

Summary of Change of Supply reform options

1. Purpose

- 1.01 At the COSEG 6 meeting on 16 September the group reviewed the potential options for reforming the COS process and discarded those that did not appear to be viable.
- 1.02 This paper builds on that review. For each potential reform area identified it seeks to set out initial thoughts on:
- The key links and dependencies
 - Main expected impacts if the reform was to be introduced
 - The market sector affected
 - How, when and by whom the reform could be delivered
 - Any outstanding issues (other than those related to the Impact Assessment which will be consulted on in Q1 2014)
- 1.03 Views are requested at COSEG 7 on the accuracy of the assessment in the bullet points noted above. This will be undertaken as page turn of this document rather than through slides. We propose to issue an updated version of this paper after COSEG 7 to help pull together the output of this group.
- 1.04 This paper is not intended to represent a decision taken by all or part of the industry on what reforms should be undertaken and their impacts. However, it is expected to provide a good indicator of the reforms that could be considered by Ofgem in its Q1 2014 consultation.
- 1.05 Note that:
- Discussions on the interaction between the cooling-off arrangements and the transfer process are still ongoing with DECC and BIS. Once this has been clarified, Ofgem will communicate this to COSEG and will consider the need for a further meeting to discuss.
 - The references to option numbers below are references to the reform options discussed at COSEG 6. For reference, the full list of options (including those that have been discarded) can be found [here](#).

2. Assessment of potential reform options

2.1 Supply Point Nomination

- 2.01 The high level objective in this area is for suppliers to be able to access the (accurate) data needed to offer contractual terms to, and transfer, a customer quickly.
- 2.02 The Supply Point Nomination (SPN) process is applicable to all gas LSP sites and new connections in the domestic gas market. It is a request by a shipper to Xoserve for supply point data, including transportation charges, in advance of a request to transfer a site. The shipper must include a reference code (the Supply Point Offer Reference Code), received from Xoserve in the response to the SPN (the Supply Point Offer), in any subsequent request to transfer the site.
- 2.03 The SPN process is not a feature of the electricity market and has the potential to delay the transfer process. COSEG discussed several options for reform including complete removal of the SPN process and accessing the data via other means such as an online web portal.
- 2.04 Xoserve provided information to show that, in the vast majority of cases, the SPO, sent in response to the SPN, was turned around within the hour. This reduced concerns about the impact of SPN process on transfer timescales. However, the group still felt that efficiencies could be achieved by making the SPN process elective where it was not needed.
- 2.05 The proposed reform option is:
- **Option 6:** Make inclusion of the Supply Point Offer Reference Code elective in any request to transfer for smaller LSP sites.

Assessment of reform option

Potential impact:	<ul style="list-style-type: none"> • Reduce transfer timescales and administration costs for some customers where SPN data is not required by the shipper/supplier before entering into a contract.
Links and dependencies:	<ul style="list-style-type: none"> • SPN processes could be undertaken via a centralised registration service (depending on the scope of any centralised registration service). • Project Nexus may restrict ability to implement this change as a quick win given existing industry workload.
Market sector:	<ul style="list-style-type: none"> • Gas Large Supply Point (LSP) customers. • Potentially new domestic connections.
Delivery:	<ul style="list-style-type: none"> • c.2018 if delivered through a centralised registration service. • Could be in advance if delivered as a change to existing Xoserve services (expected 12 month implementation timescale).
Outstanding issues:	<ul style="list-style-type: none"> • When should SPO reference code be mandatory? GDNs/Xoserve to advise. • Should an elective SPN process be extended to new connections? • Should the SPN process form part of a new centralised registration service? • Are there data items in the electricity market that could usefully be provided to suppliers to increase accuracy of supply offers to customers?

