

Ayena Gupta
Switching Programme
Ofgem
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Email to: consumerflexibility@ofgem.gov.uk

05 October 2023

Dear Ayena

Supplier Guaranteed Standards of Performance for Switching: Consultation on amending Guaranteed Standard 6ZA

EDF is the UK's largest producer of low carbon electricity. EDF operates low carbon nuclear power stations and is building the first of a new generation of nuclear plants. EDF also has a large and growing portfolio of renewables, including onshore, offshore wind and solar generation, and energy storage. With around six million electricity and gas customer accounts, including residential and business users, EDF aims to help Britain achieve net zero by building a smarter energy future that will support delivery of net zero carbon emissions, including through digital innovations and new customer offerings that encourage the transition to low carbon electric transport and heating.

EDF broadly agrees with Ofgem's proposals as stated in this consultation. It is appropriate that the timescales for switching set out in Guaranteed Standard 6ZA reflect those in the supply licences.

We are, however, concerned by the potential for these changes to be made as early as 1 November 2023, which is less than four weeks from the closure of this consultation and is not line with the required Statutory Notice period of at least 56 days from a decision being published for changes to the licence. While we appreciate that this is a change to a Statutory Instrument rather than the licence, it is still not enough time to be able to implement the system and process changes required to meet the new compensation requirements. In EDF's case this will be further complicated as a result of our ongoing migration to a new supplier system. Were these changes to be made in November as suggested, this will result additional cost as a result of making changes in both systems.

We therefore request that Ofgem seek to implement these changes to Guaranteed Standard 6ZA from 1 January 2024 instead.

Our detailed responses are set out in the attachment to this letter. Should you wish to discuss any of the issues raised in our response or have any queries, please contact Paul Saker, or myself.

I confirm that this letter and its attachment may be published on Ofgem's website.

Yours sincerely

A handwritten signature in black ink that reads 'Denise Willis'.

Denise Willis
Senior Manager of Industry Change

Attachment

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EDF's response to your questions

Q1: Do you agree that there is a need to amend Guaranteed Standard of Performance 6ZA in order to achieve closer alignment with electricity and gas supplier SLC 14A following the introduction of the new faster switching arrangements?

Yes.

We recognise the need to align the Guaranteed Standards of Performance (GSoP) with the revised obligations in the supplier licence. Consumers should expect to be able to switch their supplier quickly, and to receive compensation where that is not the case.

We are, however, concerned by the proposed timescales for implementing these changes, and especially that these could come into effect as early as 1 November 2023. This date is less than a month after the closure of this consultation. Even though we have been working operationally to the new faster switching timescales since July 2022, the systems that identify and process Guaranteed Standard of Performance payments still need to be updated to reflect the new timescales. Work instructions and customer communications will also need to be updated to reflect the updated timescales. Transitioning to the new timescales in the middle of a GSoP Request for Information (RFI) reporting period will also add additional complexity.

In EDF's case this complexity will be further increased as a result of our ongoing migration to a new supplier system. Were these changes to be made in November as suggested, this will result additional cost as we may need to making changes in both our existing and new systems.

As a result, we request that these changes should be implemented from 1 January 2024 to give suppliers sufficient time to properly implement the required changes to their systems and processes.

Q2: Do you agree that our proposed drafting at Appendix 2 would bring Guaranteed Standard of Performance 6ZA into sufficiently closer alignment with electricity and gas supplier SLC 14A?

Yes.

We have not identified any issues with the proposed drafting.

Q3: In light of electricity and gas supplier SLC 14A having been amended in July 2022 following the introduction of the new faster switching arrangements, do you consider that any other Guaranteed Standard of Performance (other than 6ZA) requires to be amended?

No.

There are no other Guaranteed Standards of Performance that have timescales that directly reflect the switching obligations in condition 14A.1 of the supply licences and therefore would need to be amended as a result of these licence obligations being updated.

EDF
October 2023