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Nicola Garland
Head of Delivery
Switching Programme
Ofgem

By email to switchingprogramme@ofgem.gov.uk

18 March 2022

Dear Nicola,

Statutory Consultation on licence changes for the Switching SCR: Standard conditions of Gas Shipper, Gas Transporter and Electricity Distribution licences

SGN welcomes the opportunity to respond to the above consultation¹. We note that the Switching SCR impacts a variety of parties within the sector. As such, we have responded to the question posed and commented on Standard Special Conditions (Part A) relevant to SGN as a Gas Transporter.

Should you require any further information with regards to our response then please do not hesitate to contact me at Sally.Hardman@SGN.co.uk

Yours sincerely,

Sally Hardman
Regulatory Process Manager
SGN

¹ <https://www.ofgem.gov.uk/publications/statutory-consultation-licence-changes-switching-scr-standard-conditions-gas-shipper-gas-transporter-and-electricity-distribution-licences>



3. Electricity Distribution and Gas Shipper Standard Licence Conditions and Gas Transporter Standard Special Conditions (Part A) – Ofgem decision on proposed amendments

Question 3: Do you agree that the proposed changes to the Gas Transporter Standard Special Conditions (Part A) will ensure the licence reflects the necessary conditions for implementation of the Switching Programme?

Currently as set out in the Gas Transporters Licence SSC A31 which is directly required to conform with SSC A15 setting out the services documented in SSC A31.2 indicating that these services are to be discharged by the Licensee through the Central Data Service Provider (CDSP).

SGN agrees that the inclusion of 2A within the licence addresses the immediate concerns regarding the provision of the services set out in SSC A31.2 to be delivered through parties other than the CDSP and therefore will facilitate delivery of the Faster Switching Programme Go Live currently scheduled for 18th July 2022.

Although the proposed change to A31 does address the issue for licenced parties being non-compliant with SSC A15, a risk remains that licenced parties' obligations are fulfilled by a Code to which changes can be proposed and implemented against the Transporters wishes and the need to remain compliant with our licence. We are mindful that the risk of the Retail Energy Code (REC) services being modified and therefore place a party in breach of their licence obligations is minimal however the risk endures.

It is in SGN's view that we continue to have concerns regarding the proposed approach to continue to retain SSC A31 in its entirety by the addition of 2A, rather than to modify the licence to facilitate the changes brought about by the implementation of the Retail Energy Code (REC) and Faster Switching Programme. Where a service provision is in the Retail Energy Code (REC) or other industry code, then that licenced party should not be obligated to provide this via a specified route or standard.

SGN's opinion remains that further changes to A31 are required to remove those licence obligations in relation to services which will now be defined within REC and would propose that this be included within Ofgem's forward work plan.