Gas Suppliers as well.**

If you are required to complete a Self-Assessment Form, this form will ask you to provide details and evidence of your business solution, comprising business processes, local work instructions, management procedures and IT applications.

Your responses to this form will then be assessed by the Code Manager as part of the Business Solution Assessment (BSA).

You are expected to have designed a business solution comprising business processes, local work instructions, management procedures and IT applications.

This must meet the REC requirements both in market design and system integration, so that it is able to interoperate with other Market Participants. As part of this, end to end testing of your business solution in an integrated environment is expected to have taken place.

### **5.1. Self-Assessment Form**

You will complete the Self-Assessment Form on the REC Portal, including the uploading of documentation and evidence where required.

This will be updated once the REC Portal is developed to include a screenshot of where to find the form.

Guidance around the questions asked, how to respond and what evidence is required is also in the Entry Assessment Forms document [here](#).

Please note that depending on your Market Role, not all questions will be applicable to you and will not appear on the Self-Assessment Form on the REC Portal.

### **5.2. Self-Assessment Objectives**

The objective of the Self-Assessment Form is for you to provide sufficient evidence to give assurance that:

- the business solution covers all applicable REC obligations which will apply to you if you are successful;
- the business solution is coherent i.e. your staff can navigate the business processes required for typical business scenarios and it is clear what functions are automated;
- the business solution is suitable to operate the volume of transactions envisaged by your organisation;
- the business solution covers all applicable systems required to meet your REC obligations;
- there is a strategy and plan that covers all the requirements for:

- Integration Testing (consisting of interface and business process testing);
- Internal Testing; and
- External Testing.
- there are management processes defined for the control of changes, problems and configuration as well as release management and test management; and
- all required agreements have been initiated, including for example (but not limited to) bi-laterals for manual Market Messages, Supplier Agents (Suppliers only), and use of system agreements.

### **5.3. Self-Assessment Entry Criteria**

You are required to meet the following entry criteria prior to the submission of the Self-Assessment Form:

- agree the REC Entry Assessment Plan.

### **5.4. Business Solution Assessment**

The Business Solution Assessment (BSA) is an objective assessment of your ability to comply with the relevant obligations of the Code, undertaken by the Code Manager on the information provided by you as part of the Self-Assessment Form.

When the Code Manager is satisfied that the Self-Assessment Form information received is complete, the plan for the BSA and the members of the Assessment Team are confirmed to you via the REC Portal.

The Assessment Team may request an initial meeting, either in person or via teleconference, once the form has been submitted to discuss your intended systems and processes. This may take the form of a formal presentation by you or a discussion around the key documents.

So that you can demonstrate that you have met the objectives, a number of activities are undertaken by the Assessment Team during the assessment and assessed against a detailed checklist.

### **5.5. BSA Method**

Your business processes must encompass all applicable obligations as required for the market roles you are applying for under the REC. Each business process should have a start point, defined path(s) and an end point.

The business processes should be stable and coherent and navigation between business processes, including supporting work instructions, should be clearly defined. It should also be clear how it is determined which business process is used to process any incoming Market Messages and how overdue Market Messages are detected and dealt with.

A copy of all relevant business processes must be made available to the Assessment Team at the beginning of the BSA. The assessment concentrates on the existence of defined processes, whether these are documented procedures or automated processes.

The Code Manager will use a risk-based approach to carry out the assessment and confirm the accuracy of the mappings to your business processes and systems, this could be via a full review or a sampling approach.

### **5.6. BSA Outcome**

If, during this assessment, the Assessment Team does not gain the necessary level of assurance that your Systems and processes are sufficiently robust, the Code Manager will raise issues which will be communicated to you via the REC Portal.

It is then your responsibility to carry out corrective actions to resolve issues to the satisfaction of the Assessment Team, submitting any responses to these on the REC Portal.

Following completion of the BSA, and the completion of actions relating to any findings, the Code Manager shall notify you of the completion of the BSA and capture all relevant outstanding actions from any issues within the REC Portal on a completion report, including the testing scenarios that you will need to test against for Internal Testing, and for Electricity Suppliers and DNOs, External Testing. Post CSS go live Gas Suppliers will also complete internal and external testing.

