

SMARTER MARKETS PROGRAMME

Update for the Smarter Markets Coordination Group (SMCG), October 2013

Our vision

Delivering better outcomes for **all consumers** through the creation of **smarter markets** that are more **efficient, dynamic and competitive.**

This is our high level vision for 'smarter markets'. We are seeking your views on our vision before we share it more widely.

Change of Supplier

- The Change of Supplier Expert Group (COSEG) has met seven times between May and October this year to discuss options to reform the change of supplier process. COSEG discussed lessons from recent reforms in the banking and telecoms sectors, and from the domestic and non-domestic research commissioned to inform the project.
- We will issue a Request for Information to suppliers and central bodies this month to inform the impact assessment and case for reform. We will publish a consultation on reform options in March 2014.
- In November, we will provide a summary of the output of COSEG, including initial views on responsibility for delivering change.

Demand-side Response

- We received 47 responses to our [consultation document](#) from a wide range of parties.
- We will publish a response document in December which will set out a road map for future work on DSR.
- A key message from respondents was support for a framework for DSR operation that accommodates the cross-party effects of DSR.

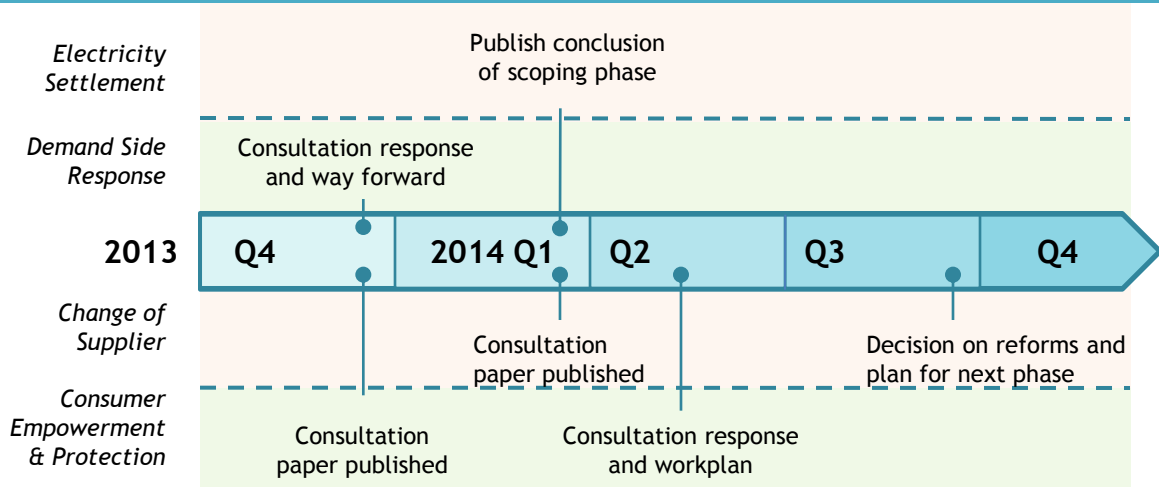
Electricity Settlement

- We held our first stakeholder workshop in July, and our second workshop will take place on 14 November. We will present our initial analysis of the potential benefits of smart metering, and the longer-term developments that may change what settlement needs to deliver to support effective market operation.
- We plan to conclude our scoping work and set out the approach for progressing reforms to settlement in Q1 2014.

Consumer Empowerment & Protection

- Stakeholders have highlighted risks and opportunities across a range of topic areas, including but not limited to smart prepayment, billing accuracy, data access and use, and time-of-use tariffs
- We have done work to group and prioritise these issues for a proposed workplan. We will publish a consultation on this in December.
- To inform this, work has also started on a distributional analysis into the potential impacts of time-of-use tariffs on different types of consumers.

Public milestones for each project over the next 12 months



Newsletter: The Programme published its second [Smarter Markets newsletter](#) in August. This newsletter is published every six months, to give stakeholders an overview of progress and highlight how they can get involved.

SMCG Membership: SMCG welcomes two new organisations representing small and large business customers. Allen McCreedy, Chairman of the Energy, Environment & Water Policy Unit at the Federation of Small Businesses and Eddie Proffitt, Gas Group Chairman for the Major Energy Users Council. Paul Bircham will represent GDNs and Scottish TOs and NGET will attend meetings on an ad hoc basis. We have also invited the DCC to join SMCG.