

ElectraLink Ltd. Ground Floor Grafton House 2/3 Golden Square London W1F 9HR

Tel: 020 7432 3000 Fax: 020 7432 3015 www.electralink.co.uk

Andrew Wallace Ofgem, 9 Millbank, London, SW1P 3GE

31 January 2014

Dear Andrew,

Re. 'Preventing Erroneous Transfers' (03 December 2013)

ElectraLink Ltd is pleased to respond to the Office of Gas and Electricity Market's (Ofgem's) consultation entitled 'Preventing Erroneous Transfers' (03 December 2013). In accordance with our central role as service provider of the Data Transfer Service (DTS) to the GB electricity market we have focused our response on those areas most closely aligned with our experience, knowledge and core competencies.

ElectraLink notes Ofgem's plans to continue monitoring supplier performance in relation to erroneous transfers and to additionally monitor the numbers of Customer Service Returners (CSRs). Effective monitoring is essential in order to understand the extent and nature of the problem, and to be able to validate that improvements as they are implemented are having the desired effect.

Centralised reporting - an efficient means of monitoring

Since February 2012, ElectraLink has been able to provide data services to participants in the energy sector to improve industry performance. The users of the DTS gave ElectraLink permission to process the data flows they send over the DTS for this purpose as they recognised the considerable value that can be gained from the information. ElectraLink can provide these data services either on a commercial basis, or through the regulated Data Transfer Services Agreement as appropriate.

Enabling a centralised report on ETs

At present MRA Agreed Procedure 10 ('The Procedure for Resolution of Erroneous Transfers') states that the D0301 shall be sent 'via email (or another method, as agreed)'. Given the numbers of erroneous transfers reported by Ofgem and the numbers we have seen managed over the DTS, we believe that suppliers are using a means other than the DTS for managing erroneous transfers, e.g. email. Consequently we are unable to centrally report the numbers of ETs.

However if the use of the DTS for these messages were to be made mandatory, as it is for Green deal flows, then we could create a report giving statistics on erroneous transfers.





ElectraLink Ltd. Ground Floor Grafton House 2/3 Golden Square London W1F 9HR

Tel: 020 7432 3000 Fax: 020 7432 3015 www.electralink.co.uk

Such a centralised report on erroneous transfers would have the advantages of being:

- Market wide All electricity retail market participants in Great Britain use ElectraLink's network;
- Impartial As a 'central body', ElectraLink provides services to the whole of the industry;
- Accurate, consistent and timely By analysing the actual messages sent, ElectraLink can report on what is really happening in the market; and
- Efficient ElectraLink's central reports avoid the costs and complexities of individual companies selfreporting.

In addition to reporting the numbers of ETs, it is our understanding that CSRs are managed using MRA Working Practice 142 'The Co-operative Objections Process'. In essence this process enables suppliers to prevent an erroneous transfer occurring by co-operating in the raising of an objection. ElectraLink is currently able to centrally report on the total numbers of objections raised and resolved by all suppliers in the market. However, the data flows used do not carry details of the reasons why an objection was raised. If this information was to be carried in the data flows, then ElectraLink would be able to centrally report on the numbers of objections, including CSRs, and support effective monitoring in a more efficient and timely manner.

Relevant experience

ElectraLink has recently begun providing Energy UK with a data service that centrally reports on customer switching statistics. Energy UK required a cost efficient service that effectively reported on activity across the whole of GB by all retail market participants, so that they could monitor and demonstrate the performance of the whole GB electricity retail market.

If you would like to discuss how ElectraLink could support effective, centralised monitoring of erroneous transfers, please contact me (<u>paul.gath@electralink.co.uk</u> or 020 7432 3006).

Yours sincerely,

Paul Gath

Chief Technical Officer

