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Dear Andrew,

**STATUTORY CONSULTATION ON LICENCE MODIFICATIONS TO ENFORCE  
THREE WEEK SWITCHING AND PREVENT ERRONEOUS TRANSFERS**

Thank you for the opportunity to respond to Ofgem's final proposals outlined in the above statutory consultation.

We are broadly in agreement with the proposals to make modifications to Standard Licence Condition (SLC) 14A and wish to make no representations on the policy content. However, we think that the licence wording may not fully give effect to the intended policy and would like to suggest a minor drafting amendment to remedy this. (We also made this point in our response of 5 February 2014 to the previous consultation, but it does not appear to have been fully addressed in Ofgem's latest letter.)

Our amendment concerns the proposed definition of "Relevant Date". For SLC 14A the Relevant Date is the key point from which the duration of a supply transfer should be measured – it should take no more than 21 days from this point. The current definition is as follows:

**"Relevant Date"** means:

- a) the day after the day on which a Customer enters into a Contract with a new Electricity Supplier; or
- b) if after entering into the Contract there is a period of time within which the Customer may decide not to proceed with the Contract (the "Cooling Off Period"), the earlier of:
  - i. the day after the day on which the Cooling Off Period ends;
  - ii. the day after the day on which the Customer and the licensee agree that the transfer may proceed during the Cooling Off Period; and
  - iii. 14 days after the day on which the Customer entered into the Contract"

The problem with this definition is that in cases where there is a mandatory 14-day cooling off period, limb (b)(iii) will yield a date one day earlier than limb (b)(i), ie the Relevant Date will be the day on which the cooling off period ends, not the day *after* it ends, which we understand is the policy intent where there is such a cooling-off period. This is illustrated in the diagram below:

**Definition (i) the day after the day on which the cooling off period ends**

01/03/2014	02/03/2014 - 15/03/2014	16/03/2014	17/03/2014 - 06/04/2014
<b>Day 0</b>	<b>Days 1 - 14</b>	<b>Day 15</b>	<b>Days 16 - 36</b>
Customer signs contract	Cooling off period	Relevant Date	3-week Switching Period

**Definition (iii) 14 days after the day on which the customer entered into the contract**

01/03/2014	02/03/2014 - 15/03/2014	16/03/2014 - 05/04/2014
<b>Day 0</b>	<b>Days 1 - 14</b>	<b>Days 15 - 35</b>
Customer signs contract	Relevant Date - Day 14 / 15/03/2014	3-week Switching Period

We understand that it is agreed that the day's grace is needed to allow suppliers time to process switches when a cancellation could reach them late on the last day of the cooling off period. We therefore suggest the following amendment:

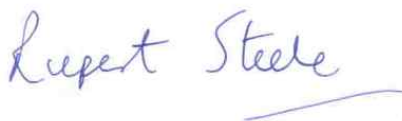
**"Relevant Date"** means:

- a) the day after the day on which a Customer enters into a Contract with a new Electricity Supplier; or
- b) if after entering into the Contract there is a period of time within which the Customer may decide not to proceed with the Contract (the "Cooling Off Period"), the earlier of **the day after**:
  - i. ~~the day after~~ the day on which the Cooling Off Period ends;
  - ii. ~~the day after~~ the day on which the Customer and the licensee agree that the transfer may proceed during the Cooling Off Period; and
  - iii. 14 days after the day on which the Customer entered into the Contract"

The same point applies, *mutatis mutandis*, to the corresponding provisions proposed by Ofgem for the Standard Conditions for Gas Supply Licences.

Please feel free to contact me or Gareth Williams (0141 568 3930) if you wish to discuss this response.

Yours sincerely,



**Rupert Steele**  
Director of Regulation