RETAIL ENERGY CODE

Charging Methodology

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RETAIL ENERGY CODE

SCHEDULE 10

REC Charging Methodology

Version: 3.1 Effective Date: 4 November 2022

Domestic Suppliers	Mandatory
Non-Domestic Suppliers	Mandatory
Gas Transporters	Mandatory
Distribution Network Operators	Mandatory
DCC	Mandatory
Metering Equipment Managers	Mandatory
Non-Party REC Service Users	Mandatory

Change History

Version Number	Implementation Date	Reason for Change
0.1	1 September 2021	Initial version
2.2	31 January 2022	R0012 R0020
3.0	18 July 2022	Switching SCR Modification R0041
3.1	4 November 2022	R0036

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1 Introduction

1.1. This REC Charging Methodology sets out the basis on which RECCo will apply discrete charges to REC Service Users or other relevant parties, where RECCo reasonably considers that such a charge would better facilitate the objectives set out in Clause 10.3 of the main body of the Code. Any RECCo costs that are not recovered directly through charges pursuant to this REC Schedule will be recovered in accordance with Clause 9 of the main body of this Code.

1.2. This REC Charging Methodology will apply to the REC Services referenced below, and in accordance with the decision of the Authority that charges for those services should as far as practicable be a continuation of the arrangements immediately prior to the Retail Code Consolidation date, and until such time as they may be subject to an approved Change Proposal.

2 REC Charging Statement

2.1. Before the Retail Code Consolidation date and thereafter before the start of each Financial Year, RECCo will publish (and may from time to time revise) a REC Charging Statement.

2.2. The REC Charging Statement will set out charges that reflect the application of the REC Charging Methodology to the RECCo budget, as approved by the REC Board in accordance with Clause 9 of the main body of this Code, together with any charges which are dependent on usage.

3 Electricity Enquiry Service

3.1. Each DNO shall be obliged to pay towards the cost incurred by RECCo for the provision of the Electricity Enquiry Service in accordance with the most recent approved RECCo budget. The DNO contribution shall in aggregate amount to one third of the annual cost to RECCo to operate the Electricity Enquiry Service, less any charges described in paragraph 3.4 below, to be apportioned on a Quarterly basis as follows:

3.2. For DNOs who have less than 750,000 Metering Points registered on their network:

PP	=	(M x D) / T
where		
PP	=	the amount due from the DNOs;
M	=	average number of Metering Points on a DNO's network across the last three months for which reports have been submitted to the Code Manager pursuant to Clause 9.23 of the main body of this Code, which shall be determined by summing the number contained in those three reports and dividing that number by three;
D	=	is the estimated total DNO contribution to Electricity Enquiry Service c osts for the Quarter; and

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T	=		the average number of Metering Points contained on all DNOs' networks across the last three months for which have been submitted to the Code Manager pursuant to Clause 9.23 of the main body of this Code, which shall be determined by summing the total number of Metering Points for all DNOs contained in those three reports and dividing that number by three.

3.3. For DNOs who have more than 750,000 Metering Points registered on their network:

PP	=		(D - B) / F
where			
PP	=		the amount due from the DNOs;
D	=		is the estimated total DNO contribution to Electricity Enquiry Service c osts for the Quarter;
B	=		the total amount due from those DNOs who have less than 750,000 Metering Points on their network; and
F	=		the total number of DNOs who have more than 750,000 Metering Points registered on their networks.

3.4. The remaining costs incurred by RECCo for the provision of the Electricity Enquiry Service, less any charges described in Paragraph 3.5 below, shall be recovered from Energy Suppliers in accordance with Clause 9 of the main body of this Code.

3.5. All charges associated with the granting of access to the Electricity Enquiry Service, provision of data, and auditing its usage in the event that an applicant becomes an Electricity Enquiry Service User shall, for certain EES User Categories where specified in the REC Charging Statement, be met by that applicant. A schedule of charges shall be provided to and agreed by the applicant prior to it being granted access. Certain initial charges will be payable, for certain EES User Categories where specified in the REC Charging Statement, prior to its application being progressed. Further details of any applicable standard charges are published in the REC Charging Statement as appropriate.