You will need to provide commentary on the issues raised, and provide action plans with remediation timeframes for those issues that the Code Manager has highlighted. Any issues categorised as 'findings' must be remediated prior to the commencement of the next stage.



## 6. REC Entry Assessment and Qualification – Market Scenario Testing

### 6.1. Market Scenario Testing (MST)

The Market Scenario Testing stage of the REC Entry Assessment comprises two elements: Internal Testing and External Testing.

Both elements are similar and you will be asked to perform a number of defined market scenarios using your normal business processes and business staff in operational timescales to test and demonstrate that they are fit for purpose when you go-live.

Each market scenario is a series of business events that will be encountered in live operation and you will carry out tests in relation to these scenarios using your integrated systems and processes.

During the Internal Testing Assessment, the scenarios are performed wholly within your own environment, with you simulating all the various feed ins and other Market Participants.

During External Testing, you will once again undertake defined market scenarios, but this time interacting with the Code Manager over the Data Transfer Network to demonstrate how your systems and processes will work. Please note that External Testing isn't applicable to MEMs.

### 6.2. Internal Testing Assessment (ITA)

**Required if you want to be an Electricity Supplier, DNO or MEM. Post CSS go live this is required for Gas Suppliers as well.**

If you are required to complete an Internal Testing Assessment, this will involve you running tests to demonstrate your systems and process can operate against a defined list of market scenarios. The outcome of these will be assessed by the Code Manager at the intervals agreed within the Entry Assessment Plan.

As part of the Internal Testing Assessment you will perform testing against a set of market scenarios, these will be provided to you by the Code Manager as part of the conclusion of the BSA. The Code Manager will determine the market scenarios you need to test against using a risk-based approach depending on the answers to your BSA.

The full list of market scenarios is defined in the Joint BSC and REC Storyboards document which can be found [here](#), and detailed checklists will be used to assess the outcomes of the market scenarios.

Each market scenario is a series of business events that will be encountered in live operation with you carrying out tests in relation to these scenarios using your integrated systems and processes.

They must be executed under normal operational conditions based on pre-defined data you have supplied to the Code Manager.

Evidence of the test results will be presented to the Code Manager to assess the effectiveness and coverage of this test process.

#### 6.2.1. Internal Testing Objectives

The objective of the ITA is to demonstrate that you can operate effectively in the live market by successfully completing a number of market scenarios that you will typically undertake once you go live:

- with your business staff;
- using your business systems and processes; and
- under live operational conditions.

### **6.2.2. Internal Testing Assessment Entry Criteria**

In order to commence the Internal Testing Assessment you should have:

- completed the BSA as notified to you by the Code Manager;
- agreed a plan for execution of the Internal Testing Assessment with the Code Manager, included within your Entry Assessment Plan; and
- provided the relevant documentation to the Code Manager, as set out in section 7.2.4.

If you have performed testing already but have had to alter any of those processes based on the results of the BSA, an impact assessment must be provided to the Code Manager.

### **6.2.3. Internal Testing Execution Principles**

During the preparation and execution of the market scenarios, you (and any other Market Participant or managed services provider which you arrange to include in execution of these scenarios) must adhere to the following test principles:

- pre-requisites:
  - the test data that you will use should be finalised in advance of the execution of the market scenarios in the agreed format and provided via the REC Portal to the Code Manager.
  - other Market Participants (e.g. for a Supplier its Supplier Agents) may take part in the scenarios if desired. It is your responsibility to arrange or simulate this.
  - the plan for execution of all market scenarios including expected start, duration and end dates.
- testing must reflect how you intend to operate, i.e.:
  - testing should involve the staff that will operate systems and processes.
  - testing should use your current, normal business processes that are to be deployed for live operation.
  - please notify us of any variations in the process from those followed in live operation via the REC Portal.

