



Strategy & **Forward Work Plan**

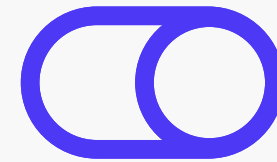
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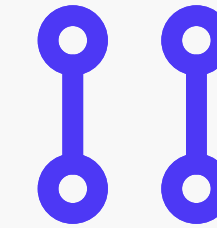
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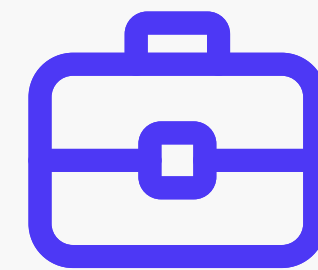
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CEO Foreword



Sid Cox
Chief Executive Officer



Our mission at RECCo is to facilitate the efficient and effective running of the retail energy market, including its systems and processes, through promoting innovation, competition and delivering positive consumer outcomes. I am pleased to introduce our Forward Work Plan (FWP) for 2023-26, which follows and builds upon the strategic foundations and plans we set out in detail and delivered last year.

We have continued to provide, improve and evolve our fundamental services to all our stakeholders against a challenging and changing market environment: increases in gas and electricity prices, the existential crisis of many energy suppliers; an unprecedented level of government intervention in the retail energy market to address the cost of living crisis exacerbated by the war in Ukraine, and the refocussing of our regulator’s attention on the financial resilience and compliance of energy supply companies.

Against this background, it is easy to forget that RECCo has been delivering on a programme of planned change which started just over a year ago with the go-live of Code Manager operations and the effective delivery of Retail Code Consolidation. This included a single set of dual-

fuel arrangements in the Retail Energy Code (REC) version 2.0. During the year, we have expanded the functionality and usability of the underlying Code Manager services. Our second significant milestone was achieved in July 2022 with our contribution to the go-live of the Central Switching Service (CSS) which is now under the governance of RECCo following the full implementation of REC version 3.0. To reach this milestone, as well as making all the necessary changes to the REC and its governance, our role was to evolve the Energy Enquiry Service and to negotiate and onboard the Gas Enquiry Service. From 1 April 2023, the funding of the CSS will transfer from the Smart Energy Code to the REC, representing the single biggest change to our operating budget.

Simultaneously, we have continued to deliver on planned as well as new projects which have responded to emergent issues. In March 2022, Ofgem tasked us with delivering the systems, processes and contracts required to administer the Market Stabilisation Charge which we successfully delivered in three months, demonstrating RECCo’s ability and goal to deliver mandated change at pace. We have made significant progress with the agreed Consolidation of the Metering Codes of Practice which is on track for completion with the

introduction of a new auditing regime from April 2023. Similarly, we identified, planned and are progressing the significant consequential impacts and changes to the REC, systems, and processes to deliver the requirements to meet the Market Half-Hourly Settlement Programme. We are pleased to have now published the Theft Estimation Methodology report which gives a combined estimated range of £800m - £1,400m for gas and electricity theft, which was delayed whilst we overcame the challenges of data accessibility and availability. It is now incumbent on us to address the challenge of theft and we will work with industry parties and wider stakeholders to deliver a truly holistic Theft Reduction Strategy.

All of these projects have underscored the importance of data and the need for RECCo to develop and implement our digitalisation and data strategy. This strategy aims to facilitate improvements to our services in the short term and enable secure and open data in the long term. Open data will facilitate the provision of new products and services which will permit all energy consumers and industry to achieve the common aims of affordability, security of supply and sustainability.

CEO Foreword

During the last year, in addition to delivering key change projects and improving our core services, we have also been establishing our enduring team. I believe we have demonstrated the capability of our young organisation to grow, adapt and deliver with the vibrancy and enthusiasm of a start-up. We benefit from experience and have a remarkable breadth and depth of knowledge for what remains a comparably small team. That said, we plan to further strengthen our team in the coming year. In essence, the role of the RECCo team is to act as an “intelligent customer” procuring and delivering value-for-money by harnessing the skills and expertise of a group of service providers, some of which we inherited as part of the code consolidation and some we appointed following competitive procurement, delivering a code model that is greater than the sum of its parts. I believe we will have an important role in supporting Ofgem and all stakeholders in

facilitating the evolution to a more sustainable retail energy market that works for industry participants and to the benefit of consumers as we transition to a Net Zero energy system.

As I mentioned at the outset, this Forward Work Plan is a continuation of the strategy and plans we put in place last year and delivers in part some of the projects which we were required to defer last year. During the coming year, we will continue to embed the governance and operation of the Central Switching Services, the Market Stabilisation Charge and Consolidated Metering Services. Our primary focus will be the stability, improvement, and evolution of our core services to ensure that they remain relevant for all stakeholders. We are collaborating with the Code Manager to establish several key areas or themes for development, which will be prioritised based on the impact they will have on consumer segments or personas that we have

developed for that purpose. These themes focus on processes that are already governed within the REC and can be improved upon through service provider contracts. Where the change would impact upon REC provisions and/or REC Parties it will be subject to the outcome of a REC Change Proposal. The long-term scheduling for the agile delivery of these improvements will be set out in the Code Roadmap published on the REC Portal.

This Forward Work Plan includes a vital review of data sources, to securely open up data for purposes which will benefit the consumer, whilst also giving them control and choice. Today’s data landscape is too complicated for the next wave of innovations around time of use tariffs, energy home automation and encouraging the prosumer. Our data and digitalisation workstream will help facilitate carbon reduction strategies and get the right support to the

people who need it most.

At RECCo, we know that through talking, listening, and engaging with stakeholders, we’ll be able to focus on the most effective and time-critical market improvements; ones that will benefit the energy industry, consumers, and the environment. I was pleased that nearly a hundred of our stakeholders participated in the Forward Work Plan webinar when I and the executive team presented the contents of it and answered questions raised. There was a similarly strong engagement when we presented the revised budget for 2023/24, which has now been confirmed. A summary of the budget is provided at the back of this document, and the full version is available on the RECCo website.



Who Are We?

Managing the Code

We are the Retail Energy Code Company - an independent, not-for-profit that owns and manages the Retail Energy Code (REC). The REC was introduced in 2019 to simplify and consolidate multiple retail energy governance arrangements into a single code.

All licensed suppliers in the retail energy sector must follow the REC when supplying to consumers. This includes energy suppliers, gas transporters, electricity distribution network operators, metering operators and the Data Communication Company (DCC).

Building a better energy market

Through the code, the services we manage and the programmes we run, we're dedicated to building a more effective and efficient energy market for the future.



**We are an
*independent,
not-for-profit*
organisation
responsible for the
Retail Energy Code
(REC)**

What Do We Do?

A commercial approach to delivering value for money for REC Parties

We function as an intelligent customer on behalf of the energy industry. This means we apply the following commercial principles across our procurement, transformation, and operational activities and the contracts we manage:

- Procure services through open market competition wherever possible.
- Procure services that are value for money, scalable and adaptable.
- Procure services using data driven decisions.
- Always seek to deliver operational and cost efficiencies.
- Always hold our service providers accountable for their service delivery obligations.

The industry funds us, and we manage and invest those funds prudently. Therefore, we only procure to deliver current or future REC Service requirements. We will always strike a balance between innovation and ensuring the industry gets a return on its investment.

Reducing costs for REC parties by incentivising our service and contract management

We include service performance regimes in our service provider contracts. These cover the end-to-end service term, including mobilisation and operational delivery. We ensure that the regime includes quantitative and qualitative measures, is not punitive, reflects a fair balance of risk and reward and incentivises service providers to deliver in a timely manner and the quality standard required.

We agree on our service performance regimes before contracts are signed and they are monitored through the service lifecycle to ensure they are appropriate to the service and continue to be fit for purpose. This means that if providers don't meet key performance targets or miss key mobilisation milestones, they pay service credits. Service providers are incentivised to quickly remedy the cause of service failures and ensure they do not repeat.



