

Annex B – Policy Overview

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Introduction

1. The Clean Flexibility Roadmap¹ set out our vision for a clean, flexible, consumer-focused electricity system. This Roadmap reinforced how the country needs an electricity system that is more flexible as we meet the needs of homes and businesses whilst harnessing the intermittent nature of renewable energy. The Roadmap is instrumental in providing a plan for our commitment to meeting our clean power ambitions, as we aim to scale consumer-led flexibility from 2.5GW in 2023 to 10GW to 12GW by 2030.

¹ [Clean flexibility roadmap - GOV.UK](#)

2. We know consumer participation is fundamental to unlocking greater flexibility across Britain, leading to benefits for households, businesses and the environment. Increasing consumer-led flexibility will allow consumers to reap the benefits of lower energy bills whilst also ensuring enhanced control over their bills. Consumer-led-flexibility (CLF) is therefore key to fulfilling our commitment to reduce energy bills.
3. The Smart Secure Electricity Systems (SSES) Programme is crucial for establishing robust technical and security frameworks for Energy Smart Appliances (ESAs) and load control organisations to support the drive towards flexibility. Tariff Interoperability (TI) Arrangements are one crucial aspect of the SSES programme which will allow ESAs to easily respond to tariff pricing information.
4. Government consulted on SSES proposals in 2024 and, in April 2025², confirmed our intention to introduce the first phase of TI by making changes to the Electricity Supply Standard Licence Condition (SLCs) and to the Retail Energy Code (REC).
5. The TI Arrangements will require Suppliers to make tariff data available via an Application Programming Interface (API) in a consistent format. This will make it easier for ESAs and optimisers to access Tariff Pricing Data³ to optimise consumers' energy consumption. This will encourage growth of optimisation services and give consumers opportunities to save on their energy bills while at the same time supporting our energy security and decarbonisation goals. Greater flexibility is key to driving the transition to homegrown clean power and reducing Britain's aggregate electricity use at peak demand periods, thereby minimising the amount of generation and associated network that needs to be built to meet peak demand.
6. To ensure that the introduction of TI Arrangements would deliver meaningful CLF benefits without placing excessive burdens on Suppliers, it was essential

² [Delivering a smart and secure electricity system: implementation - government response](#)

³ Previously referred to as Energy Pricing Data – Tariff Pricing Data covers both Tariff Information which is publicly available and consumer-specific, along with pricing information contained within supply contracts between Suppliers and Consumers.



to involve stakeholders in the development of the proposals. To achieve this, two working groups were formed to help develop the TI Solution; the Tariff Interoperability Working Group (TIWG) and the Tariff Interoperability Solution Working Group (TISWG). Attendees to the working group were comprised of Suppliers, optimisers (including ESA manufacturers and operators) and trade bodies.

7. The TIWG first met in June 2024 and initially helped DESNZ develop policy proposals around the scope of TI. Following the creation of the TISWG, the TIWG predominantly reviewed strategic issues, project progress and reviewed key deliverables.
8. The TISWG first met in May 2025 and held nine meetings. The TISWG developed the technical and operational solution design for the TI Arrangements, principally the API Technical Specification, business process design, non-functional and functional requirements, controls and the surrounding governance.

Phased Delivery

9. The TI Arrangements will be delivered via a phased approach, starting with a Minimum Viable Product (MVP) followed by Phase Two.
10. The MVP will require electricity Suppliers to support the following use cases:
 - Support a third-party organisation in optimising energy consumption when a customer of the organisation knows their current supplier and tariff name (or can easily find them) and provides this information to the organisation.
 - Support a third-party organisation in optimising energy consumption if a customer does not know their tariff name (and cannot easily find it) but knows their supplier name and is the account holder.
 - Support a third-party organisation in optimising energy consumption of a customer when the supplier modifies components of the tariff (e.g. changes the price as part of consumer choosing a new tariff).

- Support a third-party organisation in optimising energy consumption of a customer, without requiring the customer of the organisation to manually inform the organisation if they change their tariff or supplier.

11. In Phase Two the intention is to require electricity and gas Suppliers to support the following use cases:

- Support a third-party organisation in optimising energy consumption if a customer of the organisation does not know their current supplier and tariff name (and cannot easily find them) but has previously consented to sharing this information. They may or may not be the account holder.
- Support a third-party organisation in optimising energy consumption of a customer for Complex Tariffs (e.g. Block).

