

Change of Supplier Expert Group

Meeting 5

28 August 2013

ofgem

Research with domestic customers

What does it mean for the reforms?

Initial thoughts?

Research with domestic customers

What does it mean for the reforms?

What consumers told us

Research has shown that, in the current market context consumers are more concerned about earlier stages of the customer journey.

Ensuring reliability and accuracy is the top priority.

Initial thoughts on what it means for policy...

- CoS project intended to follow and build upon RMR reforms
- Order of Ofgem projects is appropriate
- Reliability intended to increase as a result of smart meters.
- Reaffirms project objective to improve the reliability of the transfer for all customers.
- Reliability to remain a key parameter that we will examine in understanding the impact on consumers of our reform proposals.

Research with domestic customers

What does it mean for the reforms?

What consumers told us

There is an appetite among some for very fast switching, with the majority opting for 2-4 weeks. Consensus that each stage should proceed as quickly as possible without compromising reliability.

Most see potential for improved CoS under smart, and consumers suggested modern technology could be used to make the process more efficient. After an explanation of smart meter functionality, a few suggested the CoS process should take place more quickly than they had originally thought.

Initial thoughts on what it means for policy...

- There is appetite for a faster/more efficient process which indicates that this should remain a project objective.
- Important to ensure that we address consumer concerns around any trade-off between speed and reliability. We consider that reforms can deliver a faster and more reliable process.
- We should remain mindful that we are working on a long term project and we need to design policy with future consumer expectations in mind.
- Some indications that consumer expectations could increase in the future based on new technology in energy market and experience of other markets and we should develop reforms on this basis.

Andrew Wallace

DATA QUALITY

- Our high level aim is for the core industry data that supports CoS to be accurate. This supports fast, accurate and cost effective transfers.
- Requires effective arrangements for updating and maintaining core industry data
- Stakeholders report that data quality issues are having an impact on the CoS process
- Main focus of concern is on address data and MTD

Recap from previous COSEG

- Reviewed regulatory options to reform data quality
 - **Option 1:** Industry self governance
 - **Option 2a:** New obligations on central service provider/s
 - **Option 2b:** New obligations on other market participants
 - **Option 3a:** Incentives on central service provider/s
 - **Option 3b:** Incentives on other market participants
 - **Option 4:** Establish new body to improve data quality
- Further information requested on materiality and other related initiatives to help identify case for reform

Address data

- Approximately 14,000 ETs/year at cost of £2.5m to industry
- Delayed transfers (approximately 3% to 5% of sales)
- Abandoned transfers (approximately 1% of sales at cost of £1.4m to £2.8m)
- Significant consumer impacts

MTD

- More difficult to quantify
- Delayed and inaccurate consumer billing and settlements
- HH MTD resend rate of 5% to DC
- Several thousand mismatched gas meter make and models no.s in UK Link
- Some anecdotal evidence in gas I&C market suggests 7% error rate for some consumer portfolios

Current initiatives

Development	COS data impacted	Description
Roll-out of smart metering	Gas and electricity MTD	Suppliers can access accurate MTD by polling a smart meter.
Roll-out of smart and advanced metering	Gas and electricity address data	Suppliers and their agents have an opportunity to identify address data discrepancies and notify these to central systems
Performance Assurance Framework (PAF)	Gas MTD	A proposal is being developed under the UNC to introduce a PAF. Whilst in its initial stages, a focus on the accuracy of settlement could direct measures at improving the quality of MTD held in central systems.
Review of invalid MTD combinations	Gas MTD	Xoserve currently working with MAMCOP to review several thousand invalid combinations of MTD in UK Link (eg between meter make and model). Note that UK Link does not validate the data combinations sent to it.
The UK Link replacement project: Data Cleansing Work Stream	Gas MTD (and potentially address data?)	To support the implementation of new settlement arrangements under Project Nexus, a work stream is to be established to review the data that supports the accurate allocation of settlement charges.
UNC431S – Shipper/Transporter Meter Point Portfolio Reconciliation	Gas MTD	This modification aims to identify any shipperless or unregistered sites where gas may be flowing or be capable of flowing. Identifying these sites could help improve the accuracy of MTD at these sites if these were subsequently reviewed and updated. The modification will not reconcile address data.

Potential additional reform options

- **Option 1: Use sites visits for roll-out of smart metering to identify data discrepancies and update central systems**
 - May be useful to identify plot to postal issues and where non-PAF address details are incorrect and issues with flat addresses.
 - Is this an efficient approach and if so how should it be managed?
- **Option 2: Central register of MTD (elec)**
 - Being reviewed as part of metering reform options.
 - Would provide a single, central view of MTD (as in gas)
 - Reduce potential for different MTD versions held by different parties and errors in exchange of data between parties

Potential additional reform options

- **Option 3: Common address format**
 - Currently electricity uses SAF and gas uses PAF
 - Are there benefits in a single format?
 - Given the complexity of alignment, is this best considered in context of centralising registration services?
- **Option 4: Use of UPRN in registration systems**
 - Both MPAS and UK Link can hold UPRN
 - Currently populated on a voluntary basis
 - Could wider use help improve address data quality (e.g. by helping to track plot to postal)

- Initial views on the options presented?
- Should suppliers be required to update central systems when data discrepancies identified?
- Is further discussion required at COSEG?

Slides 10 to 18 are the same as those provided for COSEG 4. This item was not discussed at COSEG 4 and it was agreed to carry it over to COSEG 5.

Andrew Wallace

SUPPLY POINT NOMINATION (GAS)

Recap from last meeting

- Our high level aim is for suppliers to be able to access the (accurate) data needed to transfer a customer
- Supply Point Nomination process provides Supply Point data and transportation rates for LSP transfers
- Mandatory process prior to a Supply Point Confirmation
- Consumption and capacity information also submitted for DM sites
 - Any increase in capacity leads to a Referral to the GT
 - NDM capacity changes are requested post transfer

- Supply Point Offer response requirements
 - 2 working days unless a Referral is made
 - 12 working days where a Referral is made
- In 2012 (source: Xoserve)
 - 3,745,193 Supply Point Nominations (of which 3,382,114 accepted)
 - Response within hour when no Referral made
 - 576 cases passed through Referral process
 - 83% returned within 12 working days

Option	Description
Option 1	Shorten response timescales
Option 2	Web-based shipper look-up/enquiry service
Option 3	Greater use of Supply Point Enquiry Service
Option 4	Only allow DM referrals once CoS completed
Option 5	Make inclusion of the Supply Point Offer reference code elective in the Supply Point Confirmation process for LSP sites.

Evaluation of reform options

Criteria	Option 1: Shorten response times	Option 2: Web-based service	Option 3: Use Enquiry Service	Option 4: Remove Referral process	Option 5: Make process elective
Speed	Potentially faster (although Xoserve turn around quickly in practice)	Fast access controlled by shipper	Same response standards as Nomination process	Potentially quicker CoS for DM sites	Remove dependency from transfer process
Ease	No impact	Supplier could discuss data issues and transportation rates as part of sales conversation	No impact	Might reduce customer certainty on ability of shipper to meet contract	No impact
Accuracy	No impact	No impact	No impact	Might reduce customer certainty on ability of shipper to meet contract	Would suppliers reflect and potential uncertainty (eg on transportation rates) in contracts?
Coverage	No impact	No impact	No impact	No impact	No impact
Consumer expectation	Potentially faster transfer	Potentially faster transfer	No impact	Potential uncertainty on whether contract requirements can be met	Potentially faster transfer

Evaluation of reform options

Criteria	Option 1: Shorten response times	Option 2: Web-based service	Option 3: Use Enquiry Service	Option 4: Remove Referral process	Option 5: Make process elective
Design - flexibility	No impact	Removes dependency from COS for LSP sites	Removes dependency from COS for LSP sites if Nomination process removed/not mandatory	No impact	Removes dependency from COS for LSP sites
Design – robustness	No impact	Would require access controls	No impact	No impact	Process retained as option – therefore no impact
Integration	No impact	Potentially added to SCOGES?	No impact – shifts focus to the performance of the Enquiry Service	No impact	No impact
Solution cost/benefit	Low central costs No changes to existing shipper systems	tbc – potentially added to SCOGES? Would require change to existing shipper systems	Low central costs Would require change to existing shipper systems	Low central costs	
Implementation	tbc	Tbc	tbc	tbc	

COSEG has been asked to:

- Identify any further options for discussion at today's meeting
- Review options against the Evaluation Criteria
- Identify any differences in approach required between
 - Smart and traditional meters
 - Domestic and non-domestic
 - Electricity and gas
- Identify any links and dependencies that should be taken into account

ROUNDTABLE DISCUSSION

- Summary and actions
- Is further information required to support COSEG's assessment of the reform options?
- Is a further discussion required at a future COSEG?