Through its proactive service and contract management, RECCo has recovered more than £900k in service credits and delay payments from its service providers. These monies are deducted from the service cost, thereby reducing the monetary impact on REC Parties.

We will continue to innovate and adapt our service management, while at all times ensuring that service providers deliver on their commitments.

Elizabeth Lawlor

Director of Operations



Services

How we operate and deliver our services

We manage multiple service providers that deliver our core services on behalf of industry. This includes the REC Code Manager, which delivers the day-to-day operational elements of the REC.

These core services are key to the operation of retail energy market. Our overarching objective is to ensure that we successfully manage and deliver these services on behalf of industry participants.



The REC Code Manager

The REC Code Manager is responsible for delivering the day-to-day functions of the Retail Energy Code. The Code Manager is broadly split into three parts: REC Professional Services, REC Performance Assurance and REC Technical Services.

REC Professional Services

Responsible for the REC Portal and REC Change Management process. They provide support to REC parties via the service desk and through Operational Account Managers. They also offer each REC Party expert training, knowledge, and event invitations.

REC Performance Assurance

Lead on the delivery of the REC Performance Assurance Framework. They run the Performance Assurance Board (PAB) and manage Parties' entry and exit to the REC.

REC Technical Services

Act as the technical design authority and maintain REC technical documentation through the Energy Market Architecture Repository (EMAR) and by providing technical support.

Services

The key services that RECCo procure, manage and deliver on behalf of the retail energy market.

CSS

EES

GES

GDCC

ETTOS

MSC



Central Switching Service (CSS)

The Central Switching Service (CSS) was launched in July 2022 as part of new, faster switching arrangements. The CSS includes a registration service and an address management service.



Electricity Enquiry Service (EES)

The Electricity Enquiry Service (EES) is in place to assist suppliers with the consumer switching process. It also benefits REC and non-REC parties, such as Price Comparison Websites (PCWs) and other Third-Party Intermediaries (TPI) that offer consumers energy related services.



Gas Enquiry Service (GES)

The Gas Enquiry Service (GES), formerly known as the Data Enquiry Service, is used by market participants to examine data relating to Registerable Measurement Points (supply meter points). GES is now governed under the Retail Energy Code and is available through Xoserve's Service Portal.



Green Deal Central Charge Database (GDCC)

The Green Deal was a government-run energy efficiency scheme. RECCo manages the ongoing systems and data for this legacy service. The GDCC facilitates GB Green Deal plans by providing a point of reference and interaction between relevant Green Deal Users.



The Energy Theft Tip-off Service (ETTOS)

The Energy Theft Tip-off Service is operated by Crimestoppers. It allows members of the public to anonymously report suspected theft of gas and electricity.



The Market Stabilisation Charge (MSC)

RECCo administer the MSC, a charge introduced by Ofgem in April 2022, which is triggered when wholesale prices fall 10% below the levels assumed in the Default Tariff Cap calculations. When in effect, the Market Stabilisation Charge is levied upon suppliers that gain new domestic customers.



Strategic Approach

RECCo is a not-for-profit that ensures the proper, effective and efficient management of the Retail Energy Code. Our purpose and vision are set out in our mission statement. We deliver this primarily through the design, procurement and management of services to market participants.

In preparing this strategy, we have reviewed our mission statement, strategic aims and deliverables. It builds on the commitments we made in the 2022-2025 Forward Work Plan, where many of the deliverables and initiatives remain aligned to our core ambitions and span multiple years. We have also taken on board the feedback we received from our stakeholders during the course of the year.

We remain focused on our core deliverables, seeking to drive better services under the retail energy market, introducing efficiencies, to enable a retail regulatory environment which supports innovation and change to bring positive effects for consumers, and helps the UK transition to Net-Zero. Our work should continue to support these ambitions. However, the current cost of living crisis has sharpened our focus on what can be achieved in the near-term, to benefit consumers, through reducing complexity and cost. Making a difference to consumer journeys in the retail energy market will be a key theme in our strategy.



The 5c's

Together, our mission statement, strategic aims, values and principles promote the outcomes we seek to achieve. We call these the 5c's. They ensure our workstreams encompass and remain true to our strategy.



Mission Statement

We will facilitate the efficient and effective running of the retail energy market, including its systems and processes. We'll do this through promoting innovation, competition and delivering positive customer outcomes

Outcomes Promoted

Consumers

Working towards the ultimate aim of delivering consumer benefits

Climate

Supporting the decarbonisation of the energy industry and contribution to the UK's overall Net-Zero transition

Competition

Proactively identifying efficiencies and innovations that will support competition

Cost

Ensuring our services are efficient and cost-effective

Catalyse Improvement

The steps we take promote change, efficiencies and innovation that contribute to the energy industry move to decarbonisation and deliver consumer benefits

RECCo Capabilities



Service excellence

We are committed to providing a best in class governance model, over both the REC itself and the services that we are entrusted with. We will continue to provide transparent and measurable value for money, embrace learnings and adapt according to the evolving needs of REC Parties, stakeholders and consumers.



People

We are committed to having an expert and highly motivated team that will deliver the RECCo vision. We will continue to build the capabilities of our people, fostering a culture of learning, collaboration and innovation, maintaining a safe space to try new things and if necessary 'fail fast' in pursuit of better outcomes for REC Parties, stakeholders and consumers.



Data and Digitalisation

We will continue to embrace digital by design principle, leveraging our technologies and data to simplify and improve retail energy market procedures, and where possible create new channels for communication, while ensuring that no consumer is left behind.



Procurement and financial management

We will demonstrably deliver value for money through the competitive procurement of REC Services and ensure we have the capabilities to act as an intelligent consumer on behalf of REC Parties in subsequent supplier relationship management.



Stakeholder engagement

We will earn and maintain the trust of REC Parties and stakeholders by being open, honest, independent and informed. We will work proactively with all stakeholders to identify solutions and make improvements that contribute to a better functioning retail energy market and facilitate our wider strategic objectives in the interests of REC Parties and consumers.

Achievements

Last year we set out an ambitious work plan, being a combination of continuing long-term projects and new activity, while striving for excellence in our day to day operations.

Workstream	Deliverable	Assessment
REC v3	Produce the drafting for REC v3.0 to introduce governance of the CSS	<ul style="list-style-type: none"> REC v3 implemented on time Managed the governance development, baselining and testing
Central Switching Service	Go-live with new switching arrangements	<ul style="list-style-type: none"> CSS Go-live was successfully achieved in July 2022 Established the process for sending Switching Domain Data to the CSS Updated the market entry assessment and qualification and market exit process to reflect the new switching arrangements Updated the REC change process Updated the REC Performance Assurance Framework Worked closely with DCC and other service providers to agree and test new REC processes Exited switching early life on time and managed transition to enduring governance Developed CSS performance management regime ready for implementation on 01 April 2023
Electricity and Gas Enquiry Services	Onboard EES and GES	<ul style="list-style-type: none"> Designed, built and tested new interface to exchange messages with CSS Changed EES website and API's to accommodate all new CSS functionality and data items Negotiated GES service provision and successfully onboarded service
Market Stabilisation Charge	Ofgem obligation for RECCo to operate the MSC	<ul style="list-style-type: none"> Introduced vires for RECCo to operate the scheme Developed governance and processes to support the MSC administration Designed, developed, tested and implemented technical solution under the REC Successful collection and distribution of first billing cycle
Metering consolidation and assurance	Consolidate and simplify metering codes	<ul style="list-style-type: none"> Consolidation of four Metering Codes of Practice will be in place by the end of the financial year in line with the target date Awarded new Auditor contract
Energy Theft Tip Off Service	Improve consumer awareness of the Tip Off scheme and the risks associated with energy theft	<ul style="list-style-type: none"> Delivered Awareness Campaign – across different social media platforms such as TikTok, radio campaigns, Google ads and out of home campaign