- all activities that would occur as part of normal business process must be included e.g. data sourced and files updated as specified for live operation.
- testing should take place in the locations you will normally operate in.
- scenarios must be executed in a timely manner:
  - if you abandon a scenario (whether in part or full) please notify us of this and the reasons why.
  - all market scenarios, including any re-runs, must be completed within the agreed schedule.
  - you must provide the Code Manager with an accurate progress report, via the REC Portal, of Internal Testing, in the agreed format and timeframe as per the Entry Assessment Plan.
  - the Code Manager will provide you, via the REC Portal, with an accurate progress report of the review and adjudication of all Internal Testing results supplied, in the agreed format and timeframe as per the Entry Assessment Plan.
  - scenarios must use realistic timeframes (as agreed with the Code Manager).
  - incoming/outgoing Market Messages must be realistic.
  - all Market Messages (manual and electronic) that would normally be received must be simulated by yourself. The medium, structure and content that you will use in the live market must be replicated.
  - all Market Messages (manual and electronic) that would normally be sent must be created by yourself. The medium, structure and content that you will use in the live market must be replicated.
  - no Market Messages may be edited outside of your normal business process without notification to the Code Manager and must conform to the agreed and provided prerequisite test data given at the start of Internal Testing.
  - where a REC Service is being simulated, the rules for that REC Service under simulation must be correctly and consistently applied throughout the scenario.
- dealing with problems and errors:
  - you must notify us of defects or other problems encountered during your testing.
  - problems and changes to processes and applications must be dealt with through your normal change management and exception management processes.

- where required, changes must be reflected in your Self-Assessment, where applicable, and will be reviewed and approved by the Code Manager.
- exemption from an error cannot be granted on the basis of an undetected error in a previous step, even where a flow simulation error was the cause.

#### **6.2.4. Documentation to be Provided prior to Internal Testing Execution**

You must provide the Code Manager with the following documentation, via the REC Portal, prior to the start of Internal Testing:

- the test plan showing the execution of all market scenarios including expected start, duration and end dates;
- a complete set of the business processes and work instructions that are to be used during your Internal Testing;
- test documentation finalised, including defect management, prioritisation criteria and logging, regression testing approach and environment plan;
- a copy of the data to be used in each script;
- a list of named business users involved in the Internal Testing; and
- a list of organisations, sites, roles and service operators partaking in Internal Testing.

The initial conditions for a scenario must be set up before the scenario is started. For example, in a change of supplier (loss) the dummy customer must be set up on your system (whether they be application or paper based) in a way that allows the customer to be lost - with an historic supplier start date (SSD), all agents appointed and with any customer contract, historic meter readings and meter technical details present.

You must provide the data you will use for testing to the Code Manager. It is your responsibility to ensure the suitability of the data provided. In doing so you should consider whether the data is reflective of the scenarios you will face when operating in the market.

Initial conditions may be achieved through normal business processes or by other means, and it is your responsibility to ensure that the initial conditions have been correctly set up.

During scenario execution, your normal business processes must be used and all information sourced from/filed in the same place that it would be in your normal expected operations.

#### **6.2.5. Internal Testing Execution**

You will execute the scenarios as scheduled in the Entry Assessment Plan agreed with the Code Manager. You will agree with the Code Manager when each scenario may start and conduct the scenario according to the instructions given in the script.

All scenarios are run to completion, or if the objectives cannot be met then they may be abandoned with notification to the Code Manager via the REC Portal. As each step is completed, you must deliver appropriate evidence to the Code Manager via the REC Portal.

Where deviations occur, your normal business process must be used to recover the situation.

During the execution of Internal Testing, you must strictly adhere to the Internal Testing Execution Principles and any plan to deviate from these must be discussed and agreed with the Code Manager.

#### **6.2.6. Evidence**

Evidence must be provided at least of each incoming and outgoing inter-participant Market Messages and include proof of the execution of all material tasks. Evidence must be clearly labelled and referenced to the script and step from which it is produced and submitted to the Code Manager via the REC Portal. Ideally the Code Manager will receive the evidence for each market scenario in its entirety once completed. However, this may not be practical for yourself and evidence provision can be discussed and agreed in preparation for Internal Testing.

