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RECCo response to: Data Best Practice as a Code Obligation

We welcome the opportunity to respond to this consultation. Our non-confidential response represents the views of the Retail Energy Code Company Ltd (RECCo) and is based on our role as operator of the Retail Energy Code (REC). RECCo is a not-for-profit, corporate vehicle ensuring the proper, effective, and efficient implementation and ongoing management of the REC arrangements. We seek to promote trust, innovation and competition, whilst maintaining focus on positive consumer outcomes. We are committed to ensuring that RECCo is an "intelligent customer", ensuring efficacy and value-for-money of the services we procure and manage on behalf of REC Parties, including those which constitute the REC Code Manager.

RECCo supports the principle of open data and Data Best Practice (DBP), and we have already taken steps to codify those principles within the REC, particularly through changes to Schedule 12: Data Access to ensure that it aligns with DBP. In April 2023 we signalled support for expanding the DBP¹, and have advanced our Open Data and Consumer Consents work, advocating for greater consistency, discoverability and a common metadata catalogue.

Against that backdrop, our key messages in this response are:

- 1. **Support DBP in codes and DSAPs:** We agree with embedding DBP in codes and introducing a proportionate DSAP duty. We will complete a gap-assessment against the revised guidance and raise a REC Change to incorporate DBP by reference.
- 2. Targeting of obligations: Given the ability and commitment of RECCo to raise the necessary change to the REC, we do not consider that an additional obligation being placed in the standard condition of the Gas and Electricity Supply licence is necessary or well targeted. We consider that the change proposal will of itself fulfil the intent of the proposed licence condition, and that if it considered necessary to also capture it in licence this would in the case of the REC (and BSC at least) be better placed in the Code Manager licences expected to come in effect by summer 2026.
- 3. **Implementation timetable:** We consider that the six-month aim for the measures to be meaningfully delivered (not merely "raised") is adequate, but that individual codes may have different issues in respect of prioritisation and timetable control, which Ofgem could accommodate through signalling a willingness to grant urgency where needed or allow flexible over the deadline.

We are happy to discuss any of the points raised in this response.

Yours sincerely,

Jon Dixon
Director, Strategy and Development

¹ "RECCO response to: Updates to Data Best Practice Guidance, Digitalisation Strategy and Action Plan consultation", RECCo April 2023



Appendix: RECCo response to consultation questions

We have answered only the questions relevant to the REC and not those relating to licence conditions that underpin other industry codes, i.e. Q4, Q5, Q6, Q7, Q9 and Q10.

Q1: Do you agree with our intent to expand DBP Guidance into the codes?

Yes, we support Ofgem's intent to embed DBP in industry codes; this is the logical next step in widening adoption beyond networks and aligns with the direction set out in the consultation. RECCo has already anticipated this move by embedding DBP principles in the REC, ensuring that any data access under REC Schedule 12: "Data Access" is consistent with DBP. This approach is reinforced through our REC data and digitalisation work, including Open Data and Consumer Consents and related metadata/catalogue initiatives.²

Q2: Do you agree with the proposed deadline six months after the licence condition is applied for consequential code modifications? If not, please state your reasons specific to the relevant code and modification process.

The consultation states that consequential modifications should be raised, developed and "with Ofgem for decision" within six months of the licence decision/direction taking effect (para 2.22). We agree this appears reasonable.

However, codes currently differ in prioritisation arrangements and control of timetables—often vested in panels rather than administrators or proposers. Ofgem itself acknowledges the differing resourcing and priorities but does not propose to deem these consequential changes as "urgent". Recognising the absence of timetable levers available under some codes, it may be helpful if Ofgem would either (a) signal its willingness to reconsider the grant of urgent status if proven to be necessary to meet the six-month aim, or (b) provide flexibility such as "within six months of the licence taking effect or such other date as may be agreed by the Authority." That said, we also note the six-month expectation sits only within Section 2 of the consultation and does not itself appear in the draft licence wording set out in Appendix 2.

The consultation's proposed route places the onus on licensees collectively to raise the consequential code changes rather than clearly earmarking a single organisation. For clarity and for the ease of our REC Parties, RECCO will raise the necessary REC change itself and is willing to do so shortly rather than await licence-led triggers. This will allow for circa six months additional development and may also facilitate the subsequent work of other codes, consistent with our thinking on cross code collaboration as shared through responses to the Code Reform proposals. Indeed, had those reforms already been in effect this is the sort of pan industry change that we might expect a revised Cross Code Steering Group to playing a lead on.

Given that RECCo is willing and able to raise the necessary REC change proposals, and DBP compliance is reasonably expected to become a Code Manager licence obligation under code reform and indeed has been included as a required deliverable in the preliminary Strategic Direction Statement, we do not believe that a licence change would be necessary or desirable. Indeed, placing additional short-lived obligations on suppliers (e.g., via SLC 11/11B) risks unnecessary duplication. Whilst we can appreciate that Ofgem may have wanted a consistent set of proposals for all of the industry codes, we consider that it would be more appropriate to recognise the imminent effect of the Code Manager licence, and place any DBP related obligations within them,

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² "Open Data: A review of our progress so far" RECCo, July 2023

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at least in relation to the REC and BSC that will form the first phase of Code Manager licences. This will avoid any supply licence modifications being quickly superseded, if not ill-targeted.

