

Maxine Frerk
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Dear Maxine

Enforcing three week switching

First Utility welcomes the proposed changes to the Standard Licence Condition (SLC) 14A, of the gas and electricity supply market which will further bolster current industry initiatives to improve the customer experience relating to the speed and certainty of switching between suppliers.

First Utility has been at the forefront of driving these contractual and system changes forward to effect the required changes in 2014. The strengthened Licence Conditions and the introduction of the new "Relevant Date" scenario, proposed by Ofgem, compliment this work and provide a level of choice, assurance and certainty for customers above and beyond the processes currently in development.

Turning to the two questions posed in the consultation;

1. Do you agree with our proposed changes to Standard Licence Condition 14A?

It is appropriate that the licensee must take all reasonable steps in our view to complete a Supplier Transfer within 21 days, subject the relevant clauses.

We note the concern that a significant proportion of switches reported by Large suppliers in the period between Q1 2012 and Q1 2013 was less than the required standard, albeit that the majority 'switched' within a further seven days.

Our own Quarter IV 2013 figures reflect the differences between the gas and electricity market which we are addressing as a matter of priority, notwithstanding the gas and electricity issues currently under industry scrutiny. In this period, 3 in every 100 gas switches took over 30 days, whereas 1 in every 10,000 electricity switches typically failed this standard. We are confident that these figures will be driven down over coming months and that the suggested Licence conditions will serve to formalise our own intent and customer driven processes.

We agree that no new impact assessment is required to warrant these changes, as the proposed amendments to SLC 14A do not change the overall intent of the industry requirements however, we are concerned as regards the timing of any enforceable changes to the existing licence condition being introduced prior to necessary industry system and process changes required to adhere to the amendments and suggest that this be considered as a separate question in the consultation on this matter.

2. Do you agree with the proposed implementation timetable?

As described in our response to question 2 above, we do not object to the principle of licences been amended from summer 2014. It may be appropriate however to consider the specific proposals emanating from the gas and electricity industry processes to see if the implementation dates for these two areas warrant a coincident



implementation date. This may delay the licence conditions effective date but could guard against suppliers incurring additional costs if they have to contend with licence and subsequent contractual changes to systems and processes. We remain fully committed to the Change of Supply project and will continue to champion the customer's rights and experience in securing faster switching in the short and longer term.

Please do not hesitate to contact me should you have any questions relating to this matter

Yours sincerely

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Industry Codes Manager

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