



Andrew Wallace
Smarter Markets
Ofgem
9 Millbank
London
SW1P 3GE

Name Andy Baugh
Phone 07989 493361
E-Mail andy.baugh@npower.com

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Dear Andrew,

Consultation on Preventing Erroneous Transfers

Thank you for the opportunity to review the Preventing Erroneous Transfers consultation of 3rd December 2013, proposing changes to Standard License Condition 14A; below is the npower response to that consultation. We welcome opportunities to reduce Erroneous Transfers as they deliver a poor customer experience, however, we must ensure we deliver appropriate changes at the right time.

Question 1: Do you agree with our proposed changes to SLC 14A?

No, npower does not agree with the proposed changes, for the following reasons.

The consultation suggests amending LC14a to include a requirement on “the new supplier to take all reasonable steps to ensure it has a valid contract with the customer when the transfer is made”. However, there is no clear definition of this term and therefore what a supplier deems to be reasonable steps could be vastly different another party’s (e.g. regulator’s) opinion.

The consultation defines a valid contract as “...for which notice of cancellation of that contract is not received prior to the Transfer Request being made”. This new wording does not align to the EUK Quicker Switching (2+2) solution due November 2014 which will see registration and cooling off period run simultaneously. It will be possible for a customer to request a cancellation of their contract after the transfer request has been issued.

The consultation states the “...proposal is not intended to apply where there is an ET because the consumer provided wrong information”. We feel the proposal should also not apply where a Broker has provided the supplier with wrong information (for instance 1 High Street instead of 11 High Street) as Brokers are independent to suppliers.

Question 2: Do you agree with the proposed implementation timetable?

No, npower does not agree with the proposed implementation timetable, for the following reasons.

The industry is currently focussing on implementing the EUK Quicker Switching 2+2 model in 2014. The 2+2 model will deliver a new electricity withdrawal flow which in itself will provide suppliers with new functionality to prevent Erroneous Transfers.

We feel a more prudent approach would be to allow the industry to focus on implementing 2+2, review the benefits and customer experience it delivers, and then determine if further change is required.

I hope the above is satisfactory, however, please do contact me if you require anything further.

Yours sincerely,

Andy Baugh
Regulation

RWE npower
Trigonos
Windmill Hill Business Park
Whitehill Way
Swindon
Wiltshire SN5 6PB
T +44(0)1793/87 77 77
F +44(0)1793/89 25 25
I www.rwenpower.com

Registered office:
RWE Npower Group plc
Windmill Hill Business Park
Whitehill Way
Swindon
Wiltshire SN5 6PB

Registered in England
and Wales no. 8241182