2.2 Objections: Process

- 2.06 The high level objective in this area is to reduce the impact of objections on the length of time it takes to transfer.
- 2.07 The length of the objections process is one of the main determinants of the speed of the transfer process. In electricity there are 5 days to object and 5 days to remove any objection. In gas there is a variable objection window which can be as low as 1 or 2 days but is usually longer.
- 2.08 The COS project has not considered the potential to remove objections or amend the reasons when an objection can be made. However, this may be considered by Ofgem in the future.
- 2.09 The proposed reform options are:
- **Option 3a:** Reduce objection window to 2 hours after receipt of loss notification.
 - **Option 3b:** Objection must be made by 5pm for any loss notification received by 3pm that day.
 - **Option 3c:** Objection must be made by 5pm for any loss notification received by 5pm the previous business day.
 - **Option 4:** Centralised register of objection status.

Assessment of reform option

Potential impact:	<ul style="list-style-type: none"> • Reduce the time taken to switch supplier. • Reduce opportunity to prevent erroneous transfers. • Reduced opportunity for incumbent supplier to validate accuracy of COT flag (including where customers falsely claim COT to get out of contracts).
Links and dependencies:	<ul style="list-style-type: none"> • Could be incorporated within a new centralised registration service. • Sufficient time is required between the end of the objection window and the transfer date to update the meter with the new supplier’s security key and send meter reconfiguration details. • A short objection window will limit the incumbent supplier’s ability to check the validity of a COT flag and may require additional performance assurance measures.
Market sector:	<ul style="list-style-type: none"> • All
Delivery:	<ul style="list-style-type: none"> • Ofgem to consult on inclusion within scope of a significant code review for implementation c.2018.
Outstanding issues:	<ul style="list-style-type: none"> • Are the objection windows noted above the correct ones for testing in the IA? • In particular, should the loss notification for option 3c above by 5pm on D-3 rather than D-2?

2.3 Objections: Performance assurance

- 2.10 The high level objective in this area is to provide assurance to customers and the market that the objection process is being used correctly and to identify and take action when it is not.
- 2.11 The objection rules are set out in licences and industry codes. Ofgem has undertaken enforcement action against suppliers for licence breach on a number of occasions. The use of the objections process has also led to a number of disputes being raised under industry codes.
- 2.12 Concerns have been expressed by customers and suppliers that the objection rules set out in licences and industry codes are not adhered to in some circumstances. The impact of objections for customers can be significant for example, customers in the non-domestic market that have their transfer blocked incorrectly may incur high out-of-contract tariffs and be persuaded to enter a new contract with their current supplier to avoid these. Other customers may be prevented from accessing more advantageous tariffs and services.
- 2.13 The proposed reform option is:
- **Option 6:** Performance assurance on objections process (including use of COT flag)

Assessment of reform option

Potential impact:	<ul style="list-style-type: none"> • Provide information on when the required objection standards are not being adhered to. • Provide confidence to market and consumers that the objection process is being used correctly and that suppliers that perform poorly will be identified and action taken.
Links and dependencies:	<ul style="list-style-type: none"> • Dependant on objection rules (currently established in licences and industry codes). • Requires effective action/enforcement when a concern identified.
Market sector:	<ul style="list-style-type: none"> • All
Delivery:	<ul style="list-style-type: none"> • Ofgem to consult (Q1 2014) on options for delivering performance assurance with a view to implementation start 2015.
Outstanding issues:	<ul style="list-style-type: none"> • Assessment of options for delivering performance assurance to be developed by Ofgem.

2.4 Confirmation window

2.14 The high level objective in this area is to promote faster switching and alignment with electricity by removing or reducing the mandatory 7 WD timeframe between the objection window closing and the customer transfer date (whilst allowing customers to choose a longer switching timeframe if they wish).

2.15 Currently the objection window closes at D-8. During the intervening time the Gemini system, run by Xoserve, undertakes gas nomination and allocation processes. In the electricity market, an objection can currently take place after the transfer date. We are aware of work to ensure that the electricity objection window finishes prior to the transfer because of concerns over the interaction with sending security keys and reconfiguring smart meters.

