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1 May 2012

Dear Paul,

**SUPPORTING EFFECTIVE SWITCHING FOR DOMESTIC CUSTOMERS WITH SMART METERS: FURTHER STATUTORY CONSULTATION AND NOTICE**

I am writing in response to your letter of 29 March 2012 covering a second statutory licence consultation relating to measures to support effective switching for customers with ADMs.

We wrote to you on 3 February 2012 with comments on your final decision and statutory consultation, dated 19 December 2011. We note that you are still considering responses to that consultation and we do not therefore repeat those comments here.

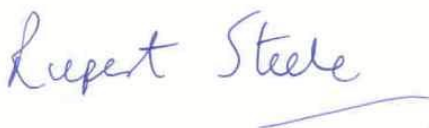
We are pleased that some of our concerns around timescales have been noted, and welcome your confirmation that the obligations in Condition 25B.9, should you decide to impose it, will not take effect until 1 January 2013. However we note that this is three months earlier than we had requested, and remains extremely challenging given the scale of industry changes that will be required.

We also welcome the correction of the drafting error in Condition 25B.10.

Whilst we recognise the sustained focus by DECC and Ofgem to establish an interim operating model within the remainder of the Foundation Stage, we still seek further clarity as to how the two parties are working together to ensure that any proposed changes are delivered, where possible, as a single industry change and that any level of conflicts or unnecessary complexity is avoided.

If you have any further questions, please do not hesitate to contact me or Iain Matthews, Smart Metering Industry Development Manager, who can be contacted at [iain.matthews@scottishpower.com](mailto:iain.matthews@scottishpower.com).

Yours sincerely,



**Rupert Steele**  
Director of Regulation