RETAIL ENERGY CODE

Market Exit and Supplier of Last Resort

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Contents

1 Introduction 4
2 Expulsion of Parties 4
3 Voluntary Exit by Parties 5
4 Non-Party REC Service Users 6
5 Supplier of Last Resort Process 6
6 Reporting 15

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SCHEDULE 19

Market Exit and Supplier of Last Resort

Version: 4.0 Effective Date: 22 September 2025

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	N/A	Version for Summer 2020 publication
0.2	N/A	Version for December 2020 consultation
2.0	1 September 2021	Incorporating Consultation Responses
3.0	18 July 2022	Switching SCR Modification R0041
3.1	4 November 2022	R0036
3.2	06 September 2024	R0192
3.3	27 June 2025	R0236
4.0	22 September 2025	R0209

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1 Introduction

1.1. This REC Schedule sets out the process with which a Party or Non-Party REC Service User must comply to enable an orderly exit from this Code.

1.2. This includes:

(a) expulsion from this Code following an Event of Default;

(b) considerations for Parties and Non-Party REC Service Users seeking to exit the Code voluntarily; and

(c) management of Supplier of Last Resort (SoLR) Process to facilitate the transfer of Registrations from the failed Energy Supplier to the Replacement Supplier.

1.3. This REC Schedule must be read in conjunction with Clauses 16 and 17 of the main body of this Code which describe the instances where Parties may be expelled from the Code.

1.4. However, this REC Schedule does not apply to the expulsion of a Party under Clause 17.3 of the main body of this Code, which applies if the Party has not progressed its Qualification within the time periods referred to in Clause 17.3.

2 Expulsion of Parties

2.1. As set out in Clause 17 of the main body of this Code, a Party that holds an Energy Licence that requires it to be a party to this Code cannot be expelled from this Code unless the Authority has approved such expulsion (save as described in Clause 17.3 of the main body of this Code).

2.2. Where a Party holds an Energy Licence that requires it to be a party to this Code, the REC Board shall co-ordinate any proposed expulsion from this Code with any concurrent process under the other Energy Codes and/or any enforcement action by the Authority.

2.3. Subject to Paragraphs 2.1 and 2.2, the REC Board may expel a Party from this Code by written notice to that Party where that Party is subject to an ongoing Event of Default.

2.4. Where notice of expulsion is served on a Party pursuant to Paragraph 2.3, the Code Manager shall promptly confirm the expulsion (and the effective date of expulsion) to:

(a) all the Parties;

(b) the code managers of any other Energy Codes to which the expelled Party is or was party;

(c) the CDSP, where the Party being expelled is a Gas Supplier, Gas

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Transporter or gas Meter Asset Manager;

(d) the BSCCo and the DIP Manager, where the Party being expelled is an Electricity Supplier, Distribution Network Operator or electricity Meter Operator Agent;

(e) the Switching Operator;

(f) the REC Service Providers (if any) for which the expelled Party was formerly a REC Service User; and

(g) the Authority.

3 Voluntary Exit by Parties

3.1. Subject to Paragraph 3.3, each Party shall be entitled to initiate its own withdrawal from this Code by giving notice in writing (known as a Withdrawal Notice) to the Code Manager.

3.2. The Withdrawal Notice shall specify the time and date on which the Party wishes to withdraw from this Code (known as the Withdrawal Date), being not less than 28 days after the date of the Withdrawal Notice.

3.3. A Party may not withdraw from the Code if, as at 17.00 hours on the day which is two (2) Working Days prior to the Withdrawal Date:

(a) any sums accrued and payable under the Code remain, in whole or in part, to be paid by such Party, including sums in relation to Disputes or Performance Charges;

(b) such Party holds an Energy Licence which requires it to be a Party;

(c) where such Party is an Energy Supplier, it continues to be the Registered Supplier in respect of any RMPs;

(d) where such Party is a Distribution Network Operator or Gas Transporter, one or more Operational RMPs continue to exist in respect of its network; and/or

(e) where such Party is a Metering Equipment Manager, it continues to be Appointed in respect of one or more RMPs.