Evidence must demonstrate that the scenario has been conducted in a representative test environment; integrity of data was maintained; timestamps were chronological and business context was appropriate.

The evidence must show that all business processes have been tested and must include before and after reports, screen and file prints and any Market Messages that would be transmitted over the DTN.

#### **6.2.7. Changes to your Configuration**

You must inform the Code Manager of any configuration changes within the systems used from those detailed in the BSA, together an impact assessment of the change and any applicable regression testing results.

The Code Manager is responsible for determining which, if any, areas require scenarios to be re-run and the Code Manager will confirm the re-run requirements with yourself.

In certain rare circumstances, material changes to your configuration may require a restart of the REC Entry Assessment.

If any changes to configuration are made which are not notified to the Code Manager this is a breach of principles and may lead to a number of scenarios having to be re-started.

#### **6.2.8. Internal Testing Assessment Outcome**

If, during this assessment, the Code Manager identifies a discrepancy in the execution of a scenario, the Code Manager will raise an issue which will be communicated to you via the REC Portal.

The issue is raised in the REC Portal to the nominated person within your organisation following the issue being detected, reviewed and documented by the Code Manager.

You must record the issue using your defined problem management procedure and provide a cross-reference to allow traceability between the Code Manager issue and your own problem

record. You may nominate an issue co-ordinator (if different to your nominated contact) to act as single point of contact for the resolution of all issue queries.

An issue may be raised by the Code Manager to record that, on a scenario step:

- actual results do not match those expected;
- results do not meet one or more requirements of the REC Service;
- the market scenario was not followed;
- the business process was not followed; or
- a REC Entry Assessment Principle or Internal Testing Principle was not observed.

You must analyse the issue and determine the reason for its occurrence. This analysis, which must be in sufficient detail for the Code Manager to determine the outcome of the issue, and should be recorded by you on the issue raised in the REC Portal together with the proposed corrective action, and returned to the Code Manager. The Code Manager will check the analysis and will request further clarification if necessary.

An issue raised by the Code Manager does not necessarily result in a scenario failure. However, if an issue is raised that will result in failure of Internal Testing, you will be informed as soon as possible. Some issues raised may require the re-running of certain tests prior to the completion of either Internal Testing or the wider Entry Assessment and the Code Manager will flag these to you.

Not all issues will need resolving to progress to the next section, and the Code Manager will consider relevant mitigation or action plans as necessary.

Following completion of the Internal Testing Assessment, and the completion of actions relating to any findings, the Code Manager shall notify you of the completion of the Internal Testing Assessment and capture all relevant outstanding actions from any issues within the REC Portal on a completion report, including the External Testing market scenarios that you will need to test against in the next stage. Please note this stage is not applicable to MEMs.

You will need to provide commentary on the issues raised, and provide action plans with remediation timeframes for those issues that do not need to be remediated prior to the commencement of the next stage.

Once the Internal Testing Assessment has been completed as advised by the Code Manager, you will then progress to the next stage depending on your requested Market Role:

- Electricity Supplier or DNO - Section 7.3 – External Testing.
- MEM – Section 9 – Qualification.

### 6.3. External Testing

**Required if you are an Electricity Supplier or DNO. Post CSS go live this is required for Gas Suppliers as well.**

If you are required to complete External Testing, this will involve you running tests, in conjunction with the Code Manager, to demonstrate your systems and processes can operate against a defined list of market scenarios. The outcome of these will be assessed by the Code Manager at the intervals agreed within the Entry Assessment Plan.

After CSS go-live, External Testing will include testing relating to CSS. Applicants who apply before CSS go-live, who require access to CSS at go-live (e.g. suppliers), will need to gain access to these services through the Switching Programme.

Further details of the market scenarios can be found within the REC Entry Assessment and BSC Qualification Storyboards [here](#).

