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External Design Advisory Group

Meeting 4

18 April 2016

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Agenda

Welcome and introductions	12:00 to 12:10
Minutes and actions	12:10 to 12:20
Overview of key aspects of new switching arrangements	12:20 to 13:20
Lunch	13:20 to 13:50
Advanced Registration	13:50 to 14:10
Scope of Information Requirements	14:10 to 14:30
DCC transitional price control arrangements	14:30 to 14:50
Any other business	14:50 to 15:00

An overview of key aspects of the new switching arrangements

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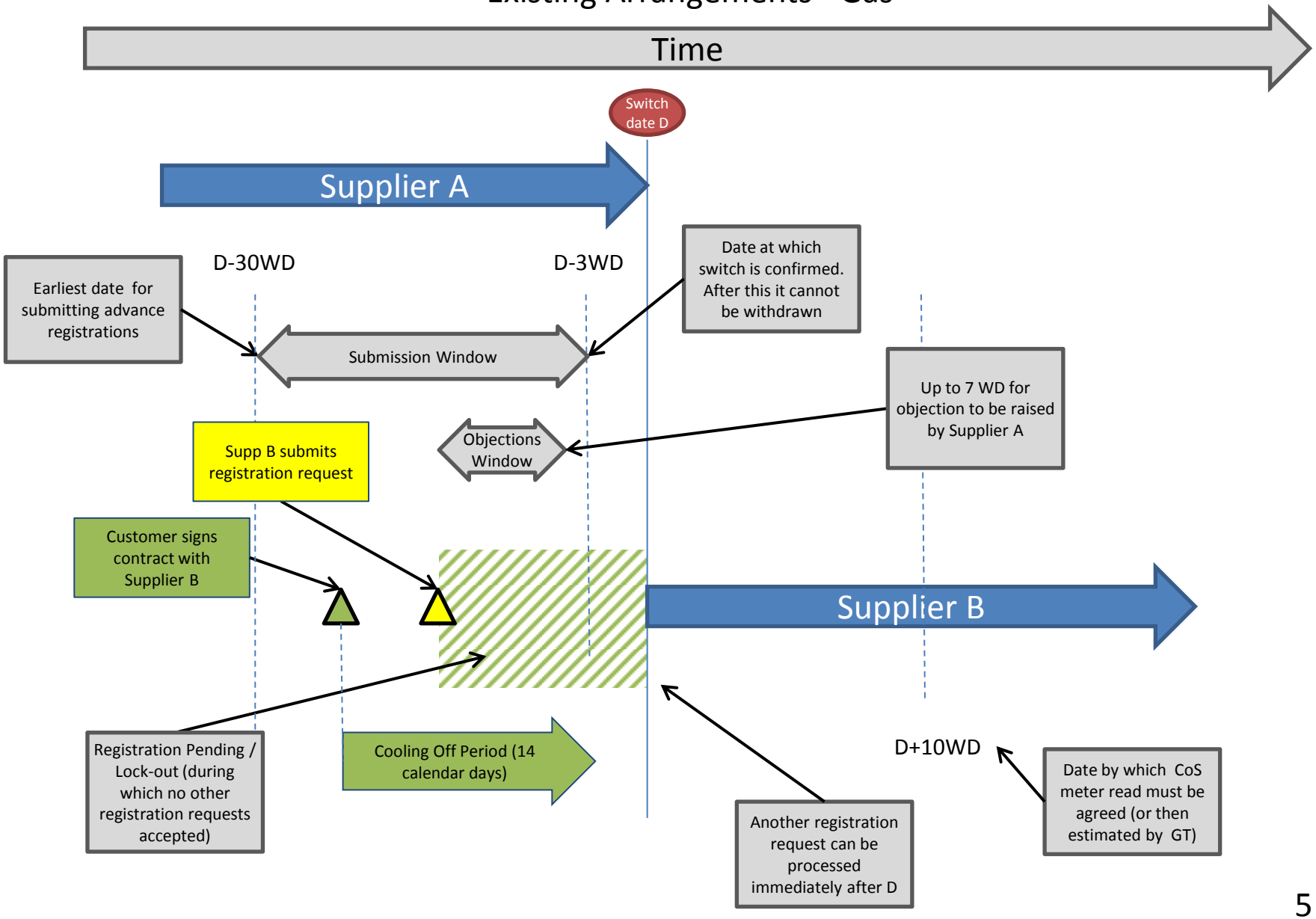
Switching Calendar