Gas Supplier Requirements

12. Gas pricing data will not be required to be made available as part of the MVP.

13. Suppliers can make gas pricing data available in the MVP on a voluntary basis. If they do so, they must opt in to the TI Arrangements and meet the same requirements set out in the REC as those for mandated electricity Tariff Pricing Data. If Suppliers no longer wish to make gas pricing data available, they must opt out of the TI Arrangements, having provided the required notice period [See paragraph 1.9 - see Annex D- Draft Retail Energy Code Tariff Interoperability Arrangements Schedule].

14. The government does intend to extend the energy supplier licence obligation to cover gas pricing data in Phase Two.

Electricity Supplier Requirements

15. We propose to include a new condition within the Electricity Supply Standard Licence Conditions (SLC) [see Annex C – Draft Electricity Supply Standard Licence Condition changes]. The new condition will require electricity



Suppliers to make tariff data available in accordance with the REC. The detail of the API arrangements and ongoing governance will be set out in and governed by provisions in the REC.

16. The SLCs will be amended using Section 245 powers of the Energy Act 2023.

17. The proposed condition specifies at a high-level what Suppliers are and are not required to do.

18. Specifically, the proposals are that Suppliers will be required to:

- Make Tariff Pricing Data available via a supplier-wide standardised Application Programming Interface (API).
- Make Tariff Pricing Data available for domestic consumers.
- Make Tariff Pricing Data available for non-domestic consumers where electricity consumption is not determined by a Current Transformer Electricity Metering arrangement.

19. Under the proposed clauses, there will be exemptions to the above requirements. The Suppliers will not be required to:

- Make bespoke contract data available (as defined in the SLC).
- Make tariff/contract data available for consumers where electricity is determined by a Current Transformer Electricity Meter.
- Make complex tariffs (e.g. Block tariffs) available.

20. Suppliers can opt to make bespoke contract data available; to do so they must opt in and meet the agreed standards. If Suppliers no longer wish to make bespoke contract data available, they can opt out having provided the required notice period [See paragraph 1.8 and 1.9 - Annex D- Draft Retail Energy Code Tariff Interoperability Arrangements Schedule].

21. Suppliers are not required to make tariff data available if the structure of the Charges for the Supply of Electricity is incompatible with technical requirements within the REC [see paragraph 11C.5 - Annex C – Draft Electricity Supply Standard Licence Condition changes]. The intention of this

clause is to prevent Suppliers from having to make complex tariff data available (e.g. Block tariffs) during the MVP. leads to too many time of use tariffs being excluded from the API due to the inclusion of additional data items then the SLC will be reviewed

Exemption and Derogation

22. The proposed SLC includes an exemption and a derogation. Below is an explanation of the difference between an exemption and a derogation:
- Exemption - circumstances specified in the SLC under which a licensee is considered exempt from a condition's requirement
 - Derogation - the Authority's (GEMA's) direction relieving a licensee from its obligation to comply with a condition, based on licensee's request and considered on a case-by-case basis. Suppliers may submit an application to Ofgem who will consider them on a case-by-case basis.
23. In the Government Response to the 2024 SSES consultation, DESNZ stated that it would include a derogation within the SLC to ensure small non-domestic Suppliers did not have to bear disproportionate API development costs.
24. Further engagement with working groups revealed that also including an exemption would be advantageous. This approach would help small non-domestic Suppliers avoid disproportionate costs associated with API development, ease the administrative load by reducing the number of derogation applications, and still allow a proportionate number of non-domestic consumers on widely available market contracts to optimise their devices.
25. We therefore now propose to include an exemption within the SLC [see paragraph 11C.3 - Annex C – Draft Electricity Supply Standard Licence Condition changes] for:
- non-domestic only Suppliers who provide electricity to no more than 100,000 meter points.



- Non-domestic only Suppliers where the only information they would be required to make available is deemed contract data.
26. The exemption criteria are based on Suppliers and affiliates. Affiliate is defined in the Electricity Supply Licence to be “in relation to an Electricity Supplier, any holding company or subsidiary or subsidiary undertaking of a holding company of the licensee, in each case within the meaning of the Companies Act 2006”.
27. We also propose to include a derogation so that if a supplier is not captured by the exemption criteria, but considers they are not in a position to comply with the Tariff Interoperability requirements they can apply for derogation. Ofgem will then consider the application following Ofgem’s guidance on derogations⁴.