Slides 19 to 50 are the same as those reviewed at COSEG 4. The intention is to focus on the questions contained in these slides at COSEG 5 with other materials included here for reference only.

Rachel Hay

ACCESS TO METERING DATA AND SUPPORT FOR METERING MARKET

- Approach to reform
- Views from stakeholders
- Current arrangements & possible areas for reform in Electricity
- Current arrangements & possible areas for reform in Gas
- Addressing the data needs of MAPs and MAMs/MOPs following CoS

- Concern from industry about the efficiency and accuracy of the arrangements, leading to delays in customer transfers and accurate billing
- Current model designed 15 years ago around traditional metering
- Smart metering provides a step change in technology
- Ofgem now reflecting on how best to capture these benefits for consumers

Smart Metering Implementation Programme Prospectus, Ofgem and DECC 2010

'Scope of DCC: Subject to further refinement and testing with industry we propose that...Data aggregation/data processing could be included later.'

Smart meter roll-out for the domestic and small and medium non-domestic sectors (GB): Impact assessment, DECC 2013

IA estimated benefits of DCC including data aggregation at 89p per smart meter per year

IA also noted that decisions would *'be subject to further technical, economic and competition impacts analysis.'*

Our aim is to remove constraints from metering arrangements on delivering high level objective (a fast, reliable and cost-effective change of supplier process).

Our intention is to only reform processes and/or market structure to the extent necessary to enable this central objective to be met.

- There are likely to be a number of ways to achieve this.
- The gas and electricity market arrangements only need match to the extent that this enables the central objective to be met.

Our scope includes both gas and electricity, across all customer and metering types. This presentation considers what the optimal arrangements may be for customers with different metering types. However, consideration will also need to be given to back-up arrangements where issues arise.

We have not considered audit arrangements for reform options but believe any solution must be auditable to ensure integrity of the industry arrangements.

Data quality

- CoS read: Complex data hand-offs can impact quality of data and ability to validate and process CoS meter reads. CoS also brings pre-existing data quality issues to light.
- Settlement: Exceptions can arise from data flows between multiple parties.

Speed

- Multiple agent dependencies and appointment process can lengthen the time it takes to transfer customers

Lock out

- Time taken for agent appointments and data exchanges to be finalised can necessitate lock out periods post-transfer

Market complexity

- Current market structure complex and difficult to navigate efficiently
- Markets benefit from clearly defined roles of agents

Competition (agents)

- Mixed views on the value of competition in DP and DA
- Some question how competitive the market is and advocate centralising DP and DA functions
- Some question the efficiency of current DP and DA arrangements in a smart world
- Others consider that agent competition has brought costs down considerably

Feedback has focussed on how data quality is impacted by poorly defined system processes and compliance issues...

Data quality

- Non-mandatory data flows mean information is not always shared and updated across parties.
- Limited data validation following meter reads, impacting on data quality.
- Accuracy of estimated meter reads would improve if Xoserve had more frequent reads.
- Absence of formal audit arrangements to ensure data quality.
- Lack of monitoring of compliance with submission of updated meter technical details to central systems by suppliers/shippers and MAMs.
- MTDs transmitted to agents do not cover data logger and ancillary equipment for DM sites.
- Suppliers/shippers/agents do not generally update centrally held data where problems are identified. Unclear whose duty it is to retrospectively plug data gaps. Often there is a disincentive to clean and update central data as doing so could have cost impacts.
- MAPs experience difficulty in getting the data they need from MAMs following a CoS or meter removal.
- Challenges in exchanging data caused by multiple incompatible comms networks.

Competition (metering)

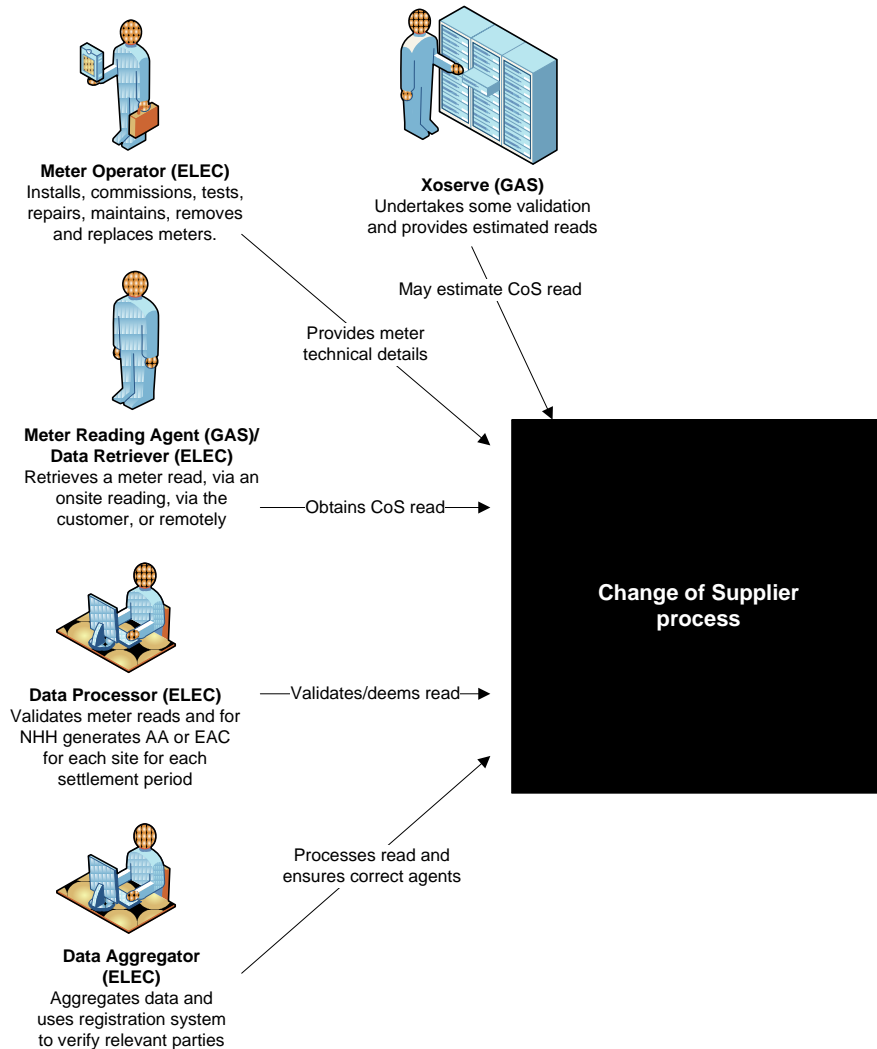
- Roles of agents and appointment timescales ill-defined which can mean responsibilities are unclear. Roles and responsibilities can be blurred.

Q1. What is your view of the problems identified by stakeholders around the electricity arrangements?