2.16 The proposed reform options are:

- **Option 1:** Reducing the mandatory confirmation window
- **Option 2:** Removing the mandatory confirmation window

Assessment of reform options

Potential impact:	<ul style="list-style-type: none"> • Reduce time taken to transfer. • Reduce time for losing supplier to adjust their exposure to any imbalance. • Risk that delays in Gemini processing will lead to inaccurate demand data being provided to shippers.
Links and dependencies:	<ul style="list-style-type: none"> • Gemini gas nomination/allocation process. • Potential for this to be delivered as part of a new centralised registration service. • In current work to reform the electricity objections process it is proposed that the last opportunity for a supplier to withdraw an objection is 6pm on SSD-2 to accommodate MPAS updating the DCC and the sending of set up messages to a smart meter. We would expect to access the opportunity to reduce this timescale were this change to be approved.
Market sector:	<ul style="list-style-type: none"> • All
Delivery:	<ul style="list-style-type: none"> • Could be developed as an industry code modification. Ofgem expect to consult on inclusion within the scope of a significant code review for implementation c.2018.
Outstanding issues:	<ul style="list-style-type: none"> • What are the appropriate parameters to test on reducing the confirmation window? Ofgem would like to discuss the following: <ul style="list-style-type: none"> • 5pm on D-2 • 12 noon on D-1 (note that this would require a change to the options being considered to reform the objections windows) • 5pm on D-1 • Do the impacts of changes to the confirmation window differ between the NDM and DM markets?

2.5 COS meter read process

2.17 The high level objective in this area is to ensure that the COS meter read process facilitates fast and reliable customer billing and does not inhibit fast switching.

2.18 From a customer’s perspective, getting accurate and timely opening and closing bills is a key part of their transfer experience. Suppliers also spend considerable time and effort to get COS meter reads for customer billing and settlements purposes. In the gas market the processing of meter reads, including maintaining a register of meter technical data, is undertaken by Xoserve. In electricity, these functions are undertaken by competitively appointed agents who must exchange data to facilitate the COS meter read. The time taken to exchange data between electricity agents and resolve errors has been cited as a key drag on suppliers’ willingness and ability to undertake fast transfers in the electricity market.

2.19 The proposed reform options are:

- **Option 1a:** Make changes to central systems to allow the new and old supplier to obtain the data they need from a smart meter on COS. The old and new supplier will validate the COS meter read by comparing the cumulative register. As part of this solution the new supplier would be required to reconfigure the meter on CoS.
- **Option 1b:** (In addition to option 1a) For electricity AMR/traditional metering, MTDs and last read/associated EAC held centrally (as necessary depending on P272) so that suppliers/their agents can directly access the data needed to take and process COS meter reads. AMR access passwords/details of who to get access passwords from, could also be held centrally, although feasibility would need to be considered.
- [Further option development necessary to identify the range of other ways in which we might alleviate the dependency on transferring access passwords at CoS for AMR meters]

Assessment of reform options

Potential impact:	<ul style="list-style-type: none"> • Reduce dependencies on exchange of data between metering agents in the electricity market - can facilitate faster switching if these steps are no longer incorporated within transfer timescales. • Remove dependency on the other supplier for sending out opening and closing bills. • Improve reliability through reduced number of data hand-offs.
Links and dependencies:	<ul style="list-style-type: none"> • Roll-out of smart metering and AMR. • Roles and responsibilities of metering agents. • Links to suppliers’ ability to meet any new standards on billing. • Any central database would need to be supported by a strong PAF to ensure a very high level of data quality.
Market sector:	<ul style="list-style-type: none"> • Option 1a: All • Option 1b: Electricity AMR and Electricity Traditional
Delivery:	<ul style="list-style-type: none"> • 1a to be led by industry, following a steer from Ofgem • 1b currently envisaged to be led by Ofgem • Ofgem to hold further COSEG subgroup to discuss finalising options on AMR