Achievements

Workstream	Deliverable	Assessment
Energy Theft Detection Incentive Scheme	-	<ul style="list-style-type: none"> Better targeted incentives introduced for 2022/23 scheme year Effective credit control processes ensured timely reconciliation of 2021/22 scheme year Change Proposal raised to make further improvements to future scheme years in line with feedback from stakeholder survey and Theft workshop
Theft Reduction Strategy	Develop vision, strategy and robust business case for the theft reduction services	<ul style="list-style-type: none"> Produced robust Theft Estimation Methodology; Delivered industry workshop identifying current impediments to more effective theft prevention and solutions to them Consulting on initiatives to be taken forward as part of the Theft Reduction Strategy
Digital Navigator	Improve and enhance REC Data Specifications	<ul style="list-style-type: none"> Improved engagement and navigation of the digital REC in EMAR Progressing the inclusion of REC Party licences to facilitate read across of obligations
Performance Assurance Reporting Catalogue	Update and review	<ul style="list-style-type: none"> Changes to the catalogue were made to accommodate the introduction of the CSS, and improve the clarity and efficiency of the data collection process
Service Management	Continuous development and supporting parties	<ul style="list-style-type: none"> Managed close out of Code Manager Post Implementation Plans (PIP) to resolve outstanding deliverables including operational processes, documentation, and system issues. Worked with the Code Manger to ensure all the PIP requirements were completed to the required quality standards and that solutions that will support Parties in engaging with the service and understanding their obligations under the Code were implemented at no additional cost
Financial and Commercial Management	Established and implemented robust financial and commercial processes to ensure efficient use of industry money	<ul style="list-style-type: none"> Developed refined financial reporting processes to minimise bad debts and risk Developed and implemented robust procurement principles and processes Received a clean statutory audit
Consumer Initiatives	Supported Government Initiatives to support Consumers with energy costs	<ul style="list-style-type: none"> Provision of data reports to support BEIS in the delivery of the Energy Bills Support Scheme

Stakeholder Engagement

Stakeholder feedback is critical to us. It means that we can listen to and resolve concerns, and work to make improvements. By working agilely with our service providers, in the past year we have been able to identify areas for improvement, such as the portal's user experience. We've also implemented change that allowed REC Parties and other REC users to access an improved product.

In November 2022, we conducted our first stakeholder survey. This is part of our ongoing commitment to engaging widely with our stakeholder community to ensure that RECCo is meeting or exceeding expectations. Our survey asked detailed questions to enable us to effectively benchmark and performance assess several of our key service providers, the results of which will enable us to continually improve how REC services are run. We expect the results to be available shortly, and they will be disseminated amongst all REC parties and other interested stakeholders. We anticipate that next year we will broaden the scope of our annual stakeholder survey to encompass a wider range of REC services.

As noted in the 'next steps' section, we will host a stakeholder webinar to discuss the content of this Forward Work Plan. We will also work closely with Parties' Operational Account Managers to ensure that we are familiar with their own strategies and emerging needs, and using those industry insights to facilitate a more agile approach to the development of our future work plans.



Priority Work for 2023/24

Consumers	Climate	Competition	Cost	Catalyse	Project	Outcomes	2023/24	2024/25	2025/26
✓		✓		✓	Data and Digitalisation	Consult upon and implement results of applying open data principles to REC controlled data	✓		
						Facilitate development of a consumer consent mechanism	✓		
						Work with Code Manager and stakeholders to produce a strategy to completeness and quality of market data impacting upon retail risks	✓		
						Publish approach to evolution of REC Digital services and integration into Code Roadmap	✓		
						Subject to BEIS decision, facilitate implementation of Secure Smart Energy System		✓	
						Consult upon proposal for API Gateway and Microservices Architecture	✓		
✓			✓	✓	Theft Reduction Strategy	Re-establish theft expert group and stakeholder forum	✓		
						Raise industry and stakeholder awareness of theft issue	✓		
						Incentives: map relevant industry processes, identify issues which contribute to losses, and options to resolve them	✓		
						Incentives: implement a more holistic and effective Theft Detection Incentive Scheme		✓	
						Data: identify existing sources of theft related data and facilitate better data sharing	✓		
						Data: identify and obtain new sources of theft related data and/or analytics		✓	
						Engage with and identify better ways of working with non-industry agencies e.g. police	✓		

Priority Work for 2023/24

Consumers	Climate	Competition	Cost	Catalyse	Project	Outcomes	2023/24	2024/25	2025/26
✓	✓	✓		✓	Market-wide Half-Hourly Settlement Programme	Entry into Systems Integration Testing	✓		
						Complete consequential code drafting	✓		
						Implement new code drafting and MHHS Go Live			✓
✓			✓	✓	Evolution of Enquiry and Database Services	Deliver efficiencies through integration of Green Deal Database into Enquiry Service platform	✓		
						Requirements gathering , contract renewal and/or re-procurement		✓	
						Implementation			✓
✓				✓	Priority Services Register	Explore scope for REC to improve PSR coverage and better facilitate 'tell me once' principle	✓		
✓		✓	✓		Third Party Intermediaries	Explore what if any role the REC could play in assuring the conduct of Third Party Intermediaries	✓		
	✓			✓	Net-Zero RECCo	Publish our Carbon reduction plan	✓		
				✓	Code Reform	Engage with Ofgem and stakeholders on further code reforms	✓		
						Implement anticipated reforms to code governance		✓	

Data and digitalisation

[Consumers](#)
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2023/24

Last year we stated that we would develop a digitalisation and data strategy to deliver data and service improvements, consistent with the insights and user stories developed collaboratively with REC parties and other stakeholders. We are well on the way to delivering that aim with an increase in agile delivery; review of our data sources; identification of user experience improvements and facilitation across industry of consumer consent.

Open Data

Although we are not directly captured by the obligations placed upon network licensees to comply with [Ofgem's Data Best Practice Guidance](#), we set out in our previous Forward Work Plan that the development of our services will account for that guidance where relevant. For instance, in 2022 we started the review and catalogue of our data sources. This included classifying of data items to enable data to be opened securely and data protection regulations to be applied fairly, so that more data can safely be accessed under the REC. This work continues in 2023 and beyond as new data items, sources and uses become prevalent. Understanding and cataloguing is only the start and in 2023 and beyond we anticipate changes to the REC and associated services to improve access under the standard REC change processes.

Consumer Consent

To enable many future market innovations, deliver Net-Zero and reduce energy cost to the consumer the Energy Digitalisation Taskforce identified the need for a consumer consent portal. RECCo is well positioned to facilitate this across industry and identify the best way forward for industry to deliver this as a positive outcome for the consumer. We see this as a step-wise approach: first we will identify stakeholders and learn from other projects (e.g. Open Banking, Mi-Data); second we will identify consumer needs, both current and future, and what type of control consumers will need over their data; and third we will create a minimum viable product which allows the testing of consumer needs and to understand technology risks before embarking on a major technology project.

Data Quality

The REC performance assurance framework will have a key role in maintaining standards of data quality. However, in some cases the quality of data may be so poor that it cannot simply be maintained or incrementally improved through normal performance assurance techniques. We recognise that in some cases no individual party may be able to take the necessary actions to improve the data, with the assistance of peers or other third parties being required. In such cases, we consider that RECCo will be able to play a facilitating role. For instance, we have asked the Code Manager to provide support to the Data Working Group of the Switching Programme, which has focused on improving the quality of specific data items such as related MPANs and converting plots to postal addresses. Such initiatives have occurred previously, though these tend to be one-off events or in facilitation of a particular industry programme, with standards again degrading once the spotlight moves on. While these are expected to fall within scope of performance assurance post-CSS implementation, there may be a requirement for additional targeted support. Through combining the ability to undertake one-off exercises with the ongoing monitoring and assurance enabled by the REC performance assurance regime, we will be well placed to initially drive and then maintain improved data standards.