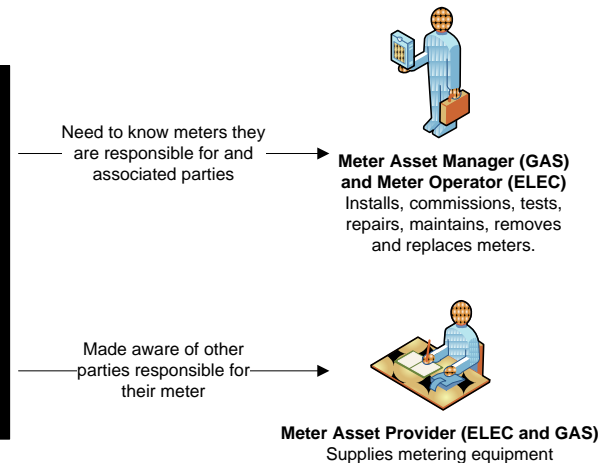
Q2. What is your view of the problems identified by stakeholders around the gas arrangements?

Agents interactions and dependencies with the Change of Supplier process

Process dependent on:

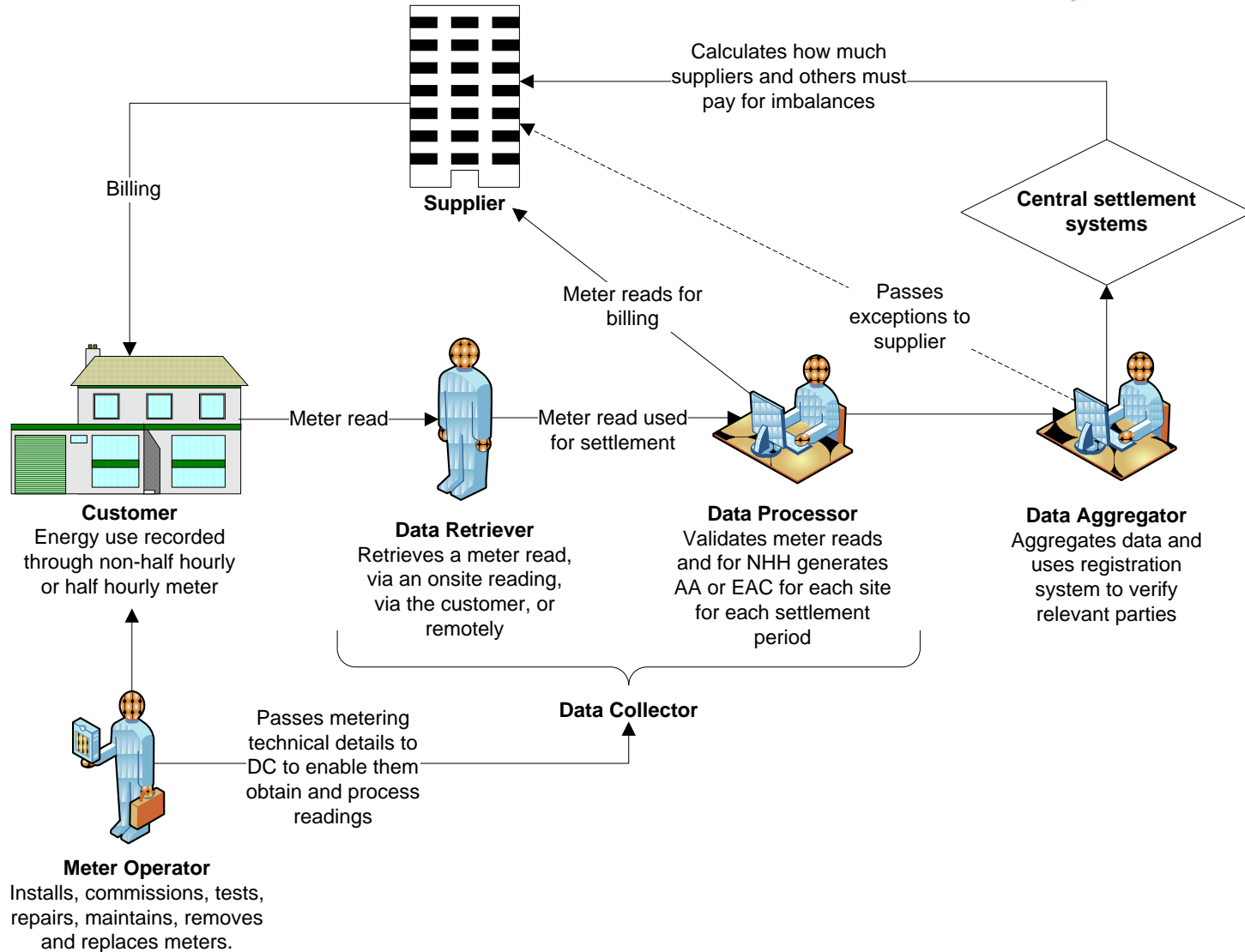


Depend on outcomes of process:



Thinking about the left hand side
of the diagram and the agents that
the CoS is dependent on...

Electricity – Current arrangements and some possible options for reform



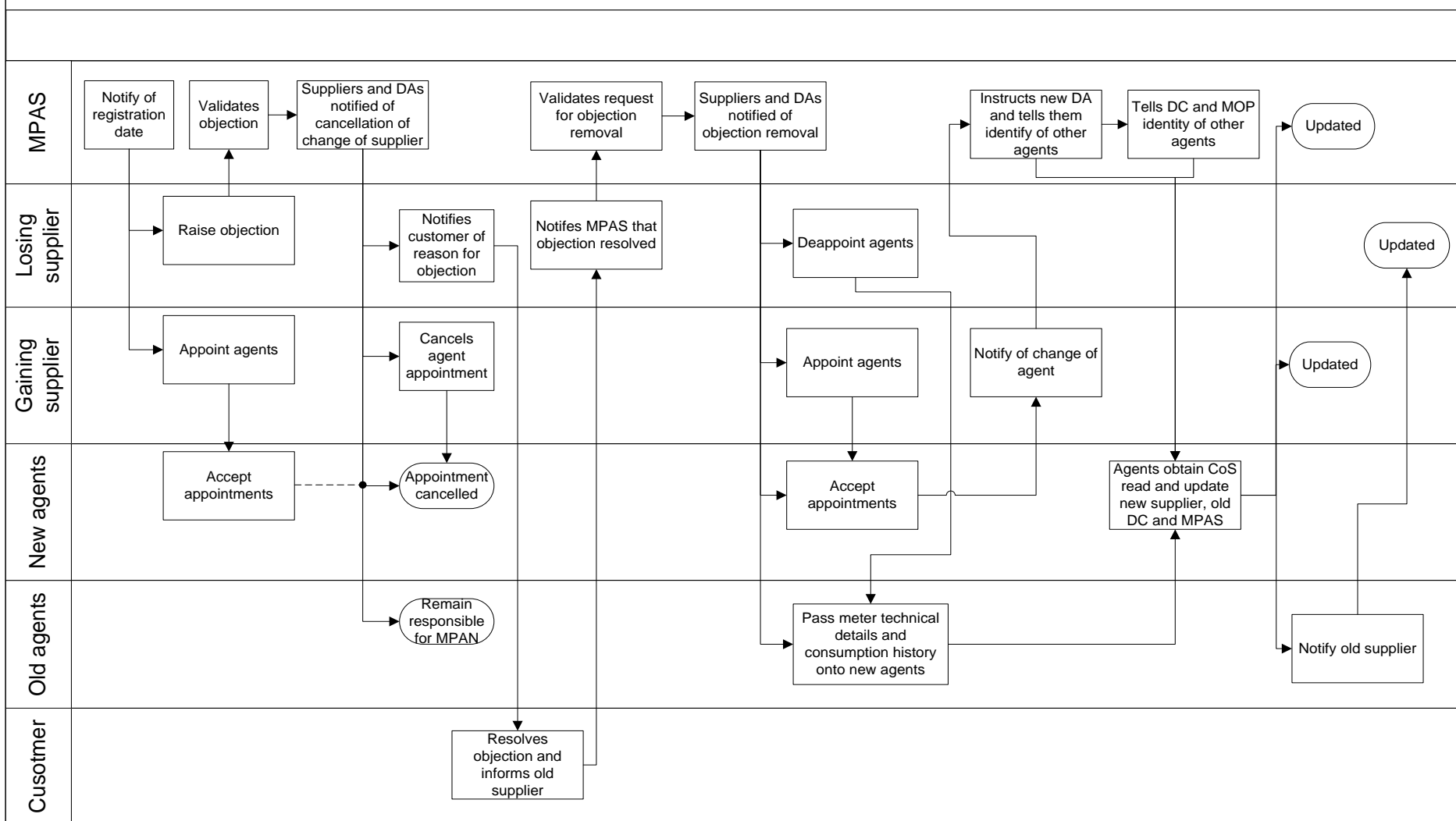
Agent appointments: New DC and MOP must be appointed in order to obtain, interpret, and validate the CoS meter read.