Outstanding issues:	<ul style="list-style-type: none">• Industry still to work through design of smart arrangements under 1a, ensuring:<ul style="list-style-type: none">• Requirement to reconfigure on CoS is feasible• Old supplier is able to get CoS read prior to reconfiguration• New supplier is able to get relevant information on associated EVs/auxiliary load switches prior to reconfiguration• Old and new supplier have mechanism of reconciling the reads, without creating burdensome dependencies (use of cumulative register?)• There are appropriate back-up arrangements in the event that something goes wrong• Ofgem and industry to finalise options for addressing AMR dependencies, including, for option 1b, understanding the range of data that would need to be contained in a central database, and to understand how access could be arranged for relevant parties.
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2.6 Centralised DP/DA

2.20 The high level objective in this area has been to ensure that the electricity metering arrangements facilitate an efficient and cost effective transfer process that supports metering competition where appropriate. Policy development has suggested that this objective can be achieved without the need to centralise DP/DA at this stage, in that the data dependencies can be removed through other means. However, other efficiency drivers to centralise DP/DA in the electricity market may still exist.

2.21 COSEG has noted the links between this area of work and electricity settlements reform. Ofgem is considering how best to structure the work in this area. However, for completeness it is included within the documented work of the COSEG.

2.22 The proposed reform option is:

- **Option 5:** To centralise DP and DA activities by placing these under the central bodies where they best fit.

Assessment of reform option

Potential impact:	<ul style="list-style-type: none"> • Improves efficiency with which COS and other meter reads can be processed for billing and settlements processes. • Remove competition from the electricity metering market which may impact on cost, efficiency and innovation in the provision of these services.
Links and dependencies:	<ul style="list-style-type: none"> • Electricity settlement reform. • Competitive state of the DP/DA market once smart and AMR have been fully rolled out.
Market sector:	<ul style="list-style-type: none"> • Electricity
Delivery:	<ul style="list-style-type: none"> • Still under discussion and linked to electricity settlement reform.
Outstanding issues:	<ul style="list-style-type: none"> • What functions will DP and DA agents be required to undertake once any electricity settlements reforms have been undertaken. • Potential efficiency gains in centralising DP and/or DA functions at the same time as introducing a new centralised registration service. • With which central agents should the various tasks undertaken by DP and DA agents be placed? • Are the drivers for centralisation applicable to both the NHH and HH sectors?

2.7 Operation of the metering market

2.23 The high level objective in this area is to ensure that metering arrangements facilitate an efficient and cost effective transfer process that supports metering competition where appropriate.

2.24 Discussions with COSEG suggest that parties do not have the significant concerns with the structure of the gas metering market. However, parties have suggested that compliance with the arrangements is weak. Metering agents have also noted that their ability to operate in the market is hindered by constraints on their access to data held on central systems (for example on the Supplier ID, where their meter has been exchanged). Recognising that customers can put in place their own metering agents, it was also considered to be beneficial for this information to be recorded and made know on COS so that suppliers could ask the customer if they wanted to maintain that arrangement.

2.25 The proposed reform options are:

- **Option 6:** Include gas metering and meter read requirements within the scope of the proposed new gas performance assurance framework under the UNC (or any subsequent relevant industry code).
- **Option 7:** Address any outstanding concerns that metering agents have regarding access to data from central systems to support metering competition, and in particular asset tracking and invoicing (e.g. MAP access to supplier IDs).
- **Option 8:** Central systems to record and notify on COS whether agents appointed by the customer.