3.4. Following receipt of a Withdrawal Notice from a Party, the Code Manager shall check that the Party is eligible to withdraw, as described in Paragraph 3.3. Where the Party is eligible to withdraw, the Code Manager shall accept the Withdrawal Notice and promptly notify the organisations listed in Paragraph 2.4 of the withdrawing Party's intention to withdraw from the Code on the agreed Withdrawal Date.

3.5. Where the withdrawing Party is a REC Service User for one or more REC Services, the Code Manager shall notify the relevant REC Service Provider(s) of the

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withdrawing Party's intention to withdraw from the Code on the agreed Withdrawal Date.

3.5.A Where the withdrawing Party is an Electricity Supplier, Distribution Network Operator or Meter Operator Agent, the Code Manager shall notify the DIP Manager of the withdrawing Party's intention to withdraw from the Code on the agreed Withdrawal Date.

3.6. Provided the requirements of Paragraph 3.3 are satisfied, with effect from the Withdrawal Date:

(a) the withdrawing Party shall cease to be a Party in accordance with Clause 17 of the main body of this Code; and

(b) the withdrawing Party shall cease to be a REC Service User for the REC Services for which it was previously a REC Service User.

3.7. Where the requirements of Paragraph 3.3 are not satisfied in respect of a Party, then that Party shall not withdraw from this Code, and Paragraph 3.6 shall not apply. If the Party still wishes to withdraw, it must serve another Withdrawal Notice and the requirements of paragraph 3.3 will be reassessed.

3.8. Where a Party withdraws from this Code in accordance with Paragraph 3.6, the Code Manager shall promptly confirm such withdrawal to the organisations listed in Paragraph 2.4.

4 Non-Party REC Service Users

4.1. REC Service Users that are also Parties shall cease to be REC Service Users in accordance with Paragraph 2 or 3.

4.2. Non-Party REC Service Users shall be entitled to terminate their access to the relevant REC Service by providing notification to the Code Manager in accordance with their Access Agreement.

4.3. The Code Manager shall ensure that any specific REC Service requirements have been met which enable the Non-Party REC Service User to withdraw, notify the relevant REC Service Provider(s) and ensure that access is withdrawn with effect from termination of the Access Agreements.

4.4. The decision as to whether RECCo should serve notice to terminate a Non-Party REC Service User's Access Agreement shall be a matter for the REC Board.

5 Supplier of Last Resort Process

5.1. This Paragraph 5 should be read in conjunction with the Energy Supply Licences which define the overall SoLR Process.

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5.2. Where a Replacement Supplier is appointed in respect of premises, they shall become, from the date and time set out in the Last Resort Supply Direction:

(a) responsible, for the supply of electricity and / or gas for the RMP(s) associated with those premises;

(b) responsible for all obligations assigned to the Registered Supplier or its Supplier Agents as set out within the Code; and

(c) liable for all charges and benefits relating to the relevant RMPs.

5.3. The Replacement Supplier shall provide to the Code Manager a plan for completing the following activities:

(a) completing a Switch for all associated RMPs, where this is required to enable the Replacement Supplier to fully onboard the impacted Consumers into its Systems and processes, following the initial transfer of responsibilities;

(b) the appointment of all relevant Supplier Agents in accordance with the Metering Operations Schedule and BSC, as applicable; and

(c) the appointment of all relevant Shippers in accordance with the UNC, for Gas Suppliers only.

5.4. For gas RMPs, the plan described in Paragraph 5.3 shall align to the transfer rate proposed to the Authority prior to the Last Resort Supply Direction being made, where applicable.

5.5. The plan described in Paragraph 5.3 shall be provided to the Code Manager at least 5 Working Days prior to the commencement of the activities set out within Paragraph 5.3 and shall prioritise the transfer of RMPs associated with Vulnerable Consumers.