We consider that there may be much greater opportunity to add value and address some of the issues in the market arrangements by identifying the pinch points which require parties to employ exceptions processes, which are often manually intensive and therefore expensive. By working with REC Parties and wider stakeholders to articulate user stories, we will develop a clear and agile framework for the development of the REC as a product, and associated REC Services.

Data and digitalisation

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2023/24



Digital Services

In delivering REC services we have sought to embrace a digital-first approach, particularly through the levels of functionality that are or will be offered via REC digital tools such as the REC Portal and the EMAR. We will continue to make incremental improvements to the REC Portal and EMAR, as well as other services such as CSS and the enquiry services.

Secure Smart Energy System (SSES)

BEIS recently consulted on the development of arrangements to grow and evolve the markets for demand-side response services (DSR) and energy smart appliances (ESA). Key considerations will be what standards, rules and principles might be needed to ensure interoperability, cyber security, data security and privacy, and grid stability whilst delivering good consumer outcomes. We understand and support the drive for Net-Zero, and acknowledge the estimated £10 billion in savings which DSR and ESAs may deliver.

We believe that consumer engagement and consent will be critical to the adoption of technologies which will facilitate Net-Zero and that REC will have a role to play under SSES. Consumers must have trust and confidence that there are sufficient protections, choice and flexibility if they are to adopt such technologies. We believe RECCo and the Retail Energy Code (REC) are well positioned to help facilitate this work. [See our response to the BEIS consultation here](#). Interoperability across providers/propositions will be key to delivering consumer protections, flexibility for consumers to move when their circumstances change, and a reduction in the scale (and associated costs) of future change without stifling innovation. This will enable a competitive market for these new services.

API Gateway & Microservices Architecture

RECCo is looking to simplify access to and improve the security of the services provided. A microservices architecture and API (Application Programme Interface) gateway, which performs authentication and authorisation is technically an architectural approach which can simplify access (lower number of access points); improve security (reduced risk of toxic access controls) and provide flexibility (enable increase variance in digestion of data). This also provides the upside that services behind the API gateway can be altered with minimal impact on industry and therefore enable adapted services and costs efficiencies.

Underpinning the technical architecture will be the embodiment of GDPR as an enabler to securely open up data and protect the consumer. The flexible microservices architecture also enables RECCo to adapt to changing industry needs and develop prototypes, alpha or beta services with differing organisations to move the industry forwards. The API gateway also enables trust to be established with other organisations in a proven technical way to encourage the re-use of data sets and or services to reduce duplication across industry.

RECCo recognises that existing services are critical, so this initiative will not be completed in a big bang way; it will be executed incrementally over time, reducing risk, providing optionality to industry and bringing the benefits described above.

Market-wide Half Hourly Settlement (MHHS)

Consumers Climate Competition Cost Change/Catalyst

2023/24

Expanding half-hourly settlement to market-wide will facilitate the transition to a smarter, more flexible energy system that will bring significant benefits to consumers whilst also supporting the UK’s Net-Zero ambitions.

This reform makes settlement more accurate and timely, opening opportunities for the development of new products and services, such as Time-of-Use tariffs and flexibility services. Ofgem’s analysis predicts that market-wide half-hourly settlement (MHHS) will bring net benefits for GB consumers of between £1.6bn and £4.5bn over the period 2021-2045, largely through the optimisation of infrastructure investment. We recognise the importance of this programme and the challenges of delivering at the scale and speed required to ensure the benefits can be maximised.

We will be required to play a far more significant role than we had anticipated last year. This includes delivering the new and modified IT Systems and business processes required as part of MHHS Implementation, including the mobilisation, design, building and testing of such IT Systems and business processes and their integration.

Five workstreams to ensure the successful delivery of RECCo’s obligations.

1. Regulation and Governance

MHHS will introduce significant changes to the REC baseline, that requires updating and re-drafting which will be undertaken on a stage by stage basis reflecting the phased transition of the programme.

2. Design and Build

As the programme has developed, further changes to REC Services have been identified as needed to meet the MHHS programme requirements. We anticipate these to include:

- Electricity Enquiry Service
- Electricity Retail Data Service
- Central Switching Service
- Secure Data Exchange Service

Whilst we know the programme deliverables are still to be finalised, we have commenced work to understand the implications and consequential changes to these systems so that we can deliver at pace when required. We discuss the key changes and implications more fully in the Event Driven Architecture section.

3. Testing

We will need to ensure that changes made to any services are subject to appropriate testing and assurance and will be required to participate in core MHHS test phases, such as Systems Integration Testing (SIT) and User Integration Testing (UIT).

4. Operational Readiness

We will need to ensure that all impacted operational processes reflect the necessary changes and working as required. We anticipate the changes required to the REC and REC Services as part of this programme will also require changes to the REC Operating model.

5. Stakeholder Engagement

As well as ensuring we proactively engage with the programme at all stages, raising any issues, risks, assumptions and dependencies, we will also ensure REC stakeholders are updated on the progress of the programme and REC/RECCo deliverables. An engagement programme will be developed to ensure regular and timely engagements with our stakeholders.

Market-wide Half Hourly Settlement (MHHS)