Assessment of reform options

Potential impact:	<ul style="list-style-type: none"> • Assurance that the gas metering arrangements are being operated correctly. • Parties have access to the information that they need to facilitate the metering market.
Links and dependencies:	<ul style="list-style-type: none"> • Option 6 linked to the development of an effective performance assurance regime under UNC. • Option 7 and 8 could be facilitated by a new centralised registration service.
Market sector:	<ul style="list-style-type: none"> • Option 6: Gas • Option 7 and 8: All
Delivery:	<ul style="list-style-type: none"> • Option 6: Currently being developed by the industry under the UNC. • Option 7 and 8: Could be developed through an industry code modification. Alternatively Ofgem could consult on inclusion within SCR.
Outstanding issues:	<ul style="list-style-type: none"> • Identification of data items to be held centrally • Access rights of agents to central data developed

2.8 Security keys

- 2.26 The high level objective in this area is to ensure that the processes for loading security keys on to a smart meter do not inhibit fast transfers, whilst maintaining the security and reliability of the smart metering arrangements.
- 2.27 To allow the new supplier to have full access control rights for a smart meter the meter must first be loaded with that supplier's security key. SMIP has agreed an interim arrangement for managing the transfer of security keys to the smart meter on COS. An enduring arrangement for the management of security keys will need to be introduced during roll-out.
- 2.28 The proposed reform option is:
- **Option 1:** Enforceable standards for the old supplier to send security keys to the meter that support minimum switching time and reliability.

Assessment of reform option

Potential impact:	<ul style="list-style-type: none"> • SLAs for loading security keys will impact switching timescales. They could either facilitate or constrain the ambition for faster switching.
Links and dependencies:	<ul style="list-style-type: none"> • Enduring security key arrangements and associated SLAs are expected to be delivered during roll-out. • Potential efficiency benefits in introducing enduring solution at same time as a centralised registration service.
Market sector:	<ul style="list-style-type: none"> • Gas and electricity smart meters.
Delivery:	<ul style="list-style-type: none"> • Enduring security key arrangements and SLAs expected to be delivered by the SEC Security Sub-Committee. • Potential for any Ofgem SCR to drive SLA requirements by setting minimum switching timescales.
Outstanding issues:	<ul style="list-style-type: none"> • Enduring solution design is not yet agreed and may introduce constraints to very fast switching. • Timing for implementing an enduring solution still to be determined.

2.9 Centralising registration services

2.29 The high level objective in this area is to improve the cost and efficiency of industry registration systems through centralisation.

2.30 The March 2011 prospectus concluded that the DCC should take on the role of centralised registration services provider for gas and electricity 2 to 3 years after DCC go-live. Centralisation of registration services is a new opportunity created through the new DCC role and SEC governance. The COSEG has debated what form the proposed centralisation should take.

2.31 The proposed reform option is:

- **Option 1a:** DCC takes on responsibility for centralised registration service. Operation of centralised registration service governed under SEC.

Assessment of reform option

Potential impact:	<ul style="list-style-type: none"> • Facilitates common cross fuel switching arrangements and provides a common platform for introducing other COS reform proposals
Links and dependencies:	<ul style="list-style-type: none"> • Expected to require changes to network licences and price control funding arrangements. • Central registration service will be required to provide information to support the functions of the existing service providers (Xoserve and DNOs).
Market sector:	<ul style="list-style-type: none"> • All
Delivery:	<ul style="list-style-type: none"> • Ofgem to consult on inclusion within the scope of a significant code review for implementation c.2018.
Outstanding issues:	<ul style="list-style-type: none"> • Defining scope of services to be included within a centralised registration service. • Shipper access to data to support settlement obligations.

2.10 Billing standards

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

2.33 Discussions at COSEG have centred on removing the system constraints to fast and accurate billing and standard setting. Work on removing constraints has now been subsumed within the discussions on metering. The remaining debate has been on whether to introduce higher billing standards through industry self governance or through more formal regulation. It is expected that further work to define any required billing standards will be progressed as part of Ofgem’s Consumer Empowerment and Protection work stream. This is one of the four current work streams under the Smarter Markets Programme.

2.34 The proposed reform option is:

- **Option 3:** Introduce new standards for COS billing through industry self governance. Expect to be delivered through codes of practice/ a new customer switching charter. Could include higher standards on final bills, extending requirements to small domestic and non-domestic as well as including opening bills and payment of credit balances.