5.6. The Replacement Supplier shall use reasonable endeavours to complete the requirements set out in Paragraph 5.3(a) to (c) as soon as possible after it has been provided with a Last Resort Supply Direction by the Authority and in any event within 3 months of the date that the Last Resort Supply Direction takes effect, or later date as agreed by the REC Performance Assurance Board.

5.7. The Code Manager shall monitor each Replacement Supplier against the plan provided under Paragraph 5.3. Any concerns regarding the delivery of the plan shall be escalated to the REC Performance Assurance Board and / or the Authority.

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5.8. The electricity end-to-end SoLR Process shall reflect the interface table below:

Ref	When	Action	From	To	Interface	Means
5.8.1	At least 12 hours before the Last Resort Supply Direction becomes effective.	The Authority issues a Last Resort Supply Direction to Replacement Supplier(s) and informs relevant parties.	Authority	Replacement Supplier(s) Code Manager; BSCCo; DIP Manager SMDSP; DTN Service Controller; DNO.	Not defined	Email
5.8.2	Following receipt of the notification in 5.8.1.	Amend the Energy Company associated with the relevant Balancing Mechanism Units and DIP identifiers in accordance with the BSC.	BSCCo / DIP Manager		Internal process	N/A
5.8.3	Following receipt of the notification in 5.8.1.	Amend the SEC party identifier associated with the relevant MPIDs in accordance with the SEC.	SMDSP		Internal process	N/A
5.8.4	Following receipt of	Amend the Energy	DTN Service		Internal process	N/A

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	the notification in 5.8.1.	Company associated with the relevant DTN gateway in accordance with the DTSA.	Controller			
5.8.5	As soon as reasonably practicable, following receipt of the notification in 5.8.1.	Raise a Switching Service Request to give effect to the SoLR event including revocation of the failed Energy Supplier's CSS security credentials.	Code Manager	Switching Operator	SoLR Switching Service Request	Switching Portal
5.8.6	Following receipt of the Switching Service Request in 5.8.5 and before the Replacement Supplier effective date.	Initiate revocation of the failed Energy Supplier's CSS security credentials in accordance with the CSS Schedule and terminate access to the Switching Portal.	Switching Operator		Internal Process	N/A
5.8.7	As soon as reasonably practicable, following receipt of the notification in 5.8.1.	Submit request to remove the failed Energy Supplier's access to EES, SDES, GDCC and ETTOS.	Code Manager	EES Provider; SDES Provider; GDCC Provider; ETTOS Provider	Not defined	N/A
5.8.8	Replacement Supplier effective date.	Failed Energy Supplier's licence is revoked.	Authority		Internal process	N/A
5.8.9	At 00:00 hrs on the	Notify changed Market	Code Manager	CSS Provider	Market Participant	CSS API

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	Replacement Supplier effective date.	Participant Role and Energy Company association.			Role	
5.8.10	Following 5.8.9 where the message passes synchronous validation.	Amend Market Participant Role association to the Replacement Supplier.	CSS Provider		Internal Process	N/A
5.8.11	Following 5.8.10.	Notify change to Market Participant Role and Energy Company association has been made.	Code Manager	BSCCo;	Not defined	N/A
5.8.12	As soon as reasonably practicable following 5.8.1 and within 4 Working Days	Send data in respect of all the Metering Points for which the failed Energy Supplier is Registered. Data provided shall reflect the data sent to the Authority pursuant to Condition 6 of the Electricity Distribution Licences.	DNO	Replacement Supplier	Method of communication agreed between the relevant DNO and Replacement Supplier	N/A
5.8.13	As soon as reasonably practicable following 5.8.1.	Provide a plan to the Code Manager in line with Paragraphs 5.3 to 5.5	Replacement Supplier	Code Manager	Not defined	N/A
5.8.14	No later than 5	Initiate individual Switch	Replacement	CSS	In accordance with	N/A