### **6.3.1. External Testing Objectives**

There are two objectives of External Testing:

- confirm that your interfaces with REC Services have been correctly configured and that any internal routing mechanisms are working. Before CSS go-live this focuses on connectivity to the Data Transfer Service Gateway, and is referred to as the Data Transfer Service (DTS) Connectivity Testing. After CSS go-live this will include testing related to CSS;
- test your ability to deal with exception situations.

These tests are done in collaboration between yourself and the Code Manager.

### **6.3.2. External Testing Entry Criteria**

In order to commence External Testing, you must:

- have completed the Internal Testing Assessment to the satisfaction of the Code Manager; and
- have installed and configured a DTS Gateway.

The Code Manager will then provide you with access to the relevant REC Service(s) to allow for testing, but if you are not subsequently Qualified this access will be revoked.

CSS and GES testing also requires that you complete the Information Security and Data Privacy assessment stage. This requirement will only apply after CSS go-live.

### **6.3.3. DTS Connectivity Testing**

The DTS Connectivity Tests are designed to demonstrate that you:

- have configured your DTS Gateway correctly;
- can transmit all relevant Market Messages<sup>5</sup>, as defined in the Data Specification from each Market Message's normal point of origin to the required destination;

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<sup>5</sup> Relevant flows are those that are applicable to the REC Market Role. Dataflows to or from the following

- can receive all relevant, valid Market Messages from the gateway and route them to the appropriate point from which processing would normally take place; and
- can detect invalid incoming Market Messages and route them to a holding area.

#### **6.3.4. DTS Connectivity Testing Outbound Market Messages**

You must send a complete set of relevant Market Messages to the Code Manager. You are responsible for creating the Market Messages prior to the test using the mechanisms that form your business solution. Market Messages must have the Test Flag set to an agreed valid value.

You must inform the Code Manager of the flows you intend to send. The Code Manager will confirm that this is a complete set for the Market Role for which you are seeking approval.

You are responsible for providing evidence to the Code Manager showing the routing of the Market Messages from their point of origin to the gateway.

The Code Manager will receive the Market Messages from its own gateway and confirm that they are valid in accordance with the Data Specification and market domain data.

#### **6.3.5. DTS Connectivity Testing Inbound Market Messages**

The Code Manager will send you a number of files containing a complete set of Market Messages appropriate to your Market Role. The Code Manager is responsible for providing the Market Messages. Market Messages will have the Test Flag set to an agreed valid value.

You are responsible for providing evidence that valid Market Messages are correctly routed to the normal point of entry to your systems.

Some of the Market Messages sent by the Code Manager will contain errors and are designed to assess your ability to handle exceptions. You are expected to detect these and route them in accordance with your normal business processes, including the exception management processes. You must be able to correctly identify the errors.

Files will contain a mixture of Market Messages, as can be expected when operating in the live market.

Issues found during the tests will be notified to you by the Code Manager on the REC Portal. You must agree corrective actions with the Code Manager for any issues raised. This may require updates to systems and/ or business processes together with further testing.

It is suggested that you may wish to produce Physical Test Scripts for the DTS Connectivity Testing– one for each of the sets of flows in the two directions (inbound and outbound).

#### **6.3.6. External Testing Outcome**

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parties are deemed out of scope of the REC Entry Assessment; BSC Agent; Settlement Administration Agent (SAA); Supply Volume Allocation Agent (SVAA); and Market Domain Data Administrator (MDDA). Additionally, any dataflows for which there is a bi-lateral agreement with the other Market Participants to exchange them manually, are also deemed out of scope for the DTS Connectivity Testing.



If, during this assessment, the Code Manager identifies a discrepancy in the execution of a market scenario, the Code Manager will raise an issue which will be communicated to you via the REC Portal.

The issue is raised in the REC Portal to the nominated person within your organisation promptly following the issue being detected, reviewed and documented by the Code Manager.

You must record the issue using your defined procedure and provide a cross-reference to allow traceability between the Code Manager issue and your own problem record. You may nominate an issue co-ordinator (If different to your nominated contact) to act as single point of contact for the resolution of all issue queries.

