









SMICoP Change Report		Stage of the document in the process:
<h1 data-bbox="121 340 481 430">CR 066</h1> <h2 data-bbox="121 465 598 528">SMICoP Closure</h2> <p data-bbox="121 609 304 645">30/04/2021</p>		<div data-bbox="1185 331 1422 398" style="background-color: #e0ffe0; padding: 5px;">01 – Draft Change Report</div> <div data-bbox="1185 443 1422 510" style="background-color: #ffcc00; padding: 5px;">02 – Final Change Report</div>
<ul style="list-style-type: none"> This Change Request seeks to facilitate an orderly closedown of the Code in line with Retail Code Consolidation and the transition of smart meter installation obligations into the Retail Energy Code (REC). 		
	<p>SMICoP Governance Board voted on the Change Request:</p> <ul style="list-style-type: none"> That the change solution is approved. That the implementation date is 1 June 2021. That the implementation technique is Big Bang. 	
	<p>Impacted Parties: All Parties</p>	
	<p>Impacted Clauses:</p> <ul style="list-style-type: none"> Definitions SMICoP Section A 1.5 SMICoP Section B 1.9 	
	<p>Audit Impacts: Yes impact</p>	

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Timeline			
The timetable for the progression of the CR was as follows:			
Change Request timetable			
The Secretariat recommends the following timetable:			
Draft Change Report presented to SGB	25 March 2021		
Change Report circulated to CAG for IA	30 March 2021		
Change Report presented to SGB	22 April 2021		
Final Change Report issued to the Authority	30 April 2021		
Deadline for Party Representations	10 May 2021		
Authority Decision Due	21 May 2021		
Proposed Implementation Date	01 June 2021		

1 Summary

What

On 1 September 2021, the Smart Meter installation obligations contained within SMICoP are expected to transfer to the Retail Energy Code (REC) as part of Retail Code Consolidation (RCC). This change is proposed to facilitate an orderly closedown of the SMICoP Code, and avoid any conflicting obligations with REC.

This proposal was discussed at SGB 089 on 28 January 2021 and again at SGB 090 25 March 2021.

Why

In November 2019, Ofgem released the Retail Code Consolidation (RCC) Significant Code Review Launch Statement which stated that SMICoP will move under Retail Energy Code (REC) governance. The expected date for this transition is 01 September 2021.

In migrating industry provisions from the different Codes of Practices to the REC, there will also be a transfer of roles and responsibilities from the governance bodies established under those codes, to the institutions established under the REC. Companies established to deliver the requirements of the Codes, such as SMICoP Ltd, will be wound down.

Within previous RTSG meetings (a group created by Ofgem to ensure that this process of transition happens in an orderly fashion, with minimal disruption to existing Code Parties and Service Providers), Ofgem have expressed a preference for regulatory Codes to be promptly terminated, so that Parties are clearly not subject to conflicting obligations following its termination.

The Change Request will be considered in parallel to the closedown of SMICoP Ltd (the legal entity that provides a corporate vehicle for the Code to operate under) under proposed amendments to the SMICoP Ltd Articles of Associations.

When Parties will no longer be required to comply with SMICoP as of the go live of REC, SMICoP Ltd will continue to function until an orderly closedown of the company has taken place. It is expected that this will take several months.

How

The closure of SMICoP will mirror similar changes made by other Code of Practices and retail regulatory codes that are transferring into the REC, such as SPAA and MRA.

Gowlings have provided advice on the legal text that will facilitate an orderly closedown of SMICoP, as well as for SMICoP Ltd.

2 Why Change?

SGB agreed a Change Request was necessary to facilitate the orderly closedown of SMICoP once REC v2.0 come into effect on 1 September 2021, and so that Parties are not subject to conflicting obligations following its termination.

3 Code Specific Matters

Legal Text

Add new definitions,

"Retail Code Consolidation" means what will happen when some processes and procedures set out in the Code, and a number of other regulatory codes, move to the Retail Energy Code. For the purposes of the Code, Retail Code Consolidation will occur when the 'REC Smart Meter Installation Schedule' of the Retail Energy Code comes into effect;

"Retail Energy Code" means the regulatory code established under the gas and electricity supply licences, which will bring together a range of processes, including those relating to installing Smart Metering Systems currently set out under the Code;

"Retail Energy Code Company" means the company RECCo, as described in the Retail Energy Code;

"Transferring Processes" means the processes and procedures required by the Code which will be transferring to the Retail Energy Code as part of Retail Code Consolidation, and which are set out in the 'Smart Meter Installation Schedule' of the Retail Energy Code;

Add to Section A

1.5 Retail Code Consolidation

The governance of the Code will transfer to the Retail Energy Code on Retail Code Consolidation. This is currently expected to happen on 1 September 2021. The 'Smart Meter Installation Schedule' of the Retail Energy Code sets out the minimum standards for Suppliers to follow in relation to the Customer-facing aspects of the installation of Smart Metering Systems after Retail Code Consolidation. These are materially the same as those currently set out in the Code.

Add to Section B, paragraph

1.9 Retail Code Consolidation

Members will need to comply with requirements of the Code until immediately before Retail Code Consolidation.

Members will not need to follow the requirements of the Code after Retail Code Consolidation. The Members' rights and obligations under the Transferring Processes will instead be treated as rights and obligations under the Retail Energy Code (as described in the Retail Energy Code).

The SMICoP Limited Articles of Association will be reviewed and amended by the SMICoP Limited Members in order to support the closure of the Code and the Transferring Processes moving to the Retail Energy Code as part of Retail Code Consolidation.

The SMICoP Governance Board will provide all reasonable co-operation and assistance requested by the Retail Energy Code Company in relation to the Transferring Processes.