Consumers

Climate

Competition

Cost

Change/Catalyst

2023/24

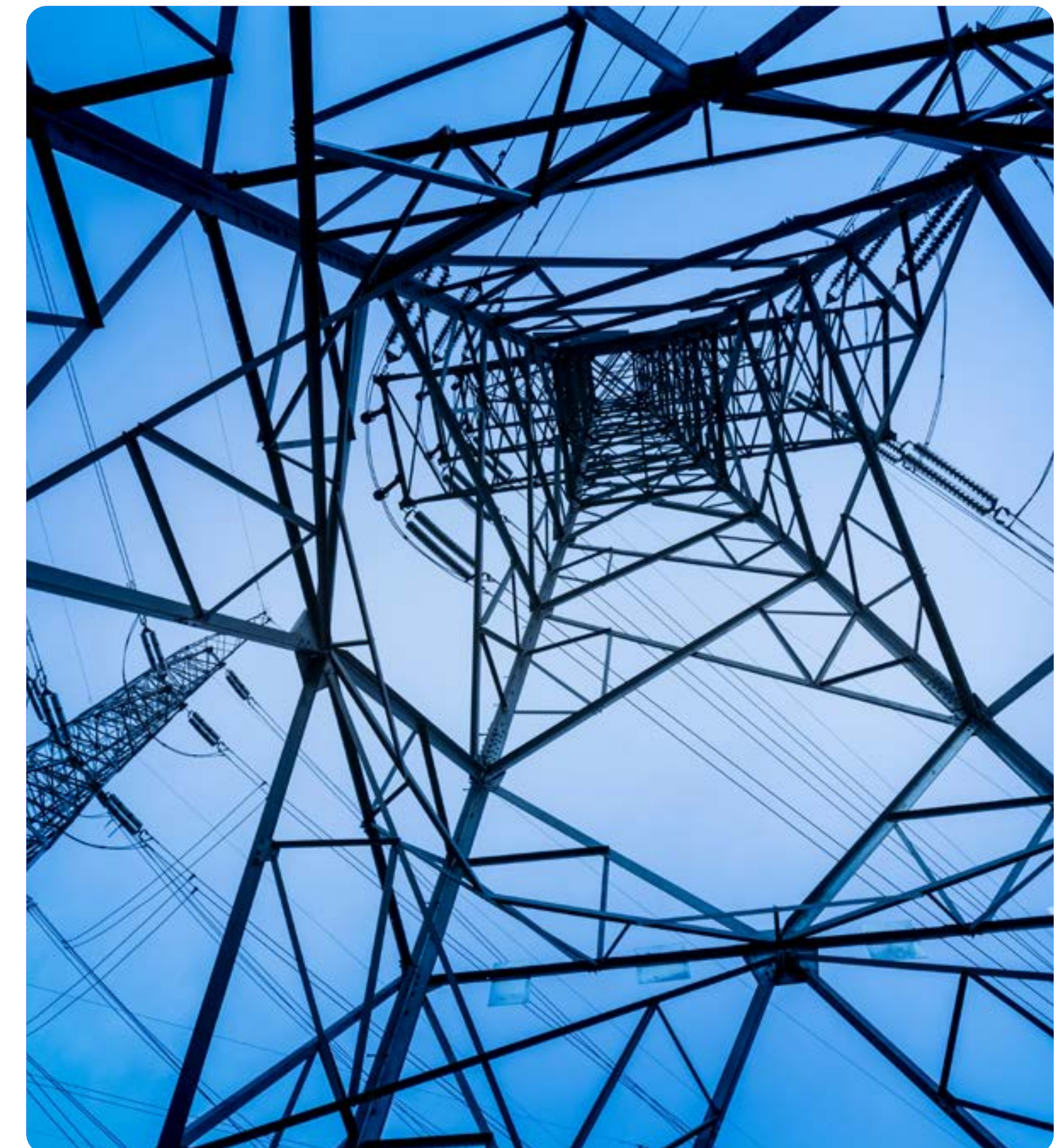
Event Driven Architecture

As part of the MHHS Programme, the industry will be required to use a new Data Integration Platform (DiP) which is envisaged to be managed by Elexon. The DiP will underpin ‘Event Driven Architecture’ (EDA) which essentially means that the industry will be able to move away from large-scale batch transmission of data to a specific recipient who will complete certain functions and pass it onto another defined recipient in sequence, to a more dynamic approach which can tell/inform multiple processes of an event or change in data that is relevant to them in near real time. Whilst this may be expected to have many benefits, this approach will supersede many of the traditional data flows that utilise the Data Transfer Network, together with the insights that are currently able to be drawn from analysing that transactional data.

The new processes and EDA that supports them will also require material changes to the way that industry parties currently interact with the Electricity Enquiry Service (EES). The programme has included a requirement for the EES to be updated in near-real time, which means the EES must move away from

the current overnight batch update process, to a system that requires the EES to consume live updates to data. We will explore the most appropriate options and ensure the solution is part of the MHHS test phases. We will evaluate the most cost-effective solution considering both initial/upfront costs to design, build, test and implement the solution as well as ongoing operating costs of the service, and any expected return on investment.

As the programme has developed, it has provided clarity on the requirements and baseline delivery. Accordingly, we have reassessed our role in meeting those requirements. It is now evident that in order to deliver the volume and complexity of change, within the challenging programme implementation timetable, will require additional resource and technical solutions to ensure the most cost effective and efficient options for delivery are procured and managed.



Energy Theft Reduction

Consumers

Climate

Competition

Cost

Change/Catalyst

2023/24



Our key theft related deliverable for 2022/23 was the production of the Theft Estimation Methodology (TEM), providing a robust data-driven basis upon which industry could assess the current scale of energy theft. It is hoped that this will provide a more up-to-date reference point for the industry, replacing the often cited but decade-old Ofgem estimate. Based on current wholesale prices, the revised estimate is that between £900m and £1.5 billion of energy is stolen in GB each year. As the cost of stolen energy is recovered from bill-paying consumers, predominantly from domestic households, even a marginal reduction in those current levels of theft could have a material benefit for consumers.

The TEM report also provides several recommendations on how the estimate could be further improved with additional data sets that were not available to the project team. In some cases, that data may become available through the progression of other projects such as MHHS or network operators monitoring non-technical losses. We will continue to explore the means and timing of access to those data sets, with a view to re-running the theft estimation when there is opportunity to improve its accuracy. We have provisionally scheduled that exercise to take place in 2024/25. However, even with the current wide range and margin of error, we consider that the TEM provides a sound baseline against which to assess the proportionality and in due course the success of theft mitigation measures.

Our thinking on theft mitigation measures has been greatly assisted by the output of a workshop held in November. Attended by over fifty representatives from the energy industry and wider stakeholders, such as Ofgem, the police, fire brigade and consumer groups, the event took place in an ‘Accelerated Solution Environment’ (ASE) aimed at understanding

problems and developing solutions at pace. Although the problems of energy theft is not new, the backdrop of a cost-of-living crisis driven by rising energy prices gives increasing urgency to tackling the issue, not least with the government announcing that the Energy Price Guarantee (EPG) will rise to £3,000 from 1 April 2023. This was followed by Ofgem’s revision to its Default Tariff Cap, suggesting that if the EPG was not in place, typical domestic energy bills would be £4,279 – a 21% increase on the current cap. Analysis provided at the ASE showed that rises in energy prices see a correlating rise in energy theft as well as evidence of the increasing volumes of messages around energy theft on social media.

The actions of the workshop identified many practical steps that can now be taken to improve the industry’s collective response to energy theft. We will maintain the full actions log, which has been published on the RECCo website alongside the Theft Reduction Strategy, which aims to improve the efficacy of the energy industry’s collective efforts to tackle energy theft by taking a whole-of-system approach and facilitating greater collaboration between actors. The Theft Reduction Strategy will offer a holistic approach to addressing energy theft by highlighting prevention, and encouraging a better and more proactive response. Informed by learnings from other sectors, the strategy will not just focus on the detection of theft, but also on improving industry parties’ ability to respond effectively. Most importantly, given the risk to safety inherent in all energy theft we will continue to focus heavily on prevention, while recognising that the impacts of this are harder to quantify.

