

SUMMARY POLICY ISSUE PAPER – FOR EDAG REVIEW

Title of Paper	Advance Registrations		
Issue Ref	BPD i35	Date:	8 April 2016
Issue Owner / Author	Jenny Boothe / Jonathon Lines		
Discussed at User Group	23 March 2016	Discussion at EDAG Group	18 April 2016

Summary and recommendation

1. This paper addresses how far in advance of the customer's desired switch date the Central Registration Service (CRS) can accept a registration request, and whether the CRS should be able to accept more than one registration request. Further detail is provided in the accompanying Policy Issues Paper.
2. The current advance registration rules are different between electricity and gas (see paragraphs 8-13 of the Policy Issue Paper). Without harmonisation the CRS could reject a switch request for one fuel, but accept the other, for requests submitted on the same day with the same switch date.
3. We believe that an advance registration period of a maximum of 28 calendar days before the switch date strikes the right balance. This is already used for electricity registration and should allow sufficient time for suppliers to correct any errors in the registration request, as well as accommodate the more complex requirements of larger non-domestic customers. This will require a shorter advance registration period for gas than is currently available.
4. Current processes do not allow more than one pending registration until a switch is complete. We do not intend to change this. Allowing multiple pending registrations would add complexity to the design of the CRS and could cause confusion for customers if they received welcome/cancellation letters from multiple suppliers.

EDAG are invited to comment on the following recommendations:

- Advance registration rules should be the same across gas and electricity.
- A supplier should be able to submit a registration request to the CRS a maximum of 28 calendar days before the proposed switch date.
- The CRS should only accept one registration request until the customer has switched.
- There should be flexibility to allow the advance registration period to change following review by industry/Ofgem in light of operational experience.
- Our analysis suggests that our recommendations will not have a negative impact on consumers.

5. Following your comments, the recommendations will be submitted for approval to the next Design Authority meeting on 27 April 2016.

Analysis

6. We have considered the following options and our recommendations are highlighted in bold:

Options to limit the period for advance registration

A1: Short advance registration period (e.g. 14 calendar days)

A2: Advance registration period similar to today (28 calendar days)

A3: Advance registration allowed at any time

Options on multiple advance registrations

B1: The CRS accepts only one advance registration

B2: No limit on the number of advance registrations

7. The TOM v2 describes how a registration request by Supplier B is expected to work, though it does not mention how far in advance of the requested switch date Supplier B should be able to submit a request. The TOM v2 does envisage that switching processes should be harmonised across electricity and gas where possible, and our recommendation is consistent with this aim.
8. Our recommendations are unlikely to have any negative impacts on consumers and should accommodate all switching scenarios. The biggest change is to gas advance registration rules, which would be cut from the current limit of 30 working days before the proposed switch date. However, the shorter switching processes we expect as result of the the Switching Programme should mitigate any potential impacts from this change linked to a reduced time period to resolve issues for large non-domestic sites.
9. Building flexibility into the CRS to alter the advance registration period in response to industry and consumer experience will require suppliers' systems to be capable of responding to any changes. This would require industry consultation before any such changes were made.
10. Our analysis against the Switching Programme Design Principles is shown in Appendix 1 and 2 of the accompanying policy issues paper. This shows that our recommendations best meet these principles as they support harmonisation, accommodate expected customer requirements, they are simple for customers to understand, should have minimal impact on industry and be the most straightforward to implement.
11. This issue interacts with other policy issues such as objections, cooling off, lock-out period and service availability. Policy papers on these issues will follow in due course.

Summary of key points from stakeholders

12. Following review with the User Group, we consider that our recommendation is likely to have a positive impact through harmonisation. We do not expect any negative impacts on consumers or the market as the timescales and process is similar to current arrangements.
13. At the User Group, members agreed with harmonising advance registration rules across electricity and gas. Some members highlighted that a 14 day period would be suitable for domestic consumers, but a longer period may be necessary for large non-domestic customers. One supplier suggested a much longer period for non-domestic customers, potentially up to 2 years. Another supplier saw no reason for a period less than 28 calendar days, as this would allow time to resolve any issues for large non-domestic portfolios.
14. The majority of User Group members agreed that the CRS should accept only one pending registration, though one supplier suggested the CRS should have the flexibility to accept multiple advance registrations for non-domestic customers.