Access to meter technical details: In order to interpret the CoS meter read, new MOP and new DC get meter technical details from old MOP.

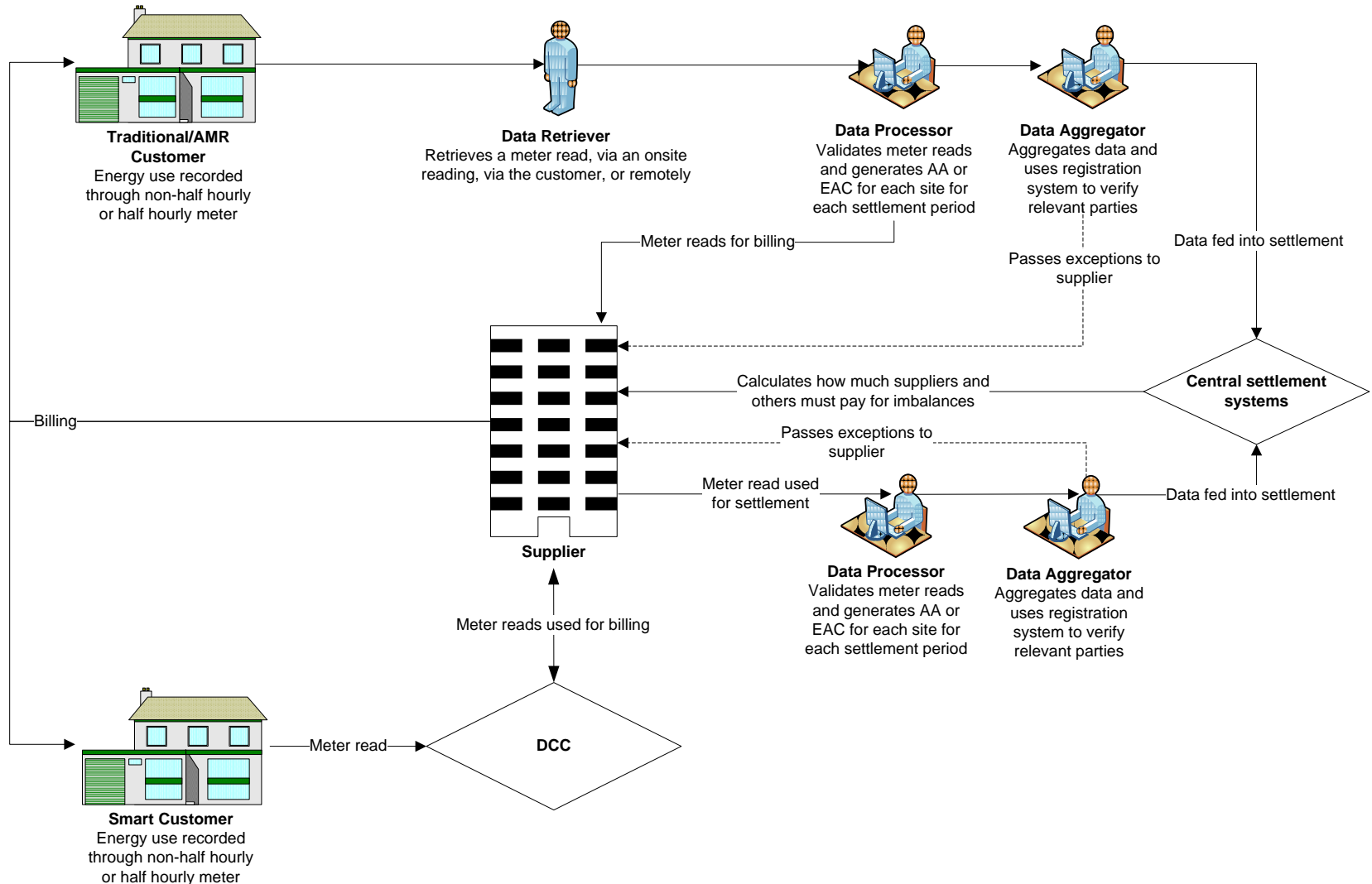
Access to consumption history: New DC requires consumption history from old DC to validate or deem the read.

Registration and objection notification flows: DA kept informed of registrations/ progression of objections.

Illustrative CoS processes under current arrangements once registration request accepted (with objection raised and resolved)



Reform Change of Supplier processes within the 'current + DCC' market structure



Reform smart change of supplier processes within the ‘current + DCC’ market structure

Agent appointments: New supplier able to obtain reads directly, so no need for a new MOP or DC to be appointed to facilitate CoS read. Agent appointment process ‘decoupled’ from the CoS (i.e. need not happen simultaneously).

Access to meter technical details: Created by new supplier. No need for new MOP to obtain these from old MOP.

Access to consumption history: No need for new DC to obtain consumption history from old DC to enable deeming or validation – read obtained directly under smart.

Registration and objection notification flows: Unnecessary as agent appointment process decoupled.

Assumes no need for data validation

Assumes all the information necessary for CoS can be accessed from the meter/configured

Assumes no need for data validation

Q3. Are these assumptions correct?

Q3a. If yes, then are dependencies and data hand-offs sufficiently addressed for smart customers in CoS?

Q3b. If no, then how could the resulting dependencies be addressed? Could a central data repository support the new supplier in validating the CoS read and accessing necessary data?

Reform traditional/AMR change of supplier processes within the ‘current + DCC’ market structure

Option 1a: New supplier remains responsible for opening read

Agent appointments: New DC must be appointed to obtain read. Appointment flows simplified with appointment taking place after objection window.

Access to meter technical details: Meter technical details held centrally so new DC can access them and interpret CoS read.

Access to consumption history: New DC uses centrally held historical meter read data to validate or deem a read.

Notification flows: Agents appointed after objection window, reducing need for information flows.

Option 1b: Old supplier/agents responsible for opening read

Agent appointments: Read obtained by old DC, so appointment process decoupled from CoS.

Access to meter technical details: Old DC will already have the meter technical details.