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	Working Days after 5.8.14.	activities to transfer each Metering Point to the Replacement Supplier's MPID(s).	Supplier		the Registration Services Schedule	
5.8.15	As soon as reasonably practicable following 5.8.1, where the incumbent Meter Operator Agent is not being retained.	Appoint the Meter Operator Agent and update ERDS in accordance with the Metering Operations Schedule	Replacement Supplier	MOA ERDS	In accordance with the Metering Operations Schedule	N/A

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5.9. The gas end-to-end SoLR Process shall reflect the interface table below:

Ref	When	Action	From	To	Interface	Means
5.9.1	At least 12 hours before the Last Resort Supply Direction becomes effective.	The Authority issues a Last Resort Supply Direction to Replacement Supplier(s) and informs relevant parties.	Authority	Replacement Supplier(s) Code Manager; CDSP; SMDSP; DTN Service Controller.	Not defined	Email
5.9.2	Following receipt of the notification in 5.9.1.	Initiate discussions with the relevant Gas Supplier to facilitate activities required in accordance with the UNC.	CDSP		Internal process	N/A
5.9.3	Following receipt of the notification in 5.9.1.	Amend the SEC party identifier associated with the relevant MPIDs in accordance with the SEC.	SMDSP		Internal process	N/A
5.9.4	As soon as reasonably practicable, following receipt of the notification in 5.9.1.	Raise a Switching Service Request to give effect to the SoLR Process event including revocation of the failed Energy Supplier's CSS security credentials.	Code Manager	Switching Operator	SoLR Switching Service Request	Switching Portal

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5.9.5	Following receipt of the Switching Service Request in 5.9.4 and before the Replacement Supplier effective date.	Initiate revocation of the failed Energy Supplier's CSS security credentials in accordance with the CSS Schedule, terminate access to the Switching Portal and allow the Replacement Supplier to access the Energy Supplier Loss Notification and Cancellation Report for the impacted MPIDs.	Switching Operator		Internal Process	N/A
5.9.6	As soon as reasonably practicable, following receipt of the notification in 5.9.1.	Submit request to remove the failed Energy Supplier's access to GES, and ETTOS.	Code Manager	GES Provider; ETTOS Provider	Not defined	N/A
5.9.7	Replacement Supplier effective date.	Failed Energy Supplier's licence is revoked.	Authority		Internal process	N/A
5.9.8	As soon as reasonably practicable following 5.9.1 and within 4 Working Days	Send details of all Data Items in respect of all the Supply Meter Points in respect of which the failed Energy Supplier is Registered.	GES Provider	Replacement Supplier	Not defined	N/A
5.9.9	As soon as reasonably practicable following 5.9.1.	Provide a plan to the Code Manager in line with Paragraphs 5.3 to 5.5	Replacement Supplier	Code Manager	Not defined	N/A
5.9.10	No later than 5 Working Days after 5.9.10.	Initiate individual Switch activities to transfer each Metering Point to the	Replacement Supplier	CSS	In accordance with the Registration	N/A

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		Replacement Supplier's MPID(s).			Services Schedule	
5.9.11	As soon as reasonably practicable following 5.9.1, where the incumbent Meter Asset Manager is not being retained.	Appoint the Meter Asset Manager and update the CDSP (via the Shipper) in accordance with the Metering Operations Schedule.	Replacement Supplier	MAM Shipper	In accordance with the Metering Operations Schedule	N/A
5.9.12	Following confirmation that all Supply Meter Points have transferred from the failed Energy Supplier's MPID and the gas Market Participant Data has been updated by the CDSP.	Update Market Participant Data to in accordance with the Switching Data Management Schedule	Code Manager	CSS Provider	Market Participant Role	CSS API
5.9.13	Following 5.9.12 where the message passes synchronous validation.	Update Market Participant Data.	CSS Provider		Internal Process	N/A
5.9.14	Following 5.9.13.	Notify change to Market Participant Role and Energy Company association has been made.	Code Manager	CDSP	Not defined	N/A

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6 Reporting

6.1. Where the Switching Operator receives a request from the Authority to notify it of the number of RMPs registered to a specific Energy Supplier, it shall provide the Failed Supplier Report to the Authority within 5 hours.

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