Energy Theft Reduction

Consumers

Climate

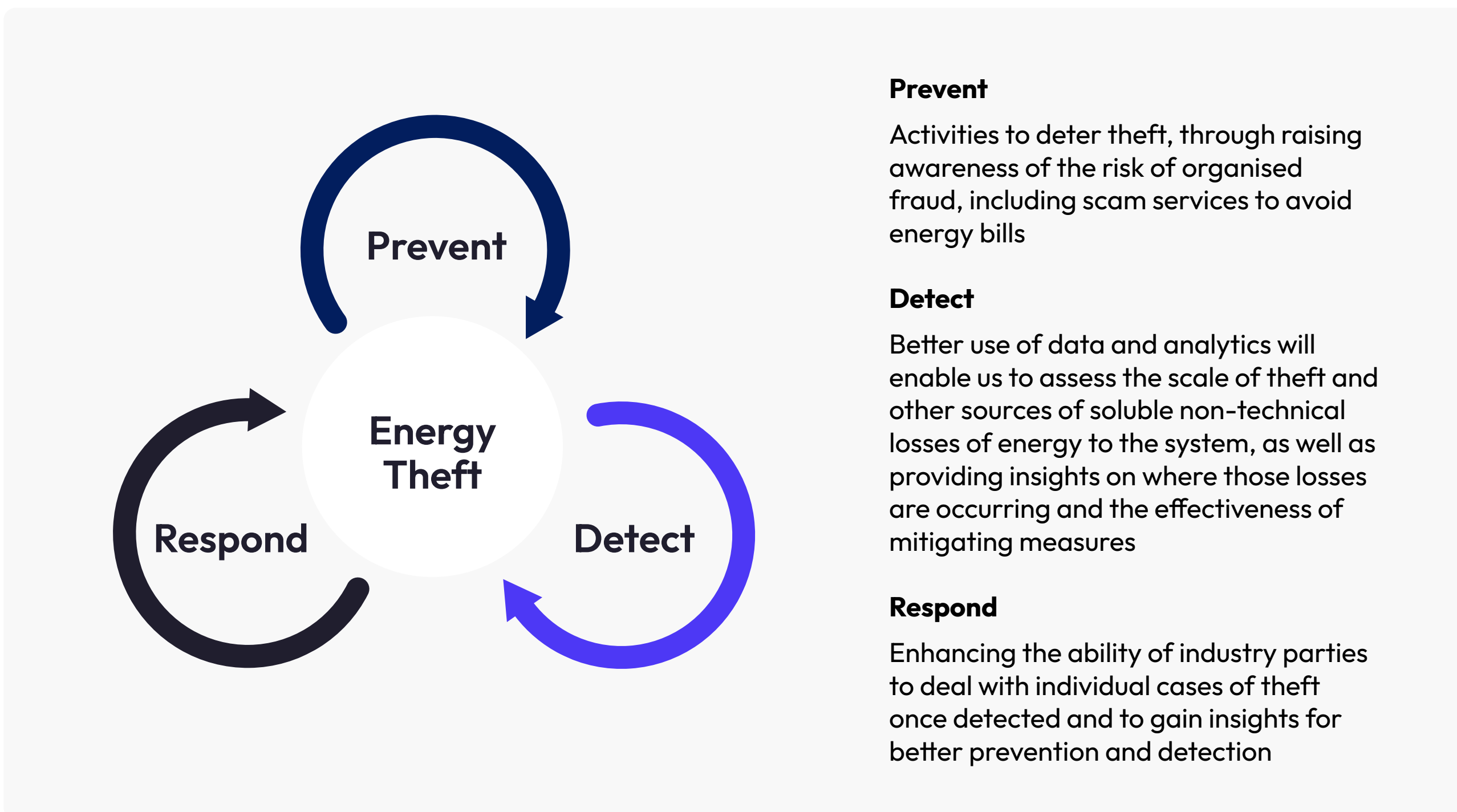
Competition

Cost

Change/Catalyst

2023/24

Components of the strategy will be complementary, as set out in the graphic below:



Summary of Next Steps:

1. Re-establish a dedicated theft expert group and representative stakeholder forum
2. Significantly raise awareness through education programmes so that consumers and market participants alike are fully aware of the impact of theft as a safety risk, its consequential financial impacts and how to report theft through the Stay Energy Safe campaign run by [Crimestoppers](#)
3. Develop theft prevention, detection and response data hub and analytics for the benefit of industry parties
4. Improve incentives. Improvements to the Theft Detection Incentive Scheme administered by RECCo in the short term and a pan-industry code review to better align all theft incentives and disincentives in the long term
5. Consider the feasibility of improving police focus on energy theft

Evolution of Enquiry Services

Consumers Climate Competition Cost Change/Catalyst

2023/24

RECCo is committed to achieving efficiency in its REC Services and ensuring they continue to meet industries needs whilst delivering value. We will initiate two REC Services Evolution projects in 2023/24, the first will identify how best to rationalise the three current enquiry services (Electricity, Gas and Green Deal) and the second will determine how the Code Manager services can be improved to better serve industry for the future. We have selected these services due to their importance in supporting effective industry operations and due to the timing of their expiry. The projects, subject to formal project governance, will include a comprehensive market and user consultation workstream and will be delivered in accordance with our established procurement principles.

Enquiry Services

Following the successful implementation of the CSS, we recognised that the role of and contact points for, the gas and electricity enquiry services needed to be clearer. Since the incorporation of the enquiry services within the REC we have seen a significant increase in interest and usage of the services. In a world where dual fuel is more common,

we consider the historic separation of the enquiry services may be unsuitable for future industry need. To this end, we believe there is a strong case for the more efficient and cost-effective delivery of the gas and electricity enquiry services. We believe there are several options which could achieve this goal, ranging from full service and data consolidation, to just service consolidation. There are also options for how industry would access the data. In all scenarios we will need to consider future data use cases as well as the risks associated with service and data consolidation. At every stage we will consult with industry users. Reviewing the enquiry services is not only an opportunity to ensure that we are maximising our usage of existing assets but also to think more broadly about its functionality. In this coming year we will conduct a full review and analysis of the options which are available (including technology, access and user requirements) in order to deliver a documented procurement strategy for the future services.

REC Code Manager Services

In this budget year we will initiate a project to consider the Code Manager

model and our detailed future procurement plans. The Code Manager service has now been fully operational for 18 months, in this time we have overseen continuous improvements as the model has bedded in and we have encouraged the Code Manager to think about further improvements to meet industry's needs. We have seen the benefits of the RECCo model and will continue to focus on quality delivery. Alongside 'business as usual' service management and iterative improvement, our work this coming year will also be to prepare for the Code Manager re-procurement activities recognising that the initial term of the Code Manager contracts expires in September 2024. Our objective is to document and agree a procurement strategy to be delivered in 2024/25. We anticipate that this is likely to reflect a staged approach to re-procurement and we will consider the appropriate packaging strategy for the services. A key part of RECCo's analysis of the available options will be the engagement with RECCo stakeholders to understand their views and priorities for the future services.

Reducing the cost of the Green Deal Central Charging Database Service

The primary purpose of the GDCC is to facilitate the creation and administration of Green Deal Plans in Great Britain by providing a point of reference and interaction between relevant Green Deal Users. The GDCC consists of the GDCC database, the GDCC application layer and a user web interface. We are committed to delivering operational efficiencies, continual improvement, cost savings and value for money wherever possible.

Working closely with our service provider C&C Group, we set a challenge to deliver material cost-savings through a low-risk solution that would not adversely impact upon the GDCC user community, who should see no alteration to their day-to-day interaction with the application or their business processes. C&C Group is expected to meet all of the objectives set for them. From April 2023 the cost of delivering the Green Deal Central Charging Database Service ('GDCC') will reduce significantly by c.£600k in the period until July 2025. The evolution of the GDCC is the first step in our transformation of data services as we aim to deliver both better value-for-money and continuous and agile improvement to meet the requirements of the changing energy market, and remove the obstacles that legacy systems present.

Priority Services Register

[Consumers](#)[Climate](#)[Competition](#)[Cost](#)[Change/Catalyst](#)

2023/24

The cost-of-living crisis is further highlighting the importance of the Priority Services Register (PSR) for a growing number of consumers. Last year, we set out our ambition to work towards a ‘tell me once’ principle, so that those in already challenging circumstances are not further encumbered by barriers that prevent them receiving the right assistance. We remain committed to this workstream.

Across the industry, we see a number of initiatives are looking at how PSR data can be more readily shared between utilities and positive steps are emerging from these programmes. We believe that there are some key first steps that can be implemented in the retail energy space that could facilitate a ‘tell me once’ principle. This could be achieved by taking an outcomes based approach by only opening up and integrating the data that is required to achieve the right outcome for the consumer. This also ensures that personal or sensitive data is still securely held by individual retail energy suppliers.

We know that sharing all the data in a new central solution is challenging and costly and may take many years to implement. We believe there is value in using existing systems and processes to the extent that they are able to facilitate change. There is merit in exploring, as a minimum, the addition of a flag in the current gas and electricity enquiry services that acts as an indicator to relevant parties that a PSR need exists.

We consider that this could be the first practical step towards the sort of integrated approach to Consumer Consent referred to in our Digitalisation and Data strategies.

We will host an industry workshop with stakeholders to explore the approach to and feasibility of better integrating PSR data, and using the leverage of common governance provided by the REC (for energy industry participants at least) to bring together and provide greater cohesion to the initiatives that are already taking place in this area.