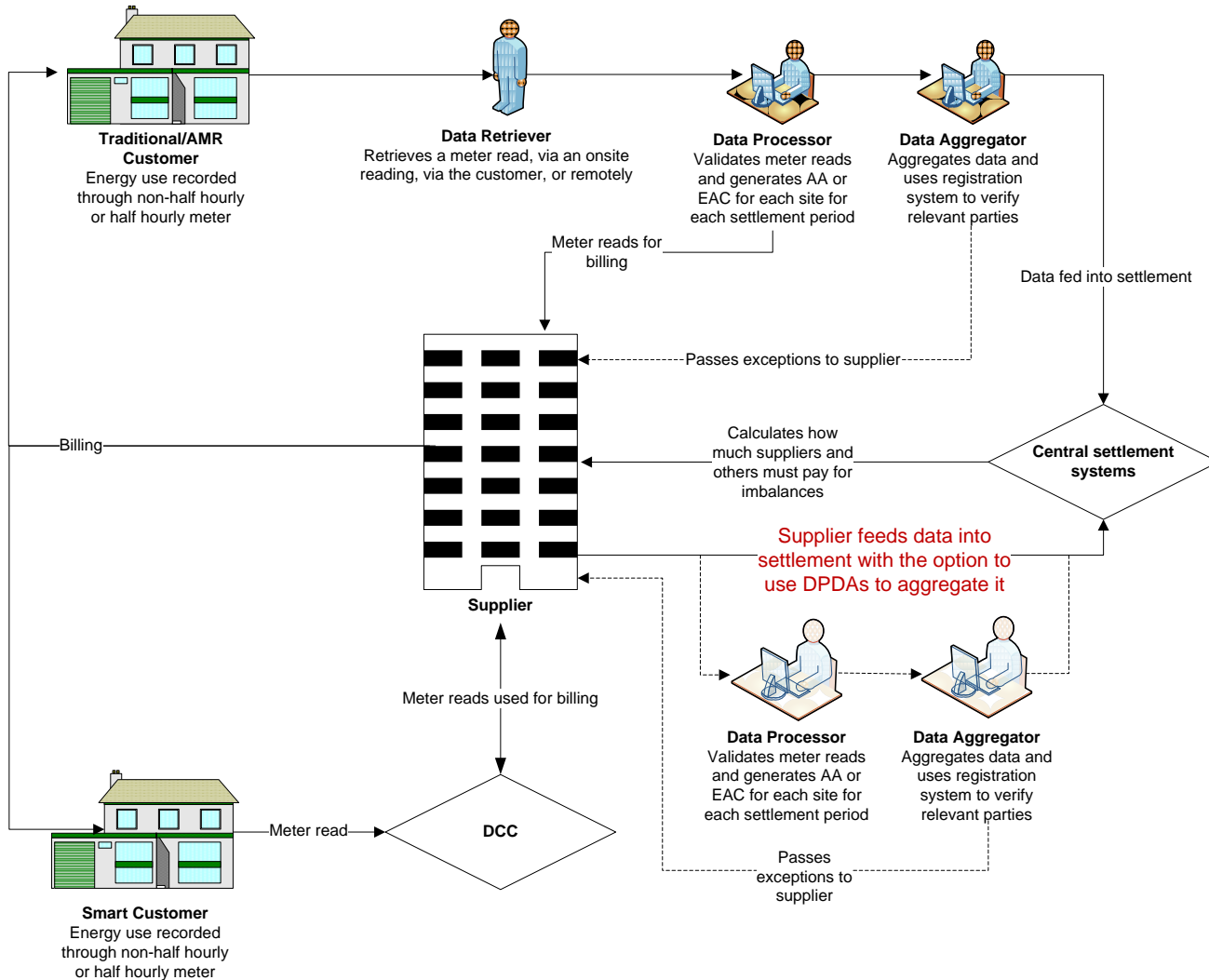
Access to consumption history: Old DC will already have the historical meter read data necessary to validate or deem a read.

Notification flows: Unnecessary as agent appointment process decoupled.

Q4. Do either of these effectively resolve the issues identified for traditional/AMR customers and enable a fast, reliable and cost-effective change of supplier process?

If not, there are a range of ways
in which we could reform the
market structure...

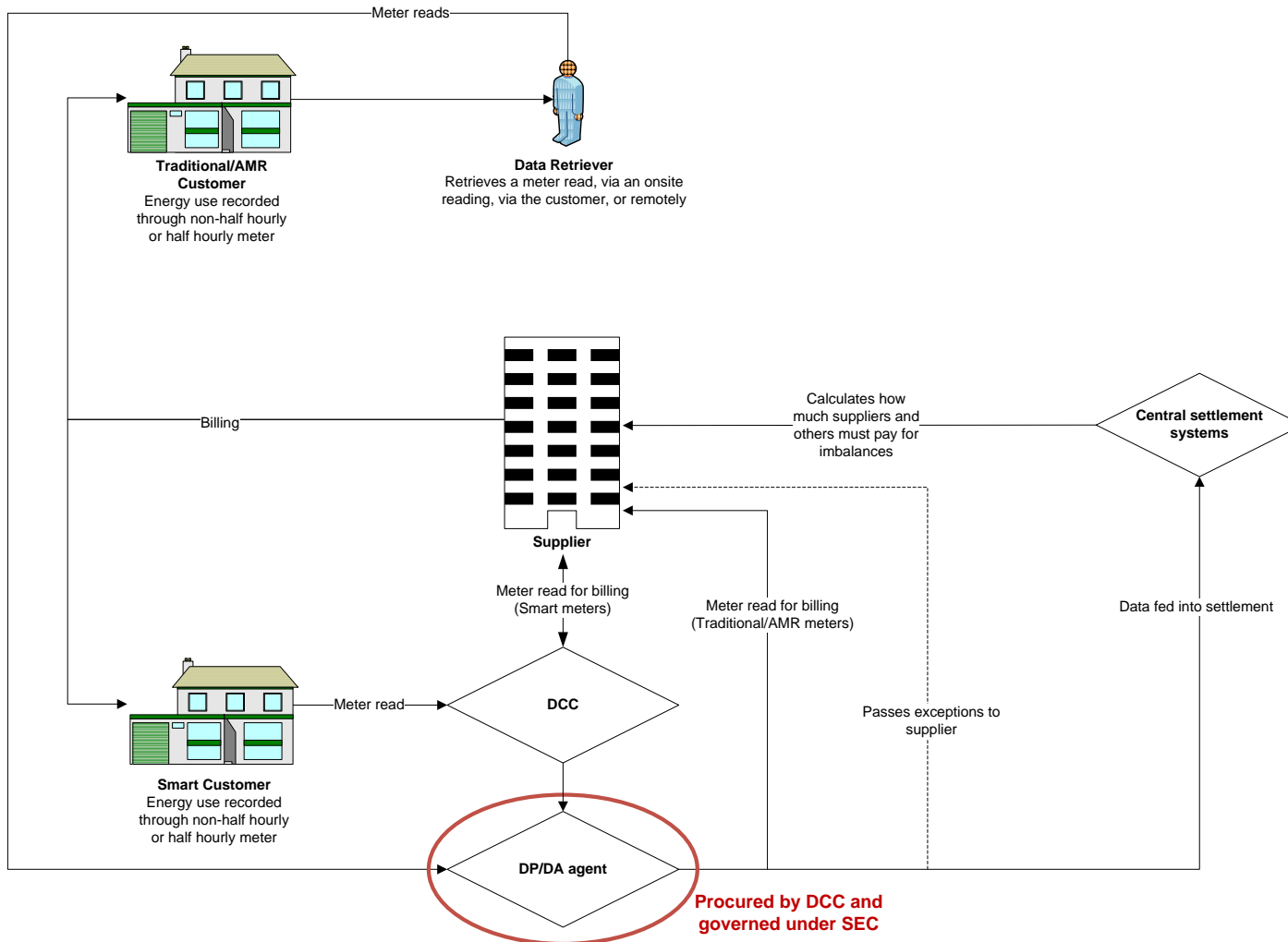
Suppliers responsible for feeding smart data into central settlement



For smart has the advantages of:

- eradicating the need for formal appointment processes and notification flows
- giving suppliers responsibility for data quality

DCC responsible for DPDA



Key disadvantage is removal of competition.