- Some aspects of the new switching arrangements are best analysed with regard to their timings and the interaction between events
- There are four issues which demonstrate complex interactions:
  - Advance registrations
  - Objections
  - Lock-out
  - Cooling off

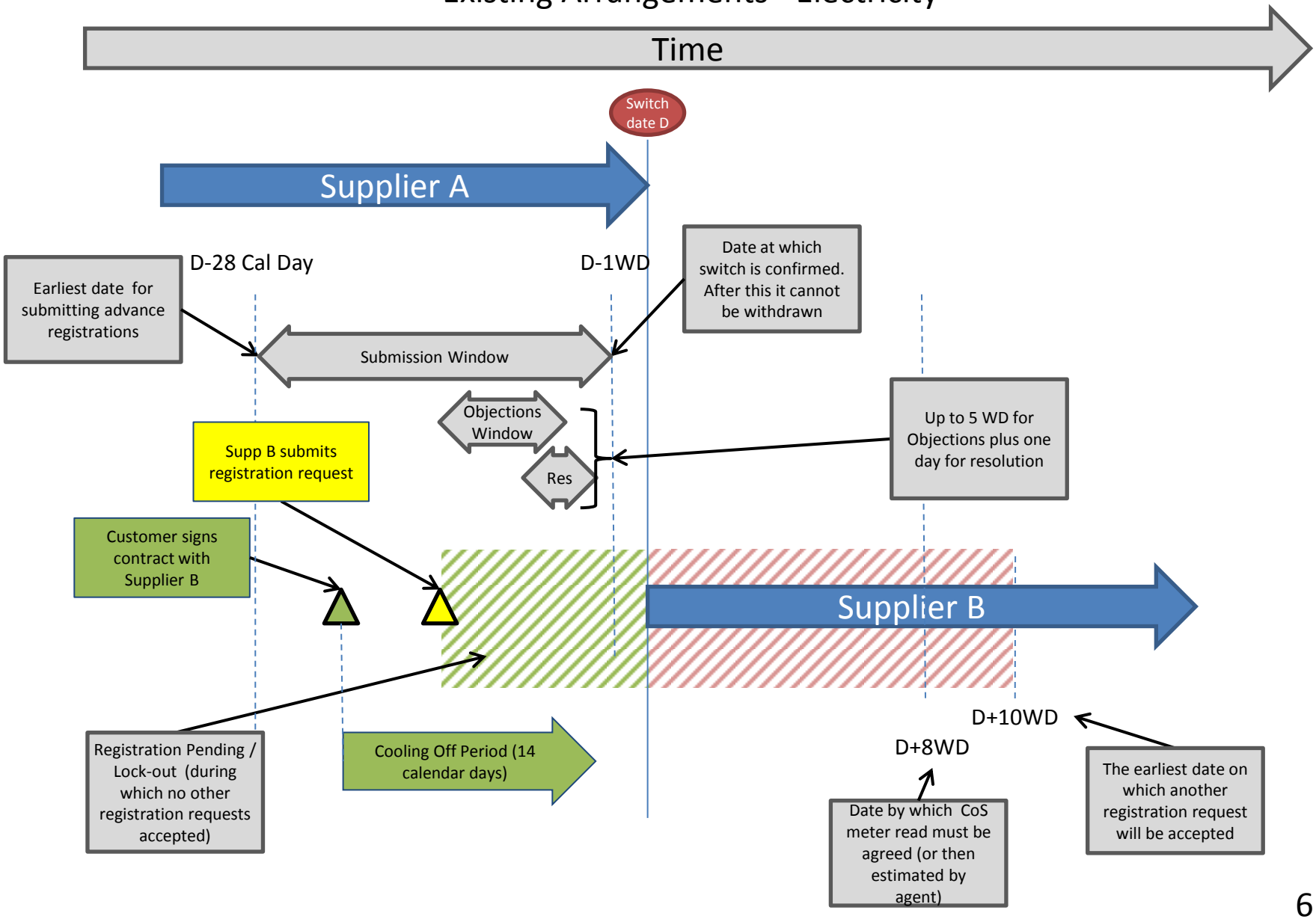
  … and we also need to consider Erroneous Transfers
- Issue papers will be developed for each issue and reviewed with BPD User Group and EDAG
- The following slides formed the basis for a very productive discussion with the BPD User Group on 21 March

