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Dear Andrew,

### Enforcing three week switching

The following is the response of RWE npower to your proposed modification of SLC 14A, in particular to insert the more direct requirement to pursue “all reasonable steps” to effect a customer’s transfer to a new supplier within three weeks.

As a general point we believe it is important that decisions and proposals take stock of any wider context. So the principles of better regulation are an important factor in regulatory activity being targeted and proportionate to the perceived issues being addressed.

In addition there is other activity taking place in this space that, as you recognise in your document, has a bearing both on the proposed modification and again the principles of better regulation, namely the project looking at shortening the switching process below three weeks. It would appear that this might deliver outcomes during this calendar year, which presumably would necessitate further modifications to SLC 14A and an opportunity to give greater consideration to the need for more direct regulation in the context of the wider changes?

On that basis we believe that assessment of the proposed modification set out in your letter of 3<sup>rd</sup> December 2013 would be better if deferred until such time as the above project delivers the fuller changes to the switching process and the associated wider changes that will bring to both industry processes and regulations, and licence condition SLC14A itself. So we question whether it is appropriate to be pursuing this step change in the short-term given that you envisage in your “Next steps” as this having effect from the summer of this year, with further change likely to emerge in close proximity.

While understanding Ofgem’s concerns from a customer perspective and addressing them promptly via an “all reasonable steps” requirement, we believe a more prudent approach, in line with better regulation principles, would be to delay and consider this amendment later in the year, when:

- EU legislation that pins down the duration of the cooling off period will be in place;
- There will be a better feel for the impact changes to the central gas industry systems have had on switching timescales;
- Outcomes from the Energy UK Quicker Switching project will have emerged and will begin to be implemented to potentially shorten the switching process.

I hope the above is satisfactory for your purposes and contact me if you need more.

Yours sincerely,

Alan Hannaway  
Regulation

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