Assessment of reform option

Potential impact:	<ul style="list-style-type: none"> • Reduce disruption to customers’ normal payment cycle allowing easier budgeting/financial management and reduce barriers to switching.
Links and dependencies:	<ul style="list-style-type: none"> • The ability to meet customer expectations on billing may be constrained without reforms to the COS meter reading process. • Were appropriate standards not to be introduced or adhered to then Ofgem could consider regulatory measures to obligate standards.
Market sector:	<ul style="list-style-type: none"> • All
Delivery:	<ul style="list-style-type: none"> • Voluntary measure to be introduced in domestic and non-domestic market.
Outstanding issues:	<ul style="list-style-type: none"> • Required billing standards still to be developed. • Who should lead work in the domestic sector? • Who should lead work in the non-domestic sector?

2.11 Erroneous transfers

2.35 The high level objective in this area is to eradicate or at least substantially reduce the number of erroneous transfers.

2.36 The ET rate is currently around 1% in the domestic market. ETs have a damaging impact on customers’ perception of the market and can be a source of confusion and distress for those customers involved. ETs can be more serious for customers with smart meters if those meters stop or start behaving as prepayment meters when this is not expected or are remotely disconnected or reconfigured.

2.37 The proposed reform options are:

- **Option 1:** New supplier acting as an ESCo could (option 1a) access the meter and obtain a meter read to verify with the consumer or (option 1b) send a Customer Information Number (CIN) to the IHD or Consumer Access Device (CAD) to verify with the consumer.
- **Option 2:** Increase regulation on supplies by (option 2a) requiring them to pay compensation to the consumer, (option 2b) performance assurance measures under industry codes or (option 2c) introduction of new licence obligations.

Assessment of reform option

Potential impact:	<ul style="list-style-type: none"> • Reduced ETs and costs of repatriation. • Option 1 could be used as a tool by suppliers to verify that they are transferring the correct customer when the address data is ambiguous. • Option 2 is expected to lead suppliers undertake additional measures prevent erroneous transfers. This may delay some transfers and cause other customer transfer requests to be abandoned.
Links and dependencies:	<ul style="list-style-type: none"> • Option 1 is reliant on smart meter roll-out and customer use of an IHD or CAD. • Potential interaction with new Supply Licence obligations on standards of conduct for micro business and domestic customers (options 1 and 2). • Measures to increase data quality may reduce ETs.
Market sector:	<ul style="list-style-type: none"> • Customers with smart meters (option 1) • All (option 2)
Delivery:	<ul style="list-style-type: none"> • Option1: Expect to be supplier led with rules set out in industry codes. • Option 2: Quick win (c. 2014/2015). Unless industry code performance chosen as the sole measure, Ofgem could deliver through a change to statutory instruments (option 2a) or licences (option 2c).
Outstanding issues:	<ul style="list-style-type: none"> • Option 2: Further analysis required by Ofgem on pros and cons of each approach. Assessment required on appropriate value of any potential compensation payments. • Further work required to determine if measures required to improve the efficiency with which customers can be returned back to their previous supplier • Ofgem currently reviewing with online brokers and price comparison websites the potential for improved customer data capture which could reduce ETs.

2.12 Data quality

2.38 The high level objective in this area is for the core industry data that supports COS to be accurate.

2.39 This is a key area identified by stakeholders despite the improvement that smart metering is expected to contribute to meter asset and consumption data quality. Specific reforms have been difficult to identify as the causes of data inaccuracy are likely to be many and complex.

2.40 The proposed reform options are:

- **Option 1:** Mandate roll-out of UPRNs in registration systems.
- **Option 2:** Ensure that governance arrangements identify a party responsible for each data item and require that party to update/notify central systems when data change and anomalies are identified.

