

By email to: digitalisation@ofgem.gov.uk

19/10/2026

Dear Charley,

RECCo response to Ofgem's consultation on Smart Data Repository: policy rationale and proposed governance framework

We welcome the opportunity to respond to this consultation. Our non-confidential response represents the views of the Retail Energy Code Company Ltd (RECCo). Our views are based on our roles as the manager of the Retail Energy Code (REC), the Data Domain Coordinator for the Consumer Data Domain, and the delivery body for the Consumer Consent Solution (CCS).

RECCo understands Ofgem's reasons for sending back Balancing and Settlement Code (BSC) Modification Proposal P494 for further work, while progressing this statutory consultation on modifications to the Electricity System Operator (ESO) licence and electricity supply licence. We understand that the proposed licence modifications are intended to provide a robust legal and regulatory foundation for the Smart Data Repository (SDR) that Ofgem believes the existing BSC framework alone could not deliver.

We have set out our answers to the specific consultation questions in the appendix to this letter. As the CCS delivery body, RECCo highlights the following three considerations regarding CCS interactions:

1) CCS dependency on SDR technical availability

The principal initial use case for the CCS Minimum Marketable Product (MMP) is facilitating consent-based access to domestic consumers' half-hourly electricity consumption data through the SDR. As Ofgem recognises in this consultation, the timetable for SDR go-live is therefore intended to remain aligned with the CCS MMP go-live date of 31 March 2027.

RECCo and Elexon are already working together on the end-to-end CCS/SDR solution. However, the CCS MMP go-live date remains dependent on both the live operational availability of the SDR and sufficient time being available in advance of that go-live date to conduct final integration, end-to-end testing, assurance, onboarding of early users and operational acceptance. We therefore welcome Ofgem's continued close communication with RECCo and Elexon regarding the anticipated decision and commencement dates for both the licence and BSC provisions.

2) CCS dependency on SDR data coverage

The benefits realisation for the CCS MMP also has a dependency on the SDR having sufficient data coverage for potential third-party users to invest in accessing that data from the MMP go-live date of 31 March 2027. Incomplete or inconsistent SDR data coverage could result in sub-optimal delivery of the intended CCS MMP use case and affect future CCS use cases.

RECCo therefore notes the importance of ensuring that the SDR data-processing framework is not just legally robust but also operationally practicable for Elexon and suppliers to deliver.

3) Approach to referencing CCS in licences

On the proposed drafting to the ESO licence, and Ofgem's proposals to include SDR provisions in Elexon's future BSC Code Manager licence, RECCo:

- Recommends that any licence mentions of CCS should be defined by reference to the definition in the REC, to avoid any potential confusion or inconsistency; and
- Suggests that, while the GDPR legal bases for SDR and CCS data processing may differ, there could be a potential regulatory-consistency argument for enshrining high-level CCS obligations in the REC Code Manager licence.

We would be happy to discuss any of our comments further.

