

Number	Question	Response
The role of RECCo		
1	What do you mean when you say service providers will be 'empowered' to deliver?	<ul style="list-style-type: none"> - Service providers will have a crucial role during mobilisation in developing and helping RECCo shape strategies which will govern the long-term operation of the REC (e.g. digitisation, data management, Performance Assurance Framework). - The REC, and RECCo, envisages that the service providers will have a high degree of operational autonomy and decision-making capacity to deliver the approved strategy and REC objectives. It is expected that they will be proactive in driving change and implementing improvements focused on consumer experience. - Service providers' performance, and the delivery and success of their initiatives will be measured and assessed through the performance assurance regime.
2	How are the multiple service providers meant to work together? Who will manage the integrator function?	<ul style="list-style-type: none"> - Collaboration between service providers is crucial and we expect service providers to actively promote positive working relationships. - There will be a clear delineation of duties, responsibilities, interactions and handoffs. - The role of the integrator will be held by RECCo and service provider contracts will include collaboration agreement obligations.
3	How will RECCo be set up to manage the service providers?	<ul style="list-style-type: none"> - RECCo's target operating model is still under consideration; acknowledging that some duties will need to be performed (including but not limited to: strategy development and approval, finance, procurement, contract management, other corporate functions). - RECCo is currently considering the way in which these duties and functions are delivered however we wish to make it clear that contract management of service providers will not be in scope of the performance assurance function.
4	The MRA and SPAA will cease to exist. Who will lead the engagement on the sunsetting arrangements?	<ul style="list-style-type: none"> - The sunsetting of the codes themselves will be delivered by Ofgem as part of a Significant Code Review. - RECCo will work proactively with SPAA Ltd and MRASCo Ltd to novate any contracts that are in scope of the REC. The outcome of this collaboration will be reflected in the requirements for the Code Manager services. -

Scope of the packages		
5	Are you interested in how service providers might be able to accelerate activities within the mobilisation period and would there be consequences for late delivery?	<ul style="list-style-type: none"> - RECCo is open to bidders' suggestions on how service initiation could be accelerated; recognising that there are determined start dates for certain services e.g. REC change processes are envisaged to commence on 1 April 2021. - RECCo would expect there to be contractual liabilities associated with late delivery.
6	There is some ambiguity around the contract management (RECCo-led) and performance assurance of service providers (REC Performance Assurance provider). Can this be explained further?	<ul style="list-style-type: none"> - The current assumption is that the REC Performance Assurance provider will monitor other service providers overall performance and compliance with REC obligations under RECCo agreed processes and procedures. This will be an input into RECCo contract management function. - RECCo will use this, along with its own contractual performance mechanisms (e.g. KPIs, contract management governance) to manage the contracts. - RECCo will also be responsible for reviewing service provision as a whole to ensure it is delivering a high level of performance.
7	Does performance assurance of the Central Switching Service provider fall within the scope of the REC Performance Assurance provider?	<ul style="list-style-type: none"> - Yes it does. This will be supported by outputs from the REC Technical Services function. - Ofgem's Autumn switching programme consultation will provide developed thinking on this area.
8	In managing the entry and exit process, what discretion will need to be applied by the Performance Assurance provider?	<ul style="list-style-type: none"> - The entry and exit process will be clearly defined in the REC and we expect the Performance Assurance provider to manage this process, but not define it. - Entry and exit arrangements are clearly structured and regimented; the Performance Assurance provider will not need to use discretion or provide a subjective assessment on whether a Party should enter or exit the REC.
9	Will decisions made prior to the REC operation go-live materially change the scope of the contracts?	<ul style="list-style-type: none"> - Ofgem and RECCo are working together to finalise service specification to ensure it fully reflects all the necessary requirements. We do not expect any material changes to the specification that will be issued with the Contract Notice in Q4 2019.

		<ul style="list-style-type: none"> - Ofgem will be conducting a further consultation in the Autumn and aims to publish the draft licence conditions next Easter. However, these regulatory changes will not materially affect the scope of the services required under the REC.
Procurement approach		
10	The prospectus highlights some ambiguities and uncertainties. Does this mean you are not yet ready to start the procurement process?	<ul style="list-style-type: none"> - We have highlighted ambiguities at this stage so that we can be transparent with potential bidders, but we have a high degree of certainty in what needs to be procured. - A lot of preparatory analysis has been completed to scope the REC code manager services, which we want to test with bidders through this engagement. - We are on track for the Contract Notice to go out in Q4 2019, with contract award in Q2 2020.
11	What is it justification for using three packages?	<ul style="list-style-type: none"> - We believe that using multiple service providers will give RECCo access to ‘best of breed’ expertise, which will promote innovation, flexibility and collaboration. - There are clearly discrete competencies that are required and the packaging approach seeks to group these together in a pragmatic way, so to generate interest from potential bidders that would not be able to deliver the full service. - This is covered in more detail on page 16 of the prospectus.
12	What is the estimated price of each of the packages?	<ul style="list-style-type: none"> - The total contract value across the three packages is estimated to be in the region of £36m for a 3-year period. This excludes mobilisation costs. This figure has been listed in the Prior Information Notice. - Costs have not been broken down by package nor have allowances been made for different levels of activity in the mobilisation period.
13	Are you looking to contract with just one party for each package?	<ul style="list-style-type: none"> - Our current assumption is that there would be only one service provider (i.e. main contractor) of each package but RECCo will not be prescriptive on how the main contractor structures their delivery capacity i.e. through the use of sub-contractors.
14	Is it possible to deliver more than one package?	<ul style="list-style-type: none"> - Our current assumption is that the only permissible combination would be the professional services and technical services packages; it is important that the performance assurance provider is independent of each.

		<ul style="list-style-type: none"> - This will be considered further as a result of feedback provided at the session relating to the inclusion of service provider assurance within the performance assurance services function.
15	Will the packages all be awarded at the same time or will they be staggered?	<ul style="list-style-type: none"> - It is imperative that the service is ready to commence when the REC incorporates the SPAA and MRA in April 2021. We have built in a service mobilisation period which allows for this. - We expect all contracts to be awarded in Q2 2020 but there may be some flexibility as to when the services need to start depending on the scope and extent of mobilisation activities.
16	Will there be further consultation with service providers?	<ul style="list-style-type: none"> - We are offering bilateral meetings to interested parties so that we can understand their views on the procurement approach. - We will consider feedback given in these sessions as to whether further consultation is required and feasible within the procurement timeframes.
17	Will you check that the procurement approach is acceptable to the industry?	<ul style="list-style-type: none"> - Yes, there will be a wider industry engagement on the RECCo services procurement before the ITT is issued. - However, REC Parties are already involved; they are represented on the RECCo Board (3 Supplier representatives and 2 network representatives) and may also be involved in the evaluation panel for the procurements. - The recent Ofgem consultation outlined the REC procurement principles and we expect that industry will respond to this.
18	Is the contract duration (3 years) from contract award or from the start of initial operation?	<ul style="list-style-type: none"> - Based on feedback we have received, the three years will start at go-live for each service, so the preceding mobilisation period is in addition to that. - It is likely that there will be provisions that allow for extension beyond the initial term.
19	When is the Contract Notice due to go out? Will we need to submit our response over the Christmas period?	<ul style="list-style-type: none"> - Our current forecast is that the Contract Notice will go out in Q4 2019. - We are mindful that setting deadlines over the holiday period can be problematic for bidders.