An issue may be raised by the Code Manager to record that, on a scenario step:

- actual results do not match those expected;
- results do not meet one or more REC requirements for that specific Market Role;
- the storyboard was not followed;
- the business process was not followed; or
- a REC Entry Assessment Principle was not observed.

You must analyse the issue and determine the reason for its occurrence. This analysis, which must be in sufficient detail for the Code Manager to determine the outcome of the issue, is recorded by you on the issue together with the proposed corrective action, and returned to the Code Manager via the REC Portal. The Code Manager will check the analysis and request further clarification if necessary.

An issue raised by the Code Manager does not necessarily result in a scenario failure. However, if an issue is raised that will result in failure of External Testing, then you will be informed as soon as reasonably possible. Some issues raised may require the re-running of certain tests prior to the completion of the External Testing or wider Entry Assessment.

Not all issues will need resolving to progress to the next section, and the Code Manager will consider relevant mitigation or action plans as necessary.

Following completion of the External Testing, and the completion of actions relating to any findings, the Code Manager shall notify you of the completion of the External Testing and capture all relevant outstanding actions from any issues within the REC Portal on a completion report.

You will need to provide commentary on the issues raised, and provide actions plans with remediation timeframes for those issues that do not need to be remediated prior to the commencement of the next stage.

## **7. REC Entry Assessment and Qualification – Information security and data protection (ISDP)**

**Required if you are an Electricity Supplier, DNO or Non Party REC Service User (EES or GDCC). Post CSS go live this is required for Gas Suppliers as well and Non Party REC Service Users applying for GES and CSS access.**

If you are required to complete an ISDP Assessment, you will need to answer a series of questions and provide evidence around your ISDP arrangements on the REC Portal. Your responses and evidence will then be assessed by the Code Manager.

### **7.1. ISDP Assessment Objectives**

The objective of ISDP Assessment is for you to provide sufficient evidence to give assurance that:

- you have adequately identified and looked to address ISDP risks that you would face if you successfully qualify; and
- you have processes defined to adequately manage those ISDP risks.

### **7.2. ISDP Assessment Entry Criteria**

You are required to meet the following entry criteria prior to the commencement of ISDP Assessment:

- submitted the following documents to the Code Manager prior to the assessment:
  - ISDP Assessment return (completed electronically);
  - copies of any documents referenced in the above; and
  - respond satisfactorily to requests for clarification from the Code Manager.
- for Suppliers, DNOs and MEMs, have completed the Business Solution Assessment.

For Suppliers, DNOs and MEMs, it should be noted this can occur and be completed prior to the Internal Testing Assessment.

### **7.3. ISDP Assessment Process**

To commence the ISDP Assessment, you first need to complete the ISDP form on the REC Portal. This includes submitting relevant evidence to the Code Manager.

This will be updated once the REC Portal is developed to include a screenshot of where to find the form.

Guidance around the questions asked, how to respond and what evidence is required is also in the Entry Assessment Forms document here.

Please note that depending on your role, not all questions will be applicable to you and will not appear on the ISDP Assessment return on the REC Portal.

If any part of the form is submitted but is incomplete, the Code Manager will raise through the REC Portal what is incomplete.

Once the Code Manager is satisfied that the information received from you is complete, the plan for the ISDP Assessment and the members of the Assessment Team are confirmed to you.

#### **7.4. ISDP Assessment Method**

Your ISDP form should provide adequate coverage of all requirements under the REC, and where processes are carried out on behalf of you by a third party, additional information should be provided around their ISDP arrangements.

A copy of all relevant ISDP documentation must be made available to the Code Manager at the beginning of the ISDP Assessment. The ISDP Assessment concentrates on the existence of defined processes, whether these are documented procedures or automated processes and the Code Manager may undertake sample checking of process to assess compliance.

The Code Manager shall use a risk-based approach to carry out the ISDP Assessment and confirm the responses to all ISDP form questions.

#### **7.5. ISDP Assessment Outcome**

If the Code Manager does not gain the necessary level of assurance that your ISDP arrangements are sufficiently robust, this will be communicated to you via issues raised within the REC Portal.

