Meeting Session	DCUSA Panel (Closed Session)
Paper Reference	Panel_2020_0415_15_Faster Switching Code Consolidation Programme
Action	For Information

Faster Switching and Code Consolidation Programme

1. Synopsis

1.1 The purpose of this paper is to provide the Panel with an update on Ofgem's latest thinking on the Faster Switching and Code Consolidation Programme regarding the impact on the Distribution Connection and Use of System Agreement (DCUSA).

2. Background

2.1 Ofgem issued a Retail Code Consolidation (RCC) Significant Code Review (SCR) launch statement on the 29th November 2019. The impact on DCUSA Ltd is to draft the changes to the code due to the intended scope for the RCC SCR and that of the Faster Switching Programme (FSP).

3. Progress update

3.1 The Panel at last month's meeting approved the draft change documents associated with both the RCC and FSP programmes. These were sent to Ofgem on the 24 March. In addition, Ofgem were notified that the draft change documents were being submitted without any legal review (decisions are still to be made e.g. metering) and are subject to their forthcoming consultation which may result in further amendments.

3.2 All the activities associated with the timeline for the submission of the change documents have been completed:

- to complete the full set of changes by the end of February (complete);
- the Panel (or parties acting on behalf of the Panel) review the changes pre-March Panel meeting (complete);
- the Panel sign off/agree any outstanding concerns at the March Panel meeting (sign off complete);
- the code administrator updates the documents where necessary to deal with any outstanding concerns (not required);
- the Panel sign off (if not done so at the Panel meeting) before the end of March (not required); and

- Code administrator submits prior to/by the 31 March 2020 (complete).
- Consideration needs to be given to any conditions that need to be associated with the submission of the change documents in order to meet the 31 March deadline e.g. no legal review has been undertaken (complete).

3.3 At the Regulatory Design User Group (RDUG) meeting on 30 March the consequential code change process was discussed and the following timeline (subject to the delivery group meeting on COVID-19 impact on the programme plan[1]) was provided:

- RDUG to review by 14 April;
- Document submitted by the programme to Gowling WLG;
- Regulation Group (RG) to baseline the documents[2];
- Issued in the Spring consultation for 8 weeks
- Theft and Metering work expected to be consulted upon in Summer; and
- Complete consequential code drafting and required REC drafting for Nov submission to Panels

3.4 It is unknown at this stage as to what further involvement is required from DCUSA Ltd. There may be involvement with amendments due to:

- post RDUG review and pre Gowling WLG submission (or these may be fed into Gowling WLG);
- post consultation feedback (or these may be fed into Gowling WLG);
- changes due to the metering work (believed to be a minor impact on DCUSA); and
- reporting ongoing code changes that impact the baseline changes associated with the SCRs.

3.5 The Panel is reminded that Ofgem's 2016 Code Governance Review (phase 3)[3] created three pathways for SCRs with increasing levels of Ofgem involvement in the modification process[4]. The RCC SCR will be an Ofgem-led end-to-end process (pathway 3).

3.6 Paragraph 2.29 of the 2016 review states

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[1] The following update was received on the 3rd April from Ofgem due to the impact of COVID 19

"we will be pausing consultation with supplier representatives on regulatory text for at least three months.

This three month suspension of RDUG and RG meetings includes a pause on the documents that were recently submitted for RDUG comment before the 6th April. We no longer expect comments on these documents, though anyone who has already prepared comments and wishes to submit those, is welcome to. We will cancel the 6th April meeting of the Regulatory Group. We will communicate with RDUG after the Delivery Group convenes on 16th April with further clarification on regulatory replanning outcomes."

[2] Administrators to notify the RG of any changes to them introduced by industry change.

[3] https://www.ofgem.gov.uk/system/files/docs/2016/03/code_governance_review_phase_3_final_proposals_2.pdf

[4] The three pathways are: Pathway 1: Ofgem directs licensee(s) to raise modification proposal(s), which then follow the standard industry modification processes; Pathway 2: Ofgem raises modification proposal(s), which then follow the standard industry modification processes; and Pathway 3: Ofgem leads an end-to-end process to develop code modification(s).

"Pathway 3 effectively means that the standard industry process would not apply; Ofgem would lead consultation and engagement needed to develop the appropriate code change(s). We would expect close involvement of the industry; for example, we may establish and lead workgroups similar to the approach under the standard code modification processes (but led by us)."

3.7 The submission to the Panel under Paragraph 3.3 above is effectively the change report. Thereafter the diagram under paragraph 2.29 of the 2016 review states that it moves to the decision process - Panel recommendation. Since the Panel doesn't make recommendations, parties do, it is assumed that the voting process is undertaken at his point through to the Ofgem change declaration for their decision.

3.8 Subject to any consideration given to paragraph 3.4 above, this paper closes down the initiative associated with the production of the changes impacted by these two SCR's. If there is a further requirement the Panel will be notified at that time.

4. Actions

4.1 The DCUSA Panel is invited to:

- **NOTE** the contents of this paper

5. Attachments

None

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