Routes to Access Tariff Data

28. The TI Arrangements will facilitate access by third-party organisations to both Public Tariff Pricing Data and Consumer Specific Tariff Information [see Annex D- Draft Retail Energy Code Tariff Interoperability Arrangements Schedule].

Access to Public Tariff Pricing Data

29. Third-party organisations that use the TI Arrangements for the purposes of accessing publicly available Tariff Pricing Data are referred to as TI Users.
30. Consumers will be able to optimise their ESAs using Public Tariff Pricing Data if they provide the TI User with their tariff name and postcode.
31. The TI user will then be able to access the correct tariff data via the API and use this to optimise the consumers ESA.
32. If Public Tariff Pricing Data is being used to optimise a device the supplier will be unable to notify the TI User when a consumer changes tariff or supplier. If

⁴[guidance_for_derogation_requests_from_domestic_retail_market_review_licence_conditions_version_2_0.pdf](#)



a consumer using Public Tariff Pricing data changes tariff or supplier they will be required to notify the TI User to ensure that their ESA is optimised against their new tariff.

33. It is important to note that bespoke contract data will not be available via the Public Tariff Pricing Data route.

34. In the case of the Public Tariff Pricing Data, there are specific clauses within Annex D – Draft Retail Energy Code Tariff Interoperability Arrangements Schedule that support access to the Public Tariff Pricing Data Route. These are detailed in the table below.

Document	Applicable Clause
Annex D – Draft Retail Energy Code Tariff Interoperability Arrangements Schedule	1. Introduction: 1.1; 1.2; 1.3; 1.4; 1.5(a), (b), (c), (d), (e); 1.6; 1.7; 1.8; 1.9; 1.10; 1.11; 1.12; 1.13.
	2. Tariff Interoperability Energy Supplier Requirements: 2.1; 2.2; 2.4; 2.11; 2.12; 2.13; 2.14; 2.15; 2.20(a), (c), (d), (e), (g); 2.21; 2.22; 2.24(a), (b), (c); 2.25; 2.26; 2.27; 2.28; 2.30; 2.31; 2.32; 2.33; 2.34.
	3. Tariff Interoperability User Registration: 3.1.
	4. Tariff Interoperability Processes: 4.1, 4.2, 4.3.

Access to Consumer Specific Tariff Information

35. Where a third-party organisation requires access to Consumer Specific Tariff Information, they will be required to register for access to this specific component of the TI Arrangements. This is to ensure that Energy Suppliers can be confident in sharing Consumer Specific Tariff Information, which may include both personal and non-personal data. Third-party organisations that successfully register for the TI Arrangements are referred to as a Registered Tariff Interoperability (RTI) Users.

36. The TI Arrangements allow the consumer to provide consent to the RTI User. Once consent is provided this will allow the RTI User to retrieve Consumer Specific Tariff Information from the supplier.
37. This Consumer Specific Tariff Information will allow the RTI User to understand the tariff which the consumer is currently on. The RTI User will then be able to access the correct Tariff data via the API and use this to optimise the consumers ESA.
38. If a consumer is optimising their ESA using Consumer Specific Tariff Information then the supplier is required to notify the RTI User when notified a consumer changes tariff or supplier. The RTI User can then take the appropriate action to ensure that the consumer's ESA is optimised against their new tariff.
39. For the avoidance of doubt, all aspects of Annex D – Draft Retail Energy Code Tariff Interoperability Arrangements Schedule and Annex E – Draft Tariff Interoperability API Technical Specification and Energy Market Data Specification Changes support access to Consumer Specific Tariff Information.

Use of the TI Arrangements

40. Whilst optimisation is the key focus of the TI Arrangements, we understand that the solution may provide useful access to data for other organisations.
41. A range of organisations (and devices they have access to) will be able to access the API provided that when accessing API data, they do so to provide services to the consumer.

Retail Energy Code context

42. The REC contains the sets of rules for the operation of the retail energy sector in the GB energy market. All licensed Energy Suppliers, gas transporters, electricity distribution network operators, metering operators, and the Data



Communications Company (DCC) must become REC Parties. In addition, there are a number of non-REC Parties required to comply with elements of the REC through separate access agreements in order to access specific REC arrangements.

43. Placing the TI Arrangements within the REC would normally require a REC Change, which would follow the REC Change Process.

44. In this instance, to introduce the TI Arrangements, DESNZ will amend the REC by using powers under Section 245 of the Energy Act 2023.

REC Schedule

45. REC Schedules are sections of the REC which set out the rights, obligations, and processes that REC Parties and non-REC Parties must comply with for arrangements which come under the scope of the REC.