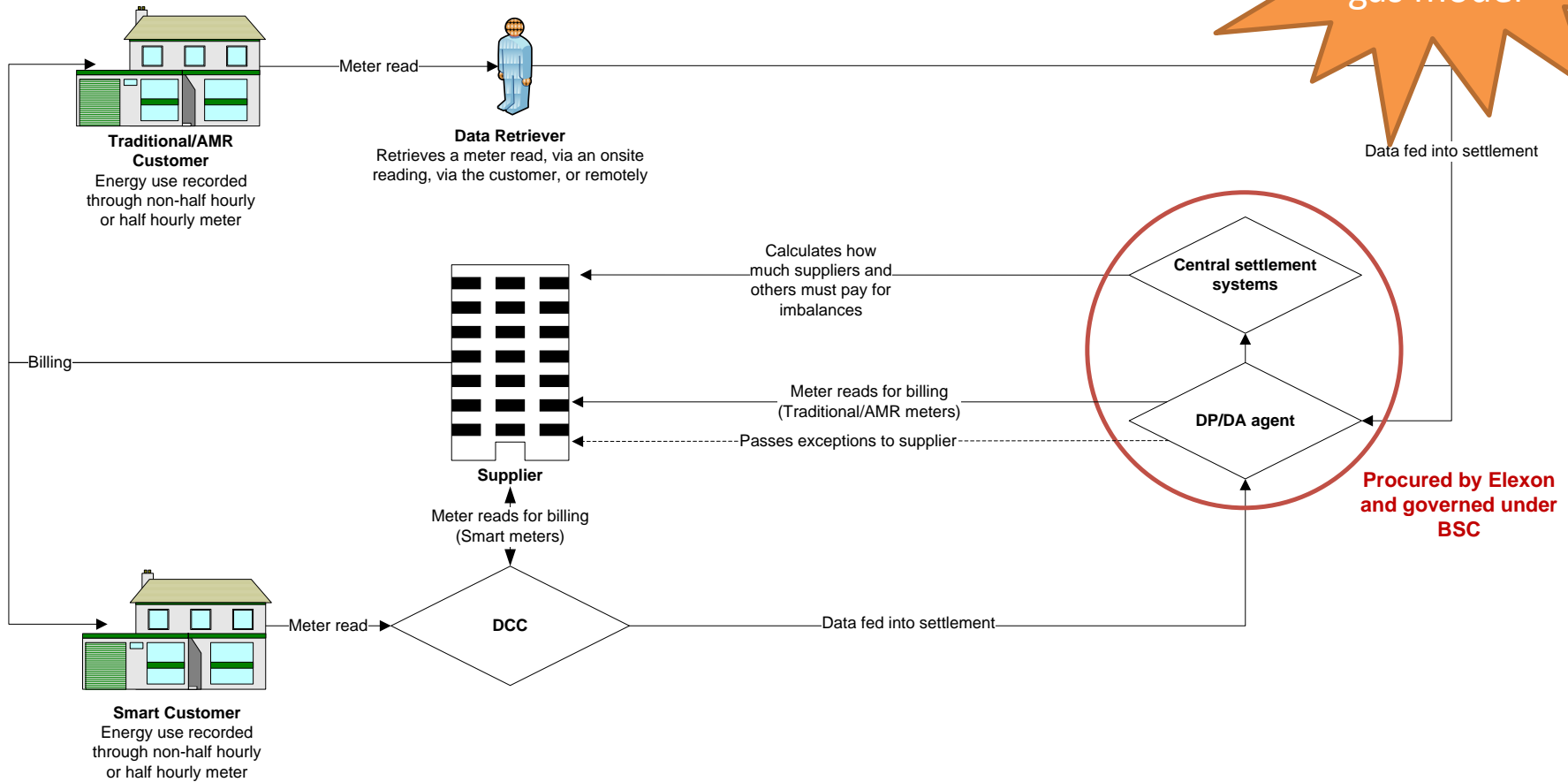
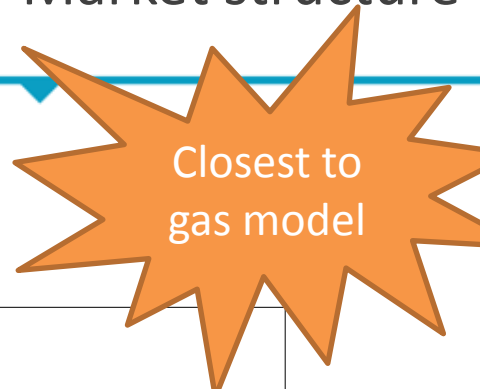
For smart has the advantages of:

- eradicating the need for appointments
- any data quality/reliability improvements resulting from use of central agent with standardised processes

For traditional/AMR has the advantages of:

- simplifying appointments
- creating central repository of meter data and meter technical details
- any data quality/reliability improvements resulting from use of central agent with standardised processes

DPDA becomes a component of central systems



Key benefits/disadvantages similar to centralising functions under DCC

Hybrid of these options?

- It would be possible to break down DP and DA functions into their constituent parts and allocate them where most appropriate, e.g.:

Function	Currently sits within...	Could sit within...
Keep up to date from MPAS on the agents/parties responsible for a metering point	DA	DCC - Could be a part of centralised registration.
Aggregation of data	DA	Central settlement systems – Standardised calculations for settlement may sit best centrally.
Validation of reads	DP	Suppliers – To support consistency between reads for billing and reads for settlement, suppliers could perform validation.
Calculation of EACs/AAs	DP	Central settlement systems - Standardised calculations for settlement may sit best centrally.

Careful thinking would be necessary to understand how data flows between the different parties would be choreographed under a hybrid option.

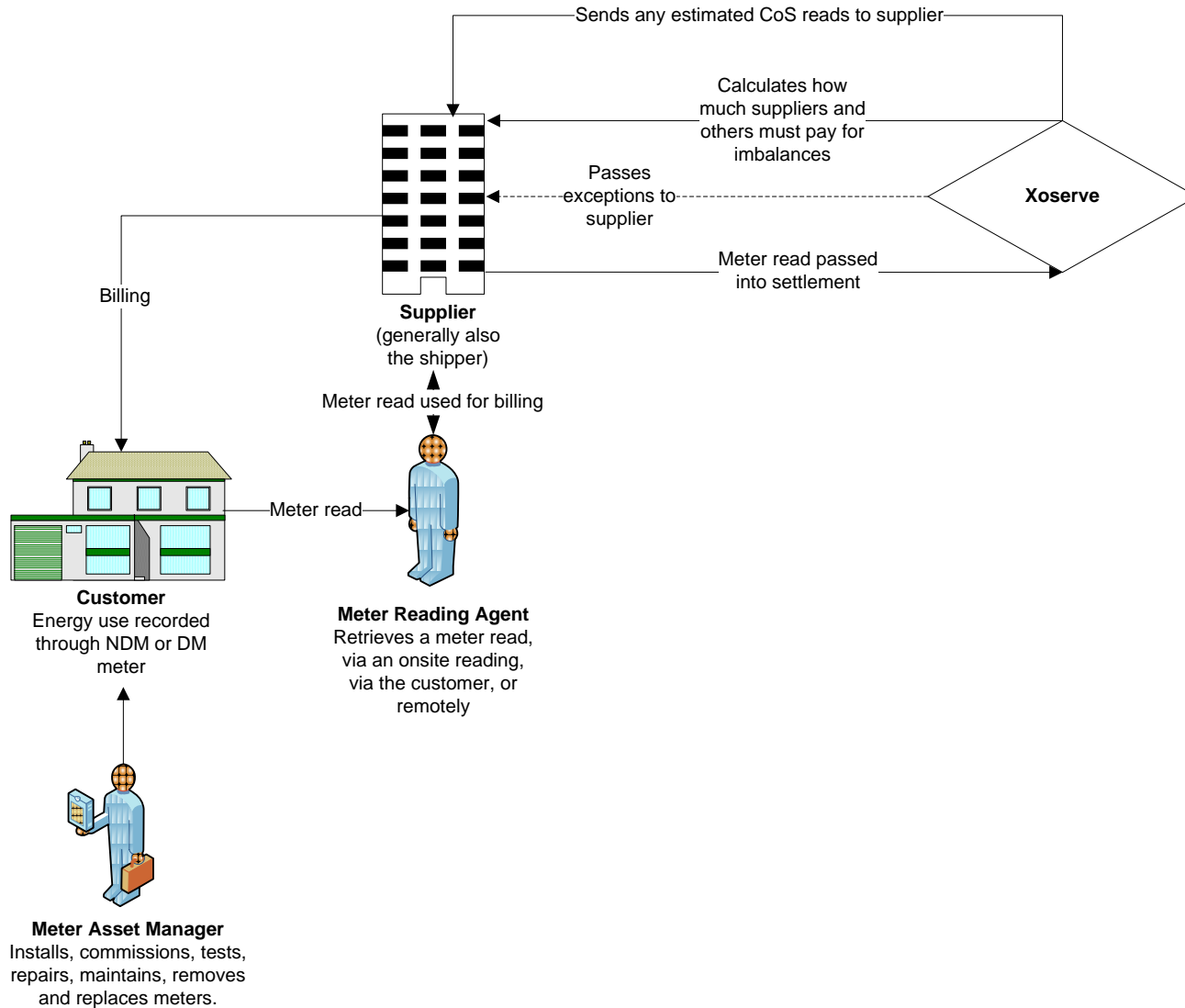
Q5. Do you consider there to be additional pros/cons to each option that we have not considered? E.g.