Third Party Intermediaries (TPIs)

Consumers

Climate

Competition

Cost

Change/Catalyst

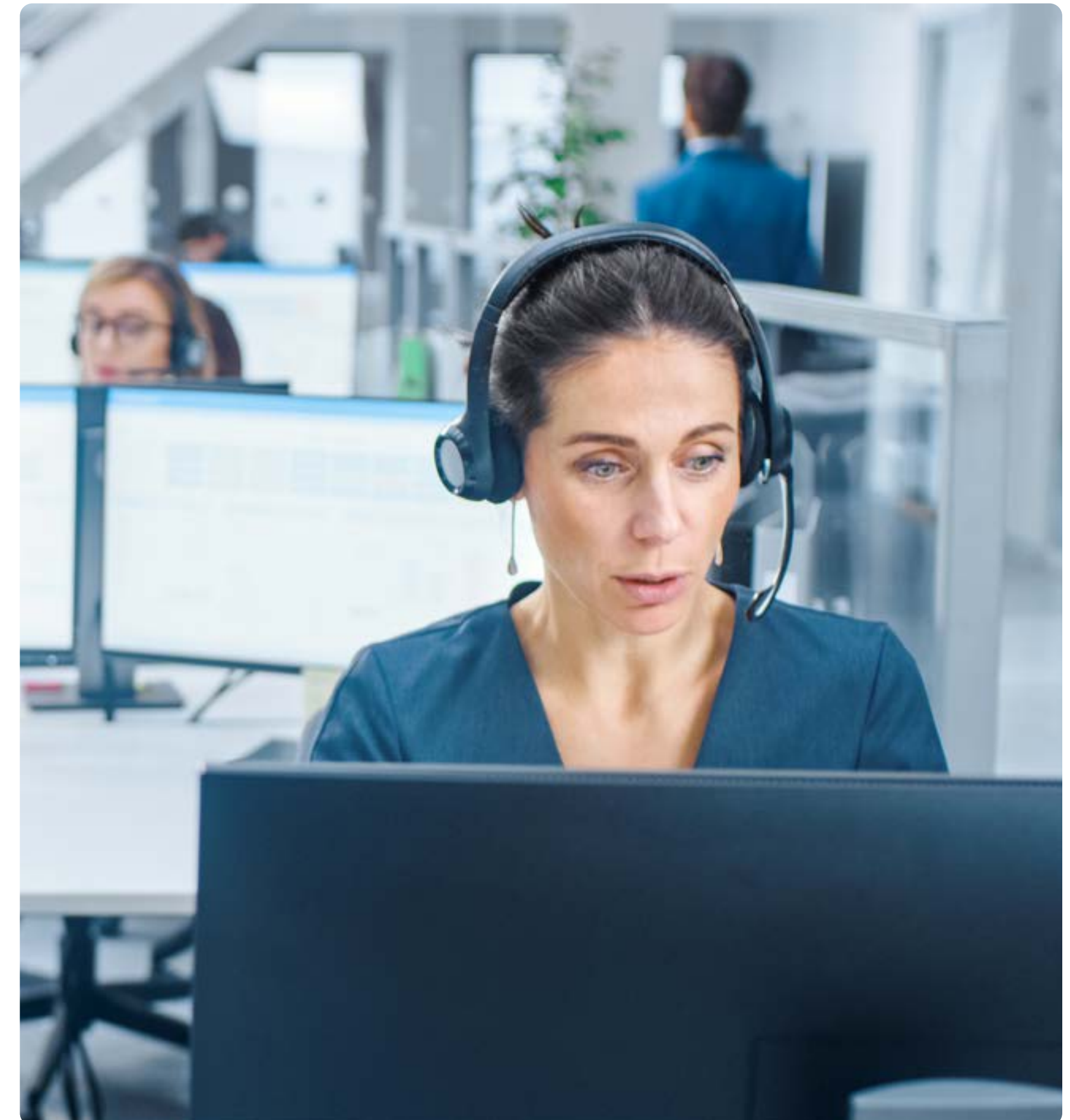
2023/24

We will seek to develop the REC in a manner that reflects the structure of the retail energy market and ensure that consumer interests are protected regardless of which market participant they may deal with. Following its Microbusiness Strategic Review, Ofgem has introduced new requirements for suppliers to only use brokers if they adhere to a Code of Conduct and operate an Alternative Dispute Resolution (ADR) scheme. One such scheme is operated by [the energy ombudsman](#).

As we have previously indicated to Ofgem in our response to its Microbusiness Strategic Review, we consider that it would be appropriate for any rules of TPI conduct to be set out in an industry-wide code that can be enforced impartially and effectively. Attempts by individual suppliers to enforce higher standards may simply drive unscrupulous brokers elsewhere and skew competition in a manner that is detrimental to consumers.

We believe that the appropriate tools will be available under the REC to ensure that any standards are complied with.

In order to determine whether or not the REC has any role in the governance of TPIs that may alleviate the burden on individual suppliers, we will host separate workshops in early 2023 to gain the perspectives of the suppliers and broker communities. In the event that there is support for a REC governed Code of Conduct we anticipate that there would be a piece of work to develop a document which sets out the necessary principles and clarifies how it would operate. We have not included any dedicated budget beyond the development stage to operate any resulting scheme, as we consider that the costs of operating such a scheme, including any registration and accreditation of brokers against the scheme would suitably be recovered on a cost-reflective basis in the same way that the metering accreditation scheme(s) operate, rather than being bundled with core RECCo costs.



Net-Zero RECCo

[Consumers](#)[Climate](#)[Competition](#)[Cost](#)[Change/Catalyst](#)

2023/24

In our 2022/23 Forward Work Plan we committed to becoming a Net-Zero organisation in the coming 2-3 years. We have now begun our journey by partnering with [Positive Planet](#), which will support us through carbon footprint measurement, a 1-year carbon reduction plan and finally, carbon offsetting which will result in carbon neutral accreditation.

We have chosen to follow this route in the first instance so that we can really understand our emissions and the impact we are able to make within 1 year from following our carbon reduction plan. With the clarity we'll gain from seeing through the carbon neutral accreditation process, we intend to build our Net-Zero target and associated strategy in late 2023.

In addition to doing the right thing by becoming a Net-Zero company, we anticipate that there will be learnings from our own journey that we can share with others and apply to our work more generally.

Supporting retail energy achieving Net-Zero

As the energy industry transitions to Net-Zero, there may be implications for REC and the retail energy market that require us to proactively support developments. We anticipate these to be longer-term initiatives that will be driven through the development of government policy initiatives or the effects of disrupters in the market. We will no doubt see a number of challenges to the traditional energy supply chain as new technologies and business models emerge. We recognise the trend towards the provision of energy as a service, for most domestic consumers, rather than as a commodity with largely price-based competition. In our current economic climate, combined with the varying factors driving down the options to switch providers, consumers will also drive change in behaviours and expectations of how they engage with the energy supply market. Our work on MHHS will enable the retail energy industry to develop products that will offer consumers greater choice and contribute to a more flexible grid. Additionally, our strategy on data and digitalisation will support the industry in improving the quality of data, sharing it more readily and in digital formats so that it can keep pace with the changes that will be required to support our move to Net-Zero.

For our longer term work, at this stage, it is still too early to propose specific and fully costed Net-Zero project(s). Nevertheless, it is important that we remain cognisant of the changing environment and emerging policies that are likely to shape the future of the retail market, so that we may prepare and evolve the REC and RECCo services to support future market states. As we set out last year, we will continue an active watching brief on the topic of Net-Zero, raising our stakeholder awareness of, and in turn, their ability to influence developments.



2024/25

Mid-term

In this section, we set out our view of mid-term strategies and priorities. There are a number of issues which we reasonably expect will have an impact upon REC activities and require engagement from RECCo and/or the Code Manager, but for which we cannot determine the timetable and/or will be required to react to externalities. We have included a prudent provision for such work within the

2023/24 projected budget where appropriate, but in the absence of a known timetable consider that this is preparatory work for what may follow, rather than being able to identify specific deliverables for the next financial year. Where such anticipated but as yet unscheduled areas of work also impact upon the Codes Roadmap they will appear as part of the undated and as yet non-prioritised backlog, pending clarity on those external dependencies.

Codes Reform

Consumers

Climate

Competition

Cost

Change/Catalyst

We are currently awaiting the progression of the Energy Security Bill which contains measures aimed at addressing the government's concern that: "there is currently little incentive for industry to change these rules in a manner that would be contrary to their own interests, even if those changes would benefit consumers or further the government's strategic priorities."

The aim of the Bill is therefore to create "a new governance framework for the energy codes that will move the responsibility for code governance to one or more newly created code managers instead. These code managers will be directly accountable to Ofgem rather than the industry, which will allow Ofgem to drive strategic change across the codes for the benefit of consumers and competition."

Ofgem has also indicated that it plans to use transitional powers provided to it under the Bill to pursue further code consolidation.