Text Commentary

N/A

4 Solution

Business Justification and Market Benefits

This Change Request has been proposed to facilitate the closedown and termination of SMICoP, so that Parties are clearly not subject to conflicting obligations following its termination, and once the REC goes live on 1 September 2021.

Technical Skillsets

N/A

Reference Documents

N/A

5 Relevant Objectives

Evaluation Against the SMICoP Objectives

Impact of the Change Request on the Relevant SMICoP Objectives:	
Domestic Customer Objectives	Identified impact
<input checked="" type="checkbox"/> a) The licensee and any Representative provides and maintains a standard of service which helps to ensure that Domestic Customers' experience of the installation of Smart Metering Systems at their premises meets their reasonable expectations.	None
<input checked="" type="checkbox"/> b) All activities undertaken by the licensee and any Representative in relation to the installation of Smart Metering Systems are conducted in a fair, transparent, appropriate and professional manner.	Positive
<input checked="" type="checkbox"/> c) Domestic Customers are given information about, and during, the installation of Smart Metering Systems which: <ul style="list-style-type: none"> (i) is complete and accurate; (ii) does not mislead them; and (iii) informs them about the benefits of Smart Metering Systems and about what to expect in relation to the installation process. 	None
<input type="checkbox"/> d) Domestic Customers are not subject to unwelcome Marketing during any visit to their premises for the purposes of installing Smart Metering Systems.	None

Micro Business Customer Objectives	Identified impact
<input checked="" type="checkbox"/> a) the licensee and any Representative provides and maintains a standard of service which helps to ensure that Micro Business Consumers' experience of the installation of Smart Metering Systems at their premises meets their reasonable expectations.	None
<input checked="" type="checkbox"/> b) All activities undertaken by the licensee and any Representative in relation to the installation of Smart Metering Systems are conducted in a fair, transparent, appropriate and professional manner.	Positive
<input checked="" type="checkbox"/> c) Micro Business Customers are provided with information about, or during, the installation of Smart Metering Systems which: <ul style="list-style-type: none"> (i) is complete and accurate; (ii) does not mislead them; and (iii) informs them about the benefits of Smart Metering Systems and about what to expect in relation to the installation process. 	None

6 Impacts & Other Considerations

Consumer Impacts

The Change Proposal is not expected to have an impact on consumers, however the REC transition activity it is intended to support may do. This is being considered jointly by the SMICoP Governance Board and the REC Code Manager in order to mitigate any negative impact on consumers.

Supplier Impacts

This Change Request facilitates an orderly closedown and termination of SMICoP, and this will impact Parties who comply with obligations in SMICoP, due to these obligations being transferred under REC following the go live of REC.

Environmental Impacts

This Change Request facilitates an orderly closedown and termination of SMICoP following the go live of REC, and thus is not expected to have any foreseeable environmental impacts.

Engagement with Ofgem

Ofgem have been invited to provide comment, and will be invited to provide feedback or steer at every stage. Ofgem have been engaged throughout the development of this Change Request by providing feedback through the SGB meetings.

Does this Change Proposal Impact Other Codes?

Please tick the relevant boxes and provide any supporting information.

- | | |
|-----------|---|
| BSC | <input type="checkbox"/> |
| iGT UNC | <input type="checkbox"/> |
| CUSC | <input type="checkbox"/> |
| Grid Code | <input type="checkbox"/> |
| MRA | <input type="checkbox"/> |
| DCUSA | <input type="checkbox"/> |
| Other | <input checked="" type="checkbox"/> REC |
| None | <input type="checkbox"/> |

Consideration of Wider Industry Impacts

There are no wider industry impacts, however, Parties will need to refer to the REC once it goes live when referring to obligations that were originally in SMICoP.

Confidentiality

This Change request is not Confidential.

7 Implementation

- 7.1 Subject to Authority approval, CR 066 will be implemented on 1 June 2021 via the big bang implementation technique.

8 Legal Text

- 8.1 The legal text for CR 066 is provided within this Change Report.
- 8.2 The Change Proposer has considered the Legal Text and is satisfied that it meets the intent of the Solution.

9 Voting

- 9.1 On 29 April 2021, the SGB acknowledged the CAG had provided no comments and discussed CR 066. The Change Request had undergone a legal review as part of the usual SMICoP change process.
- 9.2 The SGB voted to accept CR 066 and its implementation date of 01 June 2021 with a Big Bang technique. The voting results are as follows:

Supplier Category	Member	Solution	Implementation Date	Implementation Technique
Large Supplier	Bulb	Accepted	Accepted	Accepted
Large Supplier	EDF	Accepted	Accepted	Accepted
Large Supplier	E.On	Accepted	Accepted	Accepted
Large Supplier	OVO (including SSE Energy Services)	Accepted	Accepted	Accepted
Large Supplier	Shell Energy	Accepted	Accepted	Accepted
Large Supplier	SSE Energy Supply	Accepted	Accepted	Accepted
Large Supplier	Utility Warehouse	Accepted	Accepted	Accepted
Micro Business	Haven	Accepted	Accepted	Accepted
Micro Business	SSE Energy Supply	Accepted	Accepted	Accepted
Citizens Advice	-	Accepted	Accepted	Accepted

9.3 The group was quorate, and a consensus was reached with 100% approval.

9.4 The Final Change Report for CR 066 was issued to the Authority on 01 June 2021.

9.5 In accordance with section B2.7.5 of the SMICoP, the Authority may give:

- Its approval to the proposed revisions;
- Notice that it is withholding approval; or
- Notice that it is unable to reach a decision within 30 working days.

9.6 Should the Authority not respond to this Change Request within 30 Working Days, the Change Request will be treated as approved by the Authority.

10 Recommendations

SMICoP Parties Recommendation

SMICoP Parties recommend:

- that CR 066 should be implemented on 01 June 2021.