Yours sincerely,

Jon Dixon

Director, Strategy and Development

Appendix: RECCo response to consultation questions

Proposed licence modifications
1) Do you agree with the changes we are proposing to make to the ESO licence?
Yes, with some requested changes to the drafting regarding CCS terminology. RECCo recommends that the licence refers to and defines the CCS as the Consumer Consent <u>Service</u>, not Solution, as this will be the enduring service name defined in the REC (with 'solution' being temporary programme terminology). RECCo also recommends that the licence definition of the Consumer Consent Service should be 'means the service of that name, as defined in and provided under the Retail Energy Code', to avoid potential confusion or inconsistent definitions. This may require insertion of an additional reference to the Retail Energy Code within Condition A1.4 of the ESO licence, which lists the other Industry Codes to which the licence cross-refers. Whilst we recognise that changes to text following a statutory consultation are generally not desirable, we do not consider that these changes would have any substantive effect on the requirements being placed on the licensee but would improve clarity for them and other stakeholders.
2) Do you agree with our proposed approach on potentially including special licence conditions about the ongoing operation of the SDR within Elexon's Code Manager licence (if granted)?
Yes, we agree that Elexon's BSC Code Manager licence is the most appropriate enduring home for these provisions, given that the BSC will contain the detailed operational and governance arrangements for the SDR. We understand that the overall intention of the licence drafting is to (1) provide a robust legal basis for SDR data processing under GDPR; and (2) provide an appropriate industry regulatory framework for Elexon to establish and operate the SDR, which Ofgem considers cannot be provided for under the BSC alone. On point (2), Ofgem's desire to see the SDR expressly referred to in the licence that describes the scope of the relevant Industry Code could potentially be seen as setting a regulatory precedent for the CCS. RECCo therefore requests clarification from Ofgem on whether it believes that the REC Code Manager licence should include an express reference to the CCS, in addition to our planned placement of CCS operational and governance arrangements in the REC. While we do not necessarily believe that a REC licence provision is required, we consider that there is benefit in considering the question of consistency now while there is still time to include it ahead of CCS go-live. If Ofgem considers such a provision appropriate, RECCo would be comfortable with it being included in the REC Code Manager licence and would welcome early engagement so that this does not become a late dependency for CCS go-live.

3) Do you agree with the changes we are proposing to make to SLC47 to provide that suppliers may collect HH electricity consumption data from domestic and microbusiness consumers for storage in the SDR and access by third parties?

Suppliers will be best placed to comment on the wording of the proposed supply licence provisions. However, as the CCS delivery body, RECCo notes the importance of these provisions in ensuring that the SDR data-processing framework is both legally robust and operationally practicable. Otherwise, this could result in sub-optimal delivery of the intended CCS MMP use case, and affect future CCS use cases, by restricting the amount of data entering the SDR.

RECCo interprets the intention of the proposed drafting to be that where suppliers already have existing permission under SLC47 to share data for settlement purposes, this will now also count as permission for placing that data in the SDR – subject to suppliers making any necessary one-off adjustments to their terms and conditions and/or privacy notices to reflect this additional usage. We seek clarification on this point because any requirement on suppliers to obtain a new and distinct consent from their existing customer bases may not be feasible to complete by March 2027, nor may existing supplier or BSC system flags exist to record it.

RECCo notes that the new drafting in Part D of SLC47 refers to consent and states that it applies to premises to which existing Parts A and B apply. However, we note that the existing provisions of Parts A and B also allow for processing where the consumer has been given notice by the supplier and has not objected. RECCo therefore highlights the need for the drafting to be clear and unambiguous, to avoid the potential for differing supplier interpretations.

In paragraph 4.21 of the consultation, Ofgem states that its objective is to amend SLC47 to expressly permit sharing via the SDR on the same basis as for settlement. We note that there are a number of ways in which this could be achieved. RECCo suggests that the simplest approach would be to amend the definition of Settlement Purposes in SLC47, to refer to the SDR. This would be consistent with the approach taken by Ofgem previously to expand that definition to include MHHS Readiness and would avoid the need for the new Part D.

Governance and accountability arrangements**4) Do you agree that the proposed governance and accountability arrangements provide appropriate oversight of Elexon's SDR functions?**

Elexon and BSC stakeholders will be best placed to comment on this question.

We are not entirely clear on the reasoning for restricting the SDR to electricity-only data for a specific 12-month period, when the drafting already includes the safeguard that SDR scope expansion requires Ofgem approval. However, we consider that this is a policy decision for Ofgem, with our interest limited to any potential impact on future CCS use cases.

5) Do you agree that the proposed regulatory approach is proportionate, taking into account the expected consumer benefits, delivery timescales, costs, security/privacy safeguards, and the availability of alternative delivery models?

Yes. However, we highlight the CCS dependencies on both the commencement of the proposed licence conditions and BSC provisions for the SDR, and the SDR's data coverage, as explained in our covering letter to this response.