Q3: Do you agree with the minded-to position that an obligation to produce DSAPs is suitable and proportionate for code bodies? If not, what alternative would you propose to achieve the same or greater benefits?

We agree that placing a proportionate obligation on code bodies to publish Digitalisation Strategies (on a two-year cadence) with six-monthly Action Plans is sensible and consistent with Ofgem's approach across the sector. DSAPs create a clear dialogue with data users and align with DBP intended outcomes; the minded-to position and proposed licence-route are therefore appropriate.

RECCo has already progressed materially along this path. Our 2023 Data & Digitalisation work established foundations (metadata catalogue, roles/responsibilities, data quality framework) and a Forward Work Plan commitment to consult on and implement open-data principles. We will complete a thorough gap-assessment of our existing strategy against the revised DBP Guidance (v3.5), which extends obligations to code bodies ("Obligated Parties") and clarifies principles and intended outcomes.

Any further work identified will be reflected in:

- a REC Change Proposal to incorporate, by reference, the DBP principles into the REC; and,
- our forward work plan and implementation roadmap.

We have already embedded DBP concepts within REC arrangements and are prepared to raise the necessary REC change so that adoption is formalised promptly. We also note Ofgem's intention to offer proportionate advice and support through the first DSAP cycle, which should help ensure consistency and manage initial resourcing demands.

Overall, we support the proposal; it is proportionate and builds on foundations we already have in place.

Q8: Do you have any concerns, or can you see any risks or issues, with the proposed change to the Electricity and Gas Supply Licences amending the REC?

As noted in response to Q2, we do not consider that changes to the Electricity and Gas Supply Licences are necessary in order to give effect to these principles within the REC. As noted, RECCo is willing and able to raise the necessary change to fulfil the stated intent of the proposed licence modifications, meaning that they may be quickly superseded if not immediately redundant upon direction. At worst, we consider that Ofgem should consider placing the obligation directly upon RECCo through the Code Manager licence, expected to come into effect by summer 2026, as that would be a more effective and targeted obligation.

Q11: Do you think this proposed principles merits discussion at the CACoP forum for inclusion in CACoP v7.0?

Although the CACoP Forum has had limited effectiveness—an issue Ofgem acknowledges in its Code Reform proposals to retire CACoP in due course (while retaining licence references during transition)—we consider that, until CACoP is formally withdrawn and stronger cross-code arrangements are stood up, the Forum remains a practical venue to share learning and promote consistent practice across codes.

In the interim, use of the Forum should complement rather than cut across other initiatives and could bridge to the envisaged enhanced cross-code structures (e.g., a beefed-up CCSG).

Q12: Do you have any concerns, or can you see any risks or issues, with the proposed change to the Smart Meter Communication Licence?

We support Ofgem's minded-to position to place a direct obligation on Smart DCC Ltd to follow DBP Guidance and produce DSAPs. Making DBP a Core Industry Document under the SMCL—amended only via statutory consultation

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and by direction—provides clarity and stability, and the proposal to require DSAPs to a published schedule is sensible.

To ensure smooth implementation, we suggest the following clarifications:

- **Demarcation with SEC obligations.** The consultation notes that, while DCC would be directly obligated, SECCo Ltd and the SEC Panel would also be obliged via separate proposals. Clear demarcation would avoid duplication/conflicting deliverables.
- Alignment of DSAP cadence. We would welcome alignment of the DCC DSAP timetable with the DSAP Guidance schedule used elsewhere to support cross-market consistency and comparability.
- Change governance. We welcome confirmation that DBP, as a Core Industry Document, will only be changed through formal statutory consultation and direction, maintaining a single, stable reference for DCC (and other licensees and obligated parties) and stakeholders.
- Scope confirmation. We note Ofgem's view that no amendment to the definition of Energy System Data is required for the SMCL change. However, further clarity would be helpful. The definition in Appendix 3 (glossary) differs from the definition in the DBP Guidance, and while the term appears capitalised in the draft licence conditions (including the SMCL), it is not defined within those licences. To avoid ambiguity, we suggest either:
 - (a) include a consistent definition of *Energy System Data* within each licence where the term is used; or (b) define the DBP Guidance in the licence as a controlled reference document (given Ofgem's intent that DBP changes only follow consultation) and incorporate the term by reference to that single, authoritative definition.

Either approach would provide a clear legal "single source of truth" and reduce interpretation risk during implementation and subsequent assurance.

On this basis, we do not foresee material risks, provided the above points are addressed and the SMCL changes remain aligned with the ongoing DCC Review Phase 2 proposals.