- Do the options address all of the issues identified by stakeholders?
- Are all options auditable?
- Are any options particularly conducive to back-up arrangements?
- Need electricity and gas arrangements mirror one another?

Q6. Which is your preferred option (or variation on an option) and why?

Q7. Are there any new options you think we have missed that could effectively address the problems identified?

Gas – Current arrangements and some possible areas for reform



Agent appointments: CoS read not reliant on appointment of new MRA or MAM. Rather than each MPRN being associated with an MRA, each supplier will have an MRA they contract with (eg in an area) who takes readings as needed. When a site is acquired the supplier will direct their MRA to take a reading. Meter technical details are held centrally so there is no need for a new MAM to be appointed to facilitate the read.

Access to meter technical details: Meter technical details (MTDs) held centrally. This relies on the MAM providing MTDs to supplier so that they can update central systems (via the shipper) at the point of meter installation. New challenges from DM unbundling as data logger information not currently part of MTDs.

Access to consumption history: New supplier responsible for the opening read. The meter is either read (by an agent or the customer) and sent to Xoserve for validation, or estimated by Xoserve. Historical consumption data needed for Xoserve to estimate a reading is held centrally.

Registration and objection notification flows: Any flows to update agents are non-mandatory.

Apart from a contractual reliance on MRAs to take the CoS read (where it is taken), it appears that none of the CoS processes are dependent on agent interactions.

The limited dependence on multiple parties and the limited data hand-offs imply, at least at a structural level, that there are efficient channels for suppliers and others to access the data and information they need to complete the switch.

- But given stakeholder feedback, is data and process reliable?
 - Improved definition of agents and agent responsibilities?
 - Should the data flows be made mandatory where there is an underpinning regulatory requirement?
Are parties aware of important data/information at the right times?
 - Are read validation processes sufficiently robust?
 - Does Xoserve have sufficient historical consumption data to accurately deem reads?
 - Is there a need for greater audit in gas?
 - Are suppliers/shippers updating central systems with meter technical details in a timely and accurate fashion? Who is best placed to update meter technical details on central systems going forward?
 - Are the responsibilities and obligations for cleaning centrally held data sufficiently well defined?

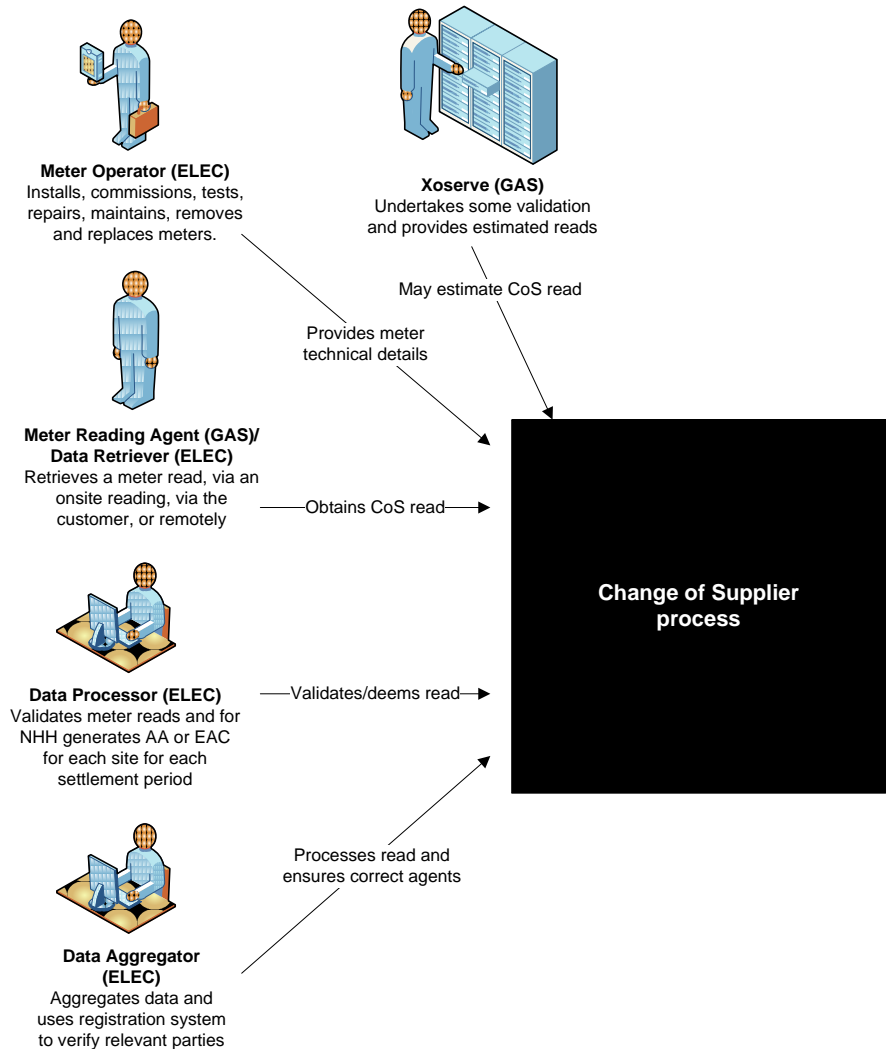
Potential role of Gas Performance Assurance Framework to address issues identified above?

Q8. Do you agree with our assessment of the issues that exist with the gas arrangements?

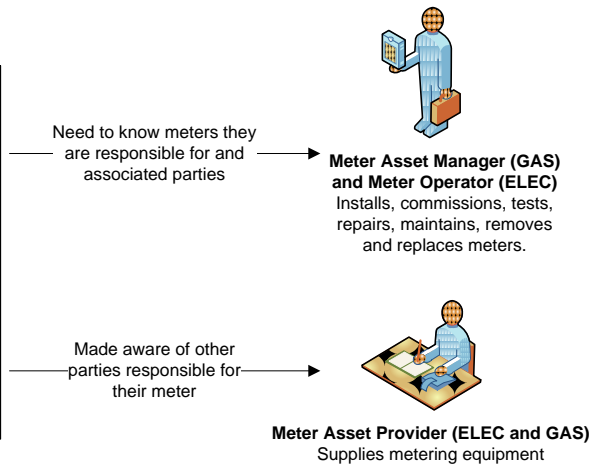
Q9. Do you consider a Gas Performance Assurance Framework to be the appropriate place to address these issues?