It is your responsibility to propose and carry out corrective actions to resolve issues to the satisfaction of the Code Manager.

Not all issues will need resolving initially, and the Code Manager will mark those within the REC Portal.

Following completion of the ISDP Assessment, and the completion of actions relating to any findings, the Code Manager shall notify you of the completion of the ISDP Assessment and capture all relevant outstanding actions from any issues within the REC Portal on a completion report.

You will need to provide commentary on the issues raised and provide action plans with remediation timeframes for those issues that do not need to be remediated prior to qualification.

## **8. REC Entry Assessment and Qualification – Qualification**

**Required if you are an Electricity Supplier, Gas Supplier, DNO, MEM, GT or Non-Party REC Service User (EES, GDCC and post CSS go live GES and CSS).**

Once you have completed all applicable stages and obtained all licences as required by the Market Role and/or REC Service you have requested you will become Qualified under the REC and the Code Manager will notify you of this status.

### **8.1. Qualification Criteria**

An applicant will become Qualified when they meet two criteria:

1. they meet all pre-requisites in paragraph 2 of the Qualification and Maintenance Schedule. These vary by party type, and will be clearly set out in the applicant's Entry Assessment Plan;
2. they have completed all relevant stages of the REC Entry Assessment and received an outcome report from the Code Manager. This includes clearing any findings that were raised in the process, by implementing suitable corrective actions.

An applicant may not have addressed all observations, and therefore qualify with an action plan.

Following qualification the PAB will be informed of the outcome and have the opportunity to endorse the outcome.

#### **a. Qualification**

Once Qualified, the Code Manager will notify you of your qualification status.

The Code Manager will then either issue you the necessary user credentials for the applicable systems, or request the relevant body provide you with these.

The Authority, the CDSP, and BSCCo will be informed of decision by the Code Manager as necessary.

If you are a Supplier or DNO, you may qualify subject to having Controlled Market Entry Conditions as detailed in section 10.

Once Qualified, you will be subject to some form of annual Maintenance of Qualification requirements as outlined in section 11.

#### **b. Ending the Application Process**

Applicants will only qualify if they provide suitable evidence that they can operate as required under the REC. The Code Manager may request further evidence, or require changes to be made before qualification. You can do this by responding to communication in the REC Portal.

You may wish to end your application if you are unable to provide this evidence, or to end the process and appeal a decision. Where the work required to meet the required standard is extensive, we will discuss this with you to agree a way forward, which could involve starting a fresh application.

## **9. REC Entry Assessment and Qualification – Controlled Market Entry**

**May apply if you are an Electricity Supplier or DNO. Post CSS go live this may also apply for Gas Suppliers.**

If you are an Electricity Supplier or DNO you may become Qualified subject to certain conditions and restrictions.

These conditions and restrictions are in place to prove your systems and processes in the live market and the Code Manager will notify you of these at the same time as you are informed of becoming Qualified.

When you believe you have met the parameters for these conditions and restrictions to be lifted you can complete the Controlled Market Entry Self-Assessment to request your exit from Controlled Market Entry. This Self-Assessment will be assessed by the Code Manager.

### **9.1. Controlled Market Entry**

Controlled Market Entry Conditions (CMEC) are designed to reduce the risk to consumers and the market arrangements relating to the performance of new entrants. They could be applied by the Code Manager at the point of Qualification.

The Code Manager will discuss and agree the applicable CMEC with you prior to qualification, and the agreed CMEC will be included as part of the consolidated outcome report, we share with the PAB.

These conditions will consider a number of factors including:

- your business plan;
- your relevant operational experience;
- your proposed conditions;
- your use of business systems and processes; and
- Market Role(s) for which you have already been Qualified for.

Different types of CMEC apply to Energy Suppliers and DNOs due to differences in their responsibilities for Registrations under the REC.

### **9.2. CMEC for Energy Suppliers**

The CMEC applicable to Suppliers would typically include:

- a maximum Registration rate (i.e. x Registrations per month);
- the types of Registrations (e.g. prepayment / credit or domestic / non-domestic etc.); A cap on the total number of Registrations that may be initiated within the CMEC period; and/or
- a number of Registrations that must be “proven” prior to a CMEC exit.