Assessment of reform option

Potential impact:	<ul style="list-style-type: none"> • Option 1: Reduce cost of acquisition, reduce ETs and speed up transfer for some difficult to identify sites. • Option 2: Impacts expected to be wide ranging and include settlement accuracy as well as supporting faster, reliable and more cost effective customer transfers.
Links and dependencies:	<ul style="list-style-type: none"> • Option 1 is dependent on the ability to apply UPRNs effectively to meter points in the energy market. • The success of option 2 will depend on the regulatory framework that supports any obligation to maintain industry data.
Market sector:	<ul style="list-style-type: none"> • All
Delivery:	<ul style="list-style-type: none"> • Ofgem would welcome proposals from industry parties to address options 1 and 2. Were these not to be forthcoming, Ofgem would expect take these reforms forward.
Outstanding issues:	<ul style="list-style-type: none"> • Should changes be delivered through industry self governance or by Ofgem. If by Ofgem, should these improvements be delivered through a SCR (with implementation c.2018) or changes to licences (with implementation c.2015)

2.13 Customer information

2.41 The high level objective in this area is for consumers to have easy access to accurate and clear information on the switching process.

2.42 Evidence from our consumer research suggests that some customers are confused about aspects of the switching process and lack confidence about how it will impact on them. This is likely to deter engagement in the market. Customers will also require reassurance on how the roll-out of smart meters will impact on their switching experience.

2.43 The proposed reform option is:

- **Option 1:** Promote and clarify key switching messages.
- **Option 2:** Ensure switching information appropriate for smart metering.
- **Option 3:** Establish standards that a customer should expect to be met if they choose to switch (eg a switching charter).

Assessment of reform option

Potential impact:	<ul style="list-style-type: none"> • Promote consumer engagement and increase competitive pressures in the market.
Links and dependencies:	<ul style="list-style-type: none"> • The newly formed Central Delivery Body may have a role to play in delivering the switching messages for smart meter customers.
Market sector:	<ul style="list-style-type: none"> • Domestic
Delivery:	<ul style="list-style-type: none"> • For option 2 there is a potential role for CDB in delivering messages on smart meter switching.
Outstanding issues:	<ul style="list-style-type: none"> • Should options 1 and 3 be led by Ofgem or the industry? • Should this also include all/elements of the non-domestic market? • Further work required to identify specific customer information requirements

2.14 Additional reform areas identified

Registration withdrawal process in electricity

- 2.44 A process currently exists in the gas market which allows the new supplier to withdraw a transfer request during the objection window. This can help to reduce erroneous transfers. One party is considering raising a modification to introduce this proposal in to the electricity market. If not introduced through this route, it could be included within the scope of an SCR consulted up on by Ofgem and be included within the design specification for a central registration service.

Management of complex customer portfolios

- 2.45 During our consumer research, some non-domestic customers said that access to industry data was poor. This hindered their ability to review their portfolios and check that the data was correct to facilitate a successful transfer. We therefore propose the customer access to their meter point records and consumption data should be reviewed. This could promote accurate tenders and reliable switching of multi-site portfolios.
- 2.46 There is potential to incorporate any new developments within ECOES, SCOGES or any new data access system linked to a centralised registration service.

Lock-out requirements

- 2.47 Currently there is a 10 day lock-out period in electricity after a switch before another transfer can take place. In gas, there is a minimum of three weeks between transfers. In some instances, such as erroneous transfers, this is inhibiting subsequent customer transfers.
- 2.48 The view expressed at COSEG was that the new switching process should be designed with no lock-out period. The requirement for a lock-out period from both a systems and market stability perspective should be assessed when the overall system design has become clearer.

Electricity new connections process

- 2.49 Views were expressed at COSEG that the connections process in electricity should be reviewed. This was considered to be one of the drivers behind poor address data and could lead to difficulties in identifying sites where electricity was being consumer.
- 2.50 The new connections process is not considered to be within scope for the COS project although clearly there are consequences for the process if the core industry data is poor. It is expected that the reforms on data quality will offer some improvements in this area as would the potential for a centralised registration service and an electricity Theft Risk Assessment Service (TRAS), were this to be introduced.
- 2.51 The industry is encouraged to undertake a further review in this area if parties consider that the measures noted above are not sufficient to alleviate concerns about the electricity new connections process.