4 Gas Enquiry Service

4.1. The costs incurred by RECCo for the provision of the Gas Enquiry Service, less any charges described in Paragraph 4.2 below, shall be recovered from Energy Suppliers in accordance with Clause 9 of the main body of this Code.

4.2. Any charges associated with the granting of access to the Gas Enquiry Service, provision of data, and auditing its usage in the event that an applicant becomes a Gas Enquiry Service User shall, for certain GES User Categories where specified in the REC Charging Statement, be met by that applicant. A schedule of charges shall be provided to and agreed by the applicant prior to it being granted access. Certain initial charges, for certain GES User Categories where specified in the REC Charging

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Statement, shall be payable prior to its application being progressed. Further details of any applicable standard charges are published in the REC Charging Statement as appropriate.

5 Centralised Registration Service

5.1. The costs of operating and maintaining the Centralised Registration Service shall be recovered from Energy Suppliers in accordance with Clause 9 of the main body of this Code. However, RECCo reserves the right to charge the CSS User the reasonable costs associated with any investigation or audit that may be undertaken to investigate any potential misuse and/or generally ensure compliance with the terms of this Code.

5.2. A Switching Data Service Provider shall be liable for the cost of each additional licence that it has obtained to use the Switching Service Management System as described in the Switching Service Management Schedule .

5.3. Any charges associated with the audit requirements (including the Information Security and Data Protection Assessment) for Non-REC Parties, including CSS Interface Providers in respect of their use of the Centralised Registration Service will be met by that party, where this is specified for that party in the REC Charging Statement.

6 Metering Accreditation and Audit

Metering Equipment Manager and AMR Service Provider Accreditation

6.1. RECCo shall contract with one or more service providers for provision of independent audits in accordance with the Metering Accreditation Schemes Schedule.

6.2. Each Metering Equipment Manager, Meter Installer or AMR Service Provider shall pay the cost of any initial assessment, surveillance visit or audit, including any reassessment or follow-up audit that may be required.

6.3. A schedule of charges shall be provided to each party in advance of any work being un dertaken and will, as far as practicable, follow standard charges to be published in the REC Charging Statement.

Smart Meter Installation

6.4. Unless previously subject to an audit of compliance under the Smart Metering Installation Code of Practice or this Code, upon reaching the thresholds set out in Smart Meter Installation Schedule, each Energy Supplier shall undergo a compliance audit, to provide assurance that processes are in place to enable compliance with all relevant aspects of that Smart Meter Installation Schedule.

6.5. RECCo shall contract with one or more service providers for provision of the independ ent audit of compliance in accordance with Paragraph 5 of Smart Meter Installation Schedule.

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6.6. A schedule of charges shall be provided to each party in advance of any work being undertaken and will, as far as practicable, follow standard charges to be published in the REC Charging Statement.

7 Secure Data Exchange Service

7.1. The costs of establishing, operating, and maintaining the Secure Data Exchange Portal shall be recovered from Suppliers in accordance with Clause 9 of the main body of this Code. However, RECCo reserves the right to charge the SDES User the reasonable costs associated with any investigation or audit that may be undertaken to investigate any potential misuse and/or generally ensure compliance with the terms of this Code.

8 Green Deal Arrangements

8.1. The core cost to RECCo of operating and maintaining the Green Deal Central Charging Database Service shall be recovered from Energy Suppliers in accordance with Clause 9 of the main body of the Code.

8.2. Where the REC Performance Board determines that an audit of an Electricity Supplier's Quarterly Compliance Statement is required, and that Quarterly Compliance Statement is subsequently found to be inaccurate, RECCo may invoice the relevant Electricity Supplier the for the cost of that audit in accordance with the Green Deal Arrangements Schedule, Paragraph 23.12.

8.3. Where a user of the Green Deal Central Charging Database service requests the Code Manager to rectify data in the GDCC database and that is required through means of a manual retrospective amendment, the cost of such amendments will be calculated and RECCo may at its sole discretion seek to recover those costs directly from GDCC User.

9 Energy Theft Tip-Off Service

9.1. Any requests for additional services which the Code Manager does not consider to be reasonable may nonetheless be granted, subject to the ETTOS Recipient agreeing to the charges for those additional accounts, at a rate that is reflective of the cost to RECCo.

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