46. A new REC Schedule for Tariff Interoperability will contain:

- The obligations and rights of in-scope Energy Suppliers and RTI Users and the rights of TI Users.
- A template User Agreement setting out the terms and conditions applicable to RTI Users.

47. The REC Schedule requires compliance with the TI API Technical Specification and TI-specific elements within the REC Energy Market Data Specification.

48. In addition to the new REC Schedule, new TI related definitions will be added to existing REC Schedule 1 (Interpretations and Definitions).

The TI API Technical Specification

49. The TI API Technical Specification is the blueprint to which Suppliers and TI Users are required to build their TI APIs to allow for the exchange of Tariff Data.

50. The following technical implementations will be put in place:



- The Representation State Transfer Application Programming Interface (REST API) style will be used for publicly available Tariff Pricing Data, following industry standards.
 - i. REST API is a way for different software systems to communicate with each other over the internet using standard web protocols.
- Suppliers participating in the TI Arrangements must provide endpoint information to enable TI Users to request Tariff Pricing Data.
- RECCo will maintain a publicly available central register of Supplier endpoints to facilitate access.
- Endpoint details must be provided per a Market Participant Identifier (MPID), ensuring accurate routing and alignment with existing industry processes.
 - i. MPIDs are a four-digit code use to represent an Energy Supplier.
 - ii. A single Energy Supplier may have multiple MPIDs.
- Standard error codes will be defined and documented in the TI API Technical Specification to ensure consistency and interoperability.
 - i. Standard error codes are numeric codes returned by APIs to indicate the outcome of a request. Each REST API uses them to communicate whether a request succeeded or failed, and why.

51. The TI API Technical Specification outlines the mechanism to access public Tariff Pricing Data and Consumer Specific Tariff Information. The following consent and data protection measures will be put in place for the private route:

- The technical solution will include a consent mechanism, ensuring consumer approval is captured before sharing Consumer Specific Tariff Information.
- OAuth2.0 protocol will be used to validate consumer consent, in line with industry standards.



- OAuth2.0 is an industry-standard protocol for authorisation, letting one application securely access data or perform actions on behalf of a user or service without needing to share passwords.
- Suppliers must maintain records of customer-RTI User relationships to support enduring consent.
- Consumers must be able to revoke consent via either the Supplier or the RTI User.
- One-off consent will be used for cases where a consumer knows their supplier but not their tariff name.
 - i. In practice, this means that where an organisation only requires the specific Tariff a Consumer is on from an Energy Supplier then the explicit consent from the Consumer is short-term and will expire.
- Consent for event notifications does not expire and will remain in place until the consumer revokes consent or changes supplier, enhancing user experience and reducing the need for repeated consent.

52. The following notifications and event management protocols will be put in place:

- Suppliers must notify RTI Users of the following events:
 - Changes in unit price and applicable time periods
 - Customer tariff changes
 - Supplier changes
 - Consent revocation
 - Where it is not mandated to provide data (but is doing so voluntarily), that it will opt out and cease to provide event notifications
- These notifications reduce the need for frequent polling and align with the use cases set out in the government response to the 2024 consultation⁵.

⁵ [Delivering a smart and secure electricity system: implementation - government response](#)



- Webhooks will be used to manage event notifications, providing an efficient, event-driven data exchange method.
 - A webhook is a way for one system to send real-time data or notifications to another system as soon as an event happens. In practice, this means that instead of requesting information from an API, the webhook pushes the information to you automatically when something changes.
- MPXN data will be included in messages to support scenarios where customers have multiple MPXNs with different tariffs.
 - The MPXN or Meter Point Exchange Number is a unique identifier for every energy supply point in the GB electricity and gas networks.

53. The following will be put in place for dynamic tariffs, e.g. where the unit price and/or standing charge will change over time:

- Event notifications for dynamic tariffs are not required, as changes are predictable and occur at consistent times.
- Suppliers must ensure Tariff Pricing Data for Dynamic Tariffs is available at least [60 minutes] before the existing Tariff Pricing Data changes.

54. Following implementation, ongoing assurance will be delivered through direct monitoring, where RECCo's monitoring tool will access Public Tariff Pricing Data to assess each Supplier's compliance with the TI API Technical Specification and associated non-functional requirements. In addition, Suppliers will be required to provide regular reporting in line with the REC Performance Assurance Reporting Catalogue (PARC). Proposed reporting metrics have been included in the TI API Technical Specification in Annex E for initial consideration.