These slides are being presented to EDAG for information and early feedback

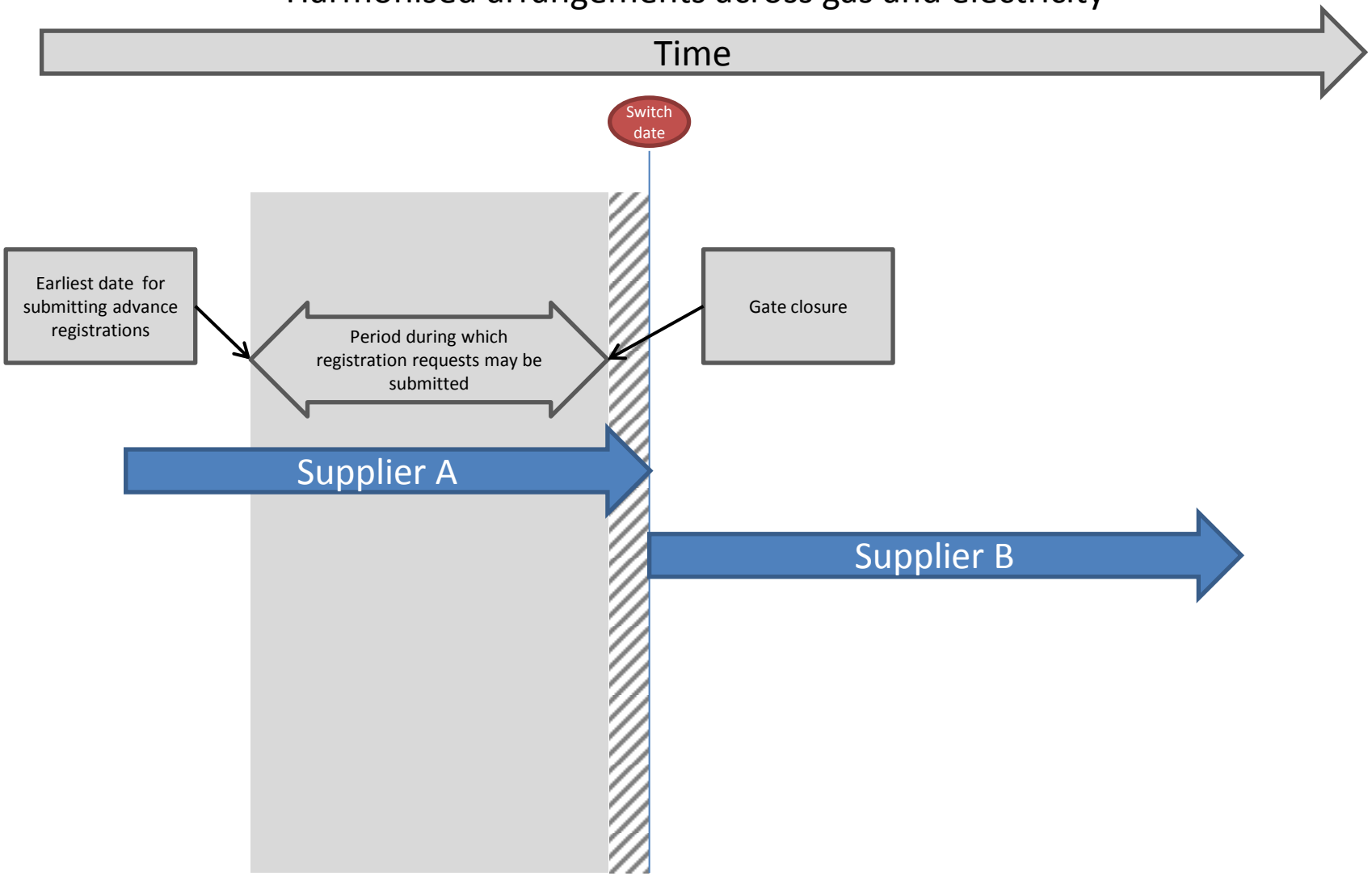
Switching Calendar
Existing Arrangements - Gas