The operating conditions would apply to Registrations within specific market sectors and be subject to completion conditions requiring a certain number of Registrations to be “completed” insofar that the Energy Supplier has received the Switch Meter Reading from its appointed agents.

The Code Manager will discuss the conditions with you. This may also include:

- how long you should expect the conditions to apply;
- what you can do to remove the conditions; and
- how this is linked to your performance in the market.

You should note that where you have been Qualified to participate in multiple Market Roles, CMEC will be set for each Market Role and you may both commence and complete CMEC separately for each Market Role.

### **9.3. CMEC for Distribution Network Operators**

CMEC and completion criteria for DNOs will be primarily dependent on both the scale of the distribution network and the DNO’s performance during the Entry Assessment process.

Typical CMEC criteria for DNOs will be:

- proving a minimum number of new Metering Point connections,
- operating successfully for a minimum period; and
- the migration of any Metering Points previously registered on private networks.

Note that the criteria for Half Hourly (HH) and Non-Half Hourly (NHH) connections will be set for each market independently.

Further, you may start and/or complete CMEC for each market separately.

### **9.4. CMEC Process**

The Code Manager will notify you of appropriate CMEC and the scope of reporting required during CMEC before you become Qualified.

As part of the CMEC process, you are required to provide the Code Manager with the following information:

- advanced notification of your intention to commence CMEC;
- regular progress reports on the numbers of Registrations or new connections initiated and completed as agreed with the Code Manager; and
- details of all problems experienced.

The Code Manager shall check all information that you submit and discuss and seek to resolve any associated issues.

### 9.5. CMEC Exit

When you believe you have met the completion criteria for CMEC, you should contact the Code Manager using the REC Portal.

You will be asked to complete the Controlled Market Entry Self-Assessment Form on the REC Portal to self-certify that you have successfully proved your operational capability. This self-certification will require authorisation from a Director (or equivalent representative).

This will be updated once the REC Portal is developed to include a screenshot of where to find the form.

Guidance around the questions asked, how to respond and what evidence is required is also in the Entry Assessment Forms document here.

The Code Manager will review your Controlled Market Entry Self-Assessment Form and seek evidence that you can operate in accordance with the REC requirements. This will typically focus on your performance in the market to date.

Once completed, the Code Manager will advise you of its conclusions, prior to sharing these with the PAB

## **10. Appeals**

### **10.1. Appeals Process**

You can appeal the decisions of the Code Manager. Before doing so it is important that you engage with the Code Manager to clarify any requests that have been made of you, or issues that have been identified. You may be able to resolve the query, for example by submitting different evidence or explanations. Examples of things that you might appeal are:

1. findings of the Code Manager that prevent you completing a phase of the Entry Assessment process.
2. proposed Controlled Market Entry Conditions that would apply once Qualified.

If you wish to appeal a decision you can exit the Entry Assessment process to do so. You will then need to raise an appeal through the REC Portal within 10 Working Days of exiting the process. After your appeal you will be able to re-join the Entry Assessment process in the same position you were previously in, except for changes as a result of the appeal.

Full details of the appeals process are available on the REC Portal here, and you will be provided with these should you initiate an appeal. There are also details specific to entry included in the REC Qualification and Maintenance Schedule.

Appeals are made to the PAB, and organisations appealing can provide relevant evidence and present to the meeting where the appeal is heard.

The PAB can determine if the original decision should be upheld or overturned, and the Code Manager will make you aware of the decision. There are provisions for the PAB to escalate appeals to the RECCo Board, if it is unable to make a determination.

If you are dissatisfied with the PAB, or RECCo Board's determination, you may make a final appeal to Ofgem under the REC Disputes procedure. If your appeal is not upheld you will be provided with details of this procedure, as well as the timeframe for you to dispute the decision. Ofgem's determination shall then be final and binding for the purposes of the Code.