

Highlights, RECCo Board Meeting, 6th May 2020

1. Procurement of Code Manager Services

The Chair of the Procurement Evaluation Panel (PEP) reported that the Panel has now done the bulk of its work with Moderation meetings held on each of the RPA, RPS and RTS bids and on RPS-RTS combined bids. The Chair also wanted to record his thanks for the work of the PEP members to date, and the excellent support from the procurement team. Assessing and scoring the bids had been a time-consuming matter for PEP members, but they had completed that programme diligently and adopted a helpful and consensual approach to moderation.

The project, then, continues to broadly track its internal milestones but may be subject to re-planning because of Ofgem's forthcoming decision on a potential extended timetable for the Retail Code Consolidation. Further communication will be issued to REC Parties and other interested parties as soon as possible.

2. Transition Planning

In setting its 2020/21 objectives, the RECCo Board identified the development and delivery of a transition plan for migrating existing retail governance arrangements to the Retail Energy Code (REC) as a key priority. At the May meeting the Board approved the first draft of its transition plan. The plan identifies all the existing retail products and services that RECCo will need to have in place for REC Go-Live, primarily from the Master Registration Agreement (MRA), including Green Deal provisions, the Supply Point Administration Agreement (SPAA), and the electricity and gas metering codes of practice. It sets out all the activities that will need to be completed and the timescales for achieving them. The Transition Plan includes cross dependencies on other code bodies and RECCo looks forward to engaging in a positive and collaborative manner via the Ofgem led Retail Transition Steering Group (RTSG) to deliver the Retail Code Consolidation programme of work.

3. Recruitment of RECCo Transition Manager

RECCo is pleased to announce the appointment of Andrew Wallace as Mobilisation Manager from June 2020. Andrew will oversee the smooth transition of the existing retail governance provisions and associated services into the REC, managing the delivery of the RECCo transition plan and co-ordinating activities with the other Code Bodies through the Retail Transition Steering Group (RTSG).

4. RECCo Finances – April 2020

RECCo has commenced its new financial year and, in accordance with Clause 9 of the REC, invoiced Parties for the expected costs to be incurred in its first quarter. In line with the commitment made as part of the 2020/21 budget approval process to proactively manage its finances, the Board assessed the expected expenditure and cashflow requirements for the quarter with a focus on

delivering its core operational requirements and critical projects. This agile planning process ensures the financial impact on REC funding parties is minimised, through deferral of non-critical costs to either later in this financial year or the following year.

The financial results for April were in line with Board expectations and the company has sufficient reserves to meet its obligations over the coming months.

Highlights, RECCo Extraordinary Board Meeting, 11th May 2020

1. Implications of a potential delay to REC go-live

In light of the challenges posed by COVID-19, Ofgem has announced a delay of at least 6 months to the Switching Programme; it is now assessing the impacts of a delay to the Retail Code Consolidation programme. RECCo has provided a detailed analysis and its views on a potential delay to REC v2.0 'go-live' to Ofgem.

RECCo Board, 12 May 2020