There are some more granular aspects of the proposals which may have an impact upon RECCo and/or the REC in addition to us becoming subject to licence. For instance, Ofgem has indicated its intent to replace the decision-making role of code Panels and replace them with decision-making by the code manager, with input from a Stakeholder Advisory Forum. We consider that the REC change management model already fulfils the intent of the Codes Reform proposals, as it was developed in parallel with the early development of those proposals. However, once Ofgem's further proposals have been published we will carry out a gap analysis of our current model against them. To the extent that there is any divergence from the current model and Ofgem's proposals and we agree that convergence would be beneficial, we will seek to progress them on a proactive and agile basis rather than necessarily await any prescription to do so.

Transition to Next Day Switching

Consumers

Climate

Competition

Cost

Change/Catalyst

In the 2022/23 Forward Work Plan we said that we would monitor the performance of the new switching arrangements and working with the CSS, the Code Manager and the Performance Assurance Board, seek to identify and resolve any issues that may prevent a further move to Next Day Switching as standard. Whilst we consider that this will still be an important piece of work, current market conditions have obviously had a huge impact upon rates of switching and in all likelihood the importance that the consumer places on the speed of the switch as compared to other considerations.

The emergence of the Codes Roadmap and a clearer framework for the progression of continuous change in an agile manner also provide opportunity to rethink our approach to pieces of work such as this. We consider that this would still best be taken forward as a collaborative effort between the CSS, the Code Manager and the Performance Assurance Board, the timing and conditions for progressing with such a change should be informed by performance of the current systems, identified areas for improvement and other insights. While RECCo itself will continue to be fully engaged, we consider that it is appropriate for those bodies to take the lead, and in due course progress such a change through the now established REC change management process. The cost of such a change would be identified as part of the associated impact assessment and if approved through normal REC governance would appropriately be drawn from the REC change allowance rather than a dedicated project budget. We consider that the status of Next Day Switching should therefore be captured as part of the Codes Roadmap rather than as a RECCo deliverable as part of this Forward Work Plan.

2025/26+

Longer-term

In this section, we set out our view of longer-term strategies and priorities. There are several areas of work where we have identified the need for an active watching brief, but have not yet identified any specific project that is tangible or material enough for inclusion in this Forward Work Plan.

Electric Vehicles

Consumers

Climate

Competition

Cost

Change/Catalyst

The adoption of electric vehicles (EV) is accelerating, and it is anticipated that there will be some 11 million plug in EVs on our roads by 2030. The impact of this growth has huge implications across the energy industry and not least in managing the grid so that supply remains robust and able to cope with changes in patterns of demand. However, the flip side of the additional demand for electricity to charge EVs, they also present opportunity, in effect acting as mobile batteries that can offer system flexibility when needed.

There are also links to other elements of our strategy. For instance, the growth of EVs was highlighted at our Theft Reduction workshop as having potential to change the scale and nature of energy theft, with the point of illegal abstraction potentially being remote from the premise. The development of EV charging will therefore remain an important focus of this workstream.



Heat network governance

Consumers

Climate

Competition

Cost

Change/Catalyst

The decarbonisation of heating will be critical if the UK is to meet its emission reduction targets. While some of this will be facilitated at the level of the individual premises by installation of technologies such as air or ground source heat pumps, the government is also pursuing an expansion of local heat networks and has confirmed that these will be regulated by Ofgem. While progress of the Heat Strategy is in large part dependent upon the progression of facilitating legislation through parliament, it is currently unclear what the timescales may be for the introduction of a new licence framework and industry governance. However, we anticipate that that framework will follow a similar model to electricity and gas, with obligations being captured at a relatively high or principles based level within licence, while prescription may be provided at the lower level of an industry code. It is unclear whether those arrangements will provide for any form of retail competition at the end of the local monopoly heat network, though there are a range of consumer protections that we would expect to be afforded to heat consumers, comparable to those of a gas or electricity consumer. For instance, there should be an equivalent approach to the Priority Service Register and billing regulations.

With the industry having only recently been through a resource intensive consolidation exercise to create the REC, we consider that there is a strong case for Ofgem and/or the government to consider extending the remit of the REC to include heat, ensuring for instance that there is no diminution of protection for those consumers whose properties may transition from natural gas to direct supply of heat. It is likely that this will also allow for the realisation of economies of scale and other synergies.

[2025/26+](#)[Longer-term](#)

In this section, we set out our view of longer-term strategies and priorities. There are several areas of work where we have identified the need for an active watching brief, but have not yet identified any specific project that is tangible or material enough for inclusion in this Forward Work Plan.

Hydrogen

[Consumers](#)[Climate](#)[Competition](#)[Cost](#)[Change/Catalyst](#)

The conversion to hydrogen has the potential to make a significant contribution to emissions reductions, either as a direct replacement for natural (methane) gas or as a means to efficiently store energy that may be intermittently generated through wind, tidal or solar technologies. The UK government's Hydrogen Strategy is focused primarily on developments that may come on stream later in this decade, though there are several trials that will commence in the nearer term. For instance the [H100 Fife project](#) plans to convert at least 270 existing natural gas consumers in Fife from a methane-based energy source to a 100% hydrogen energy source. Whilst it is intended that this and other trials will be conducted with minimal disruption to the existing arrangements, we have identified and sought to pragmatically address some issues which do impact upon the REC arrangements. In particular, utilising the REC Sandbox arrangements we are progressing a derogation to the requirement for metering arrangements to be in accordance with the Code of Practice.

We have also initiated a focused review of the Metering CoP, which itself has recently been reviewed and a new consolidated code implemented, to consider the practical implication of extending the metering accreditation scheme to incorporate hydrogen meters. Completion of this review should better inform and facilitate the installation of hydrogen meters beyond the limited numbers of the trials, while maintaining consumer protections and other standards assured by the scheme.



2023-24 Budget



Brian O'Shea

Director of Finance and Commercial

In February we published the draft 2023-24 Budget for REC Party consultation. This gave REC Parties the opportunity to scrutinise the Budget and a right of appeal to Ofgem. No appeals were made. The 2023-24 Budget is now agreed and has been prepared using a zero-based budgeting methodology. It is a good faith estimate of the costs that are anticipated to be incurred in delivering this Strategy and Forward Work Plan.

RECCo 2023-24 Budget

RECCo 2023-24 Budget	2023/24 Expectation in 2022/23 Plan £'000	2023/24 Budget £'000	2024/25 Indicative £'000	2025/26 Indicative £'000
REC Services	29,225	33,539	38,040	42,085
RECCo Operations	4,150	5,038	5,315	5,817
Projects & Workstreams	2,250	5,969	6,122	4,568
	35,625	44,546	49,477	52,470
Change Allowance	4,000	4,000	4,000	4,000
Contingency	2,100	2,000	2,000	2,000
TOTAL	41,725	50,546	55,477	58,470

The detailed 2023-24 Budget can be found on our website [here](#).

RECCo 2023-24 charges by category of funding party

Charges by REC Funding Parties		Annual charge (£)
Energy Suppliers Charge per RMP		£0.814
Energy Suppliers MHHS Charge per RMP		£0.05
Electricity Distribution Networks	>750k RMPs on MPAS, annual charge	£38,500
	<750k RMPs on MPAS, charge per RMP	£0.018

We are cognisant that we are spending industry and consumers' money and we have an obligation to deliver secure scalable, adaptable services which are economic and efficient. This obligation extends to our internal and external resources. RECCo is responsible for 17 centralised services which support industry in discharging their regulatory obligations.

RECCo operates on a non-profit basis with its income matching its costs in each financial year. Any underspend (including change allowance and contingency) against the overall budget is returned to funding parties as a rebate against the following year's charges. RECCo expects to underspend against its 2022-23 Budget and this underspend will help to mitigate the impact of the 2023-24 charges.

Thank you

We hope you found this Strategy, Forward Work Plan and associated financial projections useful.



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