The Energy Market Data Specification

55. The Energy Market Data Specification (EMDS) provides the data items, required format of that data, and details of the market messages used in the TI API Technical Specification.
56. Minor changes, to reflect the new TI arrangements, have also been proposed to the REC Standards Definition Document [see Annex F – Standards Definition Document]. This document defines the common standard industry data and messaging.

User Agreement

57. The User Agreement is the mechanism that provides the legal pathway to allow optimisers and other organisations wishing to become RTI Users to access Customer Specific Tariff Information.
58. The User Agreement will be designed as a 'clickthrough', Users will "click accept" the T&Cs within the agreement.
59. It is a contract between an RTI User and RECCo with certain third-party rights.
60. In signing the User Agreement, the RTI User is agreeing to participate in the TI Arrangements on the basis set out in the REC TI Arrangements Schedule and to comply with a short list of REC clauses.
61. The TI Arrangements Schedule sets out that RTI Users may use the Tariff Pricing Data for the purposes of providing services to a consumer from whom it has consent.
62. It is neither DESNZ's nor RECCo's intention to create a specific TI charge for RTI Users. However, future circumstances (e.g. service expansion, market conditions etc) may require a charge. RECCo must ensure that any such charges are cost reflective. The User Agreement facilitates this by requiring RTI Users to pay any charges that become due. RECCo will amend the REC Charging Methodology and REC Charging Statement during early 2026 to reflect the TI arrangements and the zero charge for RTI Users at commencement.



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63. The template User Agreement is included as an annex to the new REC Schedule.

Charging Users for Access

64. Under our proposed changes, Energy Suppliers will not be able to charge third parties or consumers to access tariff data as improving accessibility and reducing costs associated to accessing tariff data will make it easier for third parties to offer flexibility services. A diverse and competitive flexibility market will drive consumer uptake, supporting electricity cost savings for all consumers.

Summary of Policy Positions

65. The grid below summarises the policy positions set out in the previous sections:

	MVP	Phase Two
Technical Solution (REC)		
TI API Specification will support	Gas and Electricity Time of use Tariffs (TOUTs)	Gas and Electric complex tariffs (e.g. those with prices that vary with consumption, demand etc)
Energy Supplier Obligation		
Electricity data	Yes	Yes
Gas data	No (Supplier can make this data available should they choose to)	Yes
Use case A) Support a third-party organisation in optimising	Domestic – Yes	Domestic – Yes



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energy consumption when a customer of the organisation knows their current supplier and tariff name (or can easily find them) and provides this information to the organisation.	Non-domestic - contracts for consumers at premises not determined by a Current Transformer Electricity which are widely available to the open market – Yes	Non-domestic - As per MVP – Yes
	Non-domestic - bespoke contracts – No (Bespoke contract data is not publicly available therefore will not be made available via use case A)	Non-domestic - bespoke contracts – As per MVP - No
Use case B) Support a third-party organisation in optimising energy consumption if a customer does not know their tariff name (and cannot easily find it) but knows their supplier name and is the account holder.	Domestic – Yes	Domestic – Yes
	Non-domestic - contracts for consumers at premises not determined by a Current Transformer Electricity which are widely available to the open market – Yes	Non-domestic - As per MVP – Yes
	Non-domestic - bespoke contracts – No (Suppliers can make bespoke contract data	Non-domestic - bespoke contracts – TBC



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	available via use case B should they choose to)	
Use case C) Support a third-party organisation in optimising energy consumption of a customer when the supplier modifies the unit prices and/or time components of Time of Use tariffs.	Yes - for in scope tariffs/contracts	Yes - for in scope tariffs/contracts
Use case D) Support a third-party organisation in optimising energy consumption of a customer, without requiring the customer of the organisation to manually inform the organisation if they change their tariff or supplier.	Yes - for in scope tariffs/contracts	Yes - for in scope tariffs/contracts
Use case E) Support a third-party organisation in optimising energy consumption if a customer of the organisation does not know their current supplier and tariff name (and cannot easily find them) but has previously consented to sharing this information. They may or may not be the account.	No	Yes



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Use case F) Support a third-party organisation in optimising energy consumption of a customer for Complex Tariffs (e.g. Block).	No	Yes
Exemption & Derogation		
Exemption	Yes - non-domestic only who supply less than 100,000 meter points or only required to make deemed contract data available	Yes - TBC
Derogation	Yes	Yes