Agents interactions and dependencies with the Change of Supplier process

Process dependent on:



Depend on outcomes of process:



Thinking about the right hand side
of the diagram and the information
that MAM/MOPs and MAPs need
out of the CoS...

MAPs currently able to access ID data from central systems

Gas: UNC 422 allows MAPs to request report on assets, supply and supply meter point data for portfolio of MPRNs. Quality of data on MAM IDs intended to be improved through MOD 0437S which stops shippers deleting MAM information on CoS.

Electricity: MAPs able to request data from ECOES (updated by MOPs) to tell them relevant IDs for an MPAN.

DECC currently consulting on arrangements to allow for MAPs to track assets

Smart Metering Programme, Foundation Smart Market, The Government Response to the Consultation on the Foundation Smart Market and Further Consultation, May 2013

The Government has concluded that it will introduce three new Supply Licence conditions to support Smart Change of Supplier:

- i. following a change of supplier, the losing supplier of a consumer with a SMETS compliant smart metering system will be required to: provide the gaining supplier with the details of the Meter Asset Provider (MAP) for the relevant smart metering equipment; and provide the MAP with the identity of the gaining supplier.*
- ii. where a gaining supplier acquires a SMETS compliant smart metering system on change of supplier, it will be required to agree rental terms with the relevant MAP, within one or six months (depending on whether it has existing commercial arrangements with the MAP) or return the smart metering equipment to the MAP, within one month thereafter; and*
- iii. a supplier will be required to take all reasonable steps to install a SMETS-compliant smart metering system when it replaces a SMETS-compliant smart metering system following change of supplier.*

Initial discussions with MAPs, MAMs and MOPs suggest that the above arrangements are helpful but incomplete/inefficient in the long term, and that there are farther reaching issues with current industry arrangements. We are seeking to identify which remaining issues are within scope of this project (i.e. directly CoS-related) and whether these could be addressed through a central registration system.

Q10: Do you consider there to be any remaining data needs for MAPs, MOPs and MAMs which are directly CoS-related, and if so, what and why?

Q10a: If yes, might a central registration system be able to solve these issues, and if so, how?

Andrew Wallace

CHANGE OF TENANCY (OBJECTIONS)

- Our high level objective in this work area is for the use of the COT flag to promote (and not to inhibit) fast and accurate customer transfers.
- The COT flag indicates to the current supplier that the customer is a new owner or occupier of the premises and the current supplier should not object.
- When looking to speed up the objections process, some suppliers wanted processing time to check validity of the COT flag.
- Concerns have previously been flagged on misuse of the COT flag

Electricity (MRA)

- Domestic and non-domestic suppliers must check if there has been a COT before submitting a transfer request
- Only use COT flag where have reasonable grounds to do so (having made reasonable enquires)
- Retain evidence for at least one year

Gas (UNC)

- Current shipper may not object if there has been a change of tenancy
- Rules do not apply to non-domestic sector
- No specific requirements to have “reasonable grounds” or to retain evidence

Question 1:

- How many registrations are currently submitted with a COT flag? How often does the current supplier reject the COT flag as being spurious and submit an objection?

Question 2:

- Is there an ongoing requirement for the current supplier to be able to validate a COT flag before deciding whether to object? If so, is this for all, or some customer groups?

Question 3:

- How long does it take a supplier to validate a COT flag i.e. to determine if it been incorrectly applied?

Question 4:

- **If** there is an ongoing requirement for the current supplier to be able to validate a COT flag, are there additional regulatory measures that could mitigate the perceived risk of it being incorrectly applied?
 - Further definition on the evidential requirements?
 - Audit/monitoring?
 - Enforcement/penalties?

Question 5:

- Are there any reasons for adopting a different approach between the gas and electricity markets?

SUMMARY DISUCSSION AND REVIEW OF IMPICATIONS FOR OBJECTION REFORM PROPOSALS

Kristen Ross

CHANGE OF SUPPLIER BILLING

- For customers, the switching experience includes the opening and final bill
- Our high level objective is for the billing arrangements to support a fast, reliable and cost effective transfer process for customers.

Current rules and commitments

- SLC27 requires domestic suppliers to:
 - Take all reasonable steps to issue a final bill within 6 weeks of a transfer
 - Send a corrected final bill as soon as reasonably practicable if better information becomes available
- Energy UK Code of Practice for Accurate Bills
 - Five large suppliers
 - Work to make transfer smooth, provide range of options to obtain COS read, use all available information to provide accurate, clear and timely bills
- SSE Customer Charter
 - “We will produce your bill promptly – usually within 10 working days...and never more than 30 days”

- Consumer Futures research
 - 13% of customers that switch reported a problem
 - Of these, nearly half experienced a problem with their closing bill
- Ofgem's domestic consumer research (Ipsos MORI)
 - Customers report concerns on financial impact of switching:
 - Erroneous meter reads
 - Resolving billing errors
 - Timing of final bill
- Ofgem non-domestic consumer research (Collaborate Research)
 - Concerns on timing of credit balance refunds
 - Cash flow and accounting issues from delayed large opening bills and receiving final bills together with opening bills

- Option 1: (Gas only) Amend timescales for COS meter read submission and validation
 - COS meter reads submission by D+10 and Xoserve provide validate opening and closing reads to both supplies by D+15
 - Is there scope to speed up submission of smart meter reads
 - Is there scope to speed up processing by Xoserve?
- Option 2: Allow the losing supplier to obtain the closing read from smart meter
 - Current arrangements focus on new supplier driving the COS meter read process
 - Smart metering provides greater access to the COS read for the old supplier
 - Potential for old supplier to obtain COS meter read directly from the meter
 - Validation requirement so customer does not pay twice?

- **Option 3a: Self governance**
 - To reflect customer requirements and smart metering capability industry could build on existing commitments to consumers
 - Extend to all suppliers including non-domestic
 - Strengthen standards on timing and quality of final bills
 - Strengthen standards on timing and quality of opening bills
- **Option 3b: Regulation**
 - Potential for Ofgem to set out measures in Option 3a
 - Obligations (eg new licence conditions)
 - Incentives (e.g. Guaranteed standards of performance payments to consumers)

- Are there any further options that should be considered?
- Will smart meters resolve customer concerns on erroneous final bills and resolving errors?
- Will smart metering allow a final bill to be issued more quickly?
- Are there any additional system issues that might constrain suppliers' ability to meet customer requirements?
- To what extent will smart metering reduce outstanding credit balances (or are additional measures needed to ensure these are repaid promptly on COS)?
- Are there differences in approach required between
 - Smart and traditional meters?
 - Domestic and non-domestic?
 - Electricity and gas?

Further evaluation of options identified at next meeting

Andrew Wallace

WRAP UP

- Review of work plan
- Date and location of next meeting
- AOB

COSEG work plan (Note change of meeting dates)

Purpose	20/5	10/6	01/07	22/07	28/08	16/09	09/10
Initial discussion on options	Objection process	Erroneous transfers	Centralising registration services	Data ownership and governance	Change of tenancy flag	Outstanding issues	
	Confirmation window (gas only)	Data transfer and access requirements	Registration processes (inc cooling off period and gas nomination)	Access to metering data and support for metering market	Billing standards	Review of end-to-end process	
Further discussion on options and evaluation		Objection process	Erroneous transfers	Centralising registration services	Data ownership and governance	Security keys	Outstanding issues
		Confirmation window (gas only)	Data transfer and access requirements	Registration processes (inc cooling off period)	Access to metering data and support for metering market Gas nomination	Billing standards	Review of end-to-end process Draft info request

Ofgem is the Office of Gas and Electricity Markets.

Our priority is to protect and to make a positive difference for all energy consumers. We work to promote value for money, security of supply and sustainability for present and future generations. We do this through the supervision and development of markets, regulation and the delivery of government schemes.

We work effectively with, but independently of, government, the energy industry and other stakeholders. We do so within a legal framework determined by the UK government and the European Union.