Switching Calendar
Existing Arrangements - Electricity

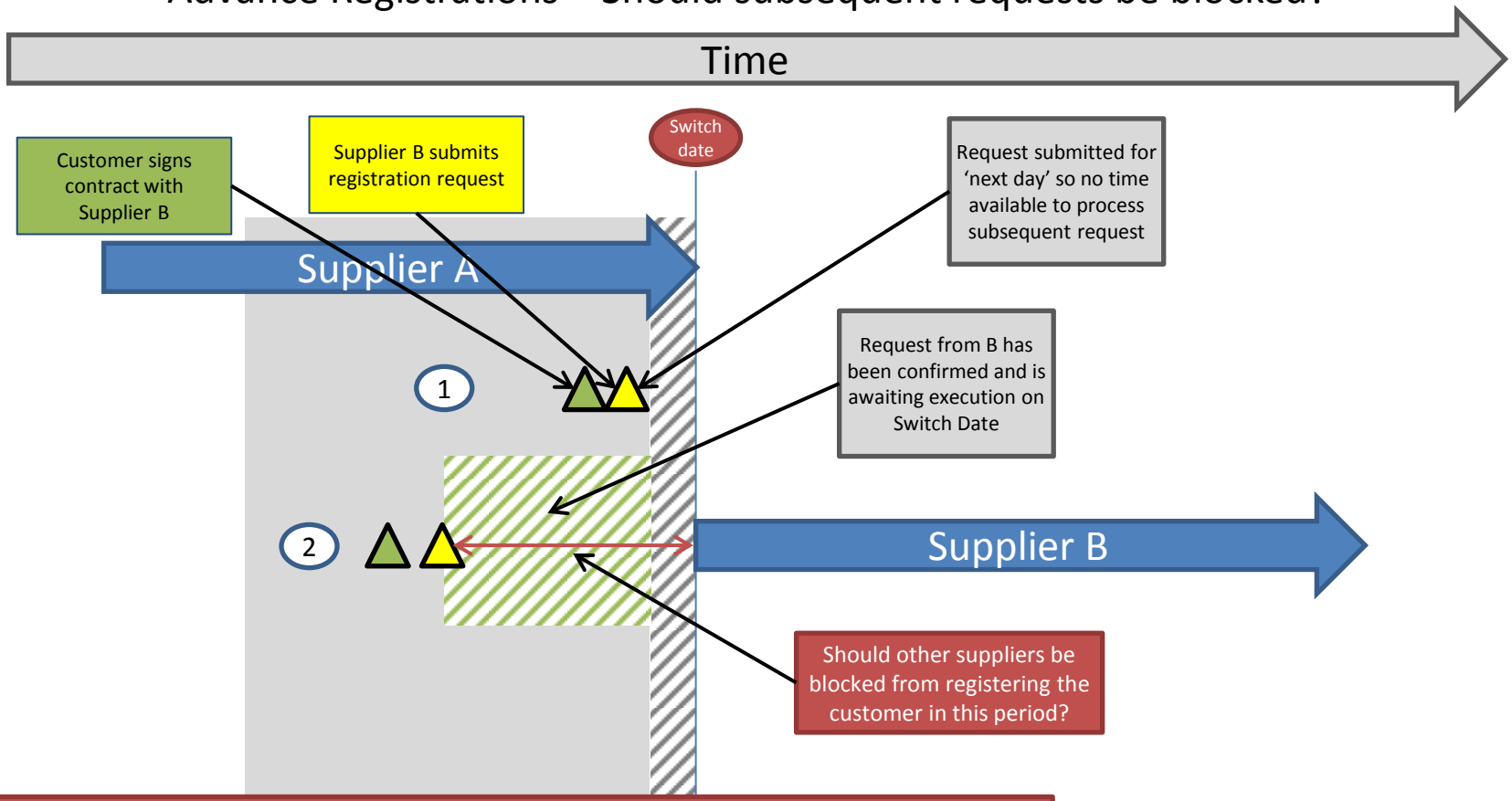


Switching Calendar
Harmonised arrangements across gas and electricity



Note: Unless marked WD (working days) all durations are calendar days

Switching Calendar
Advance Registrations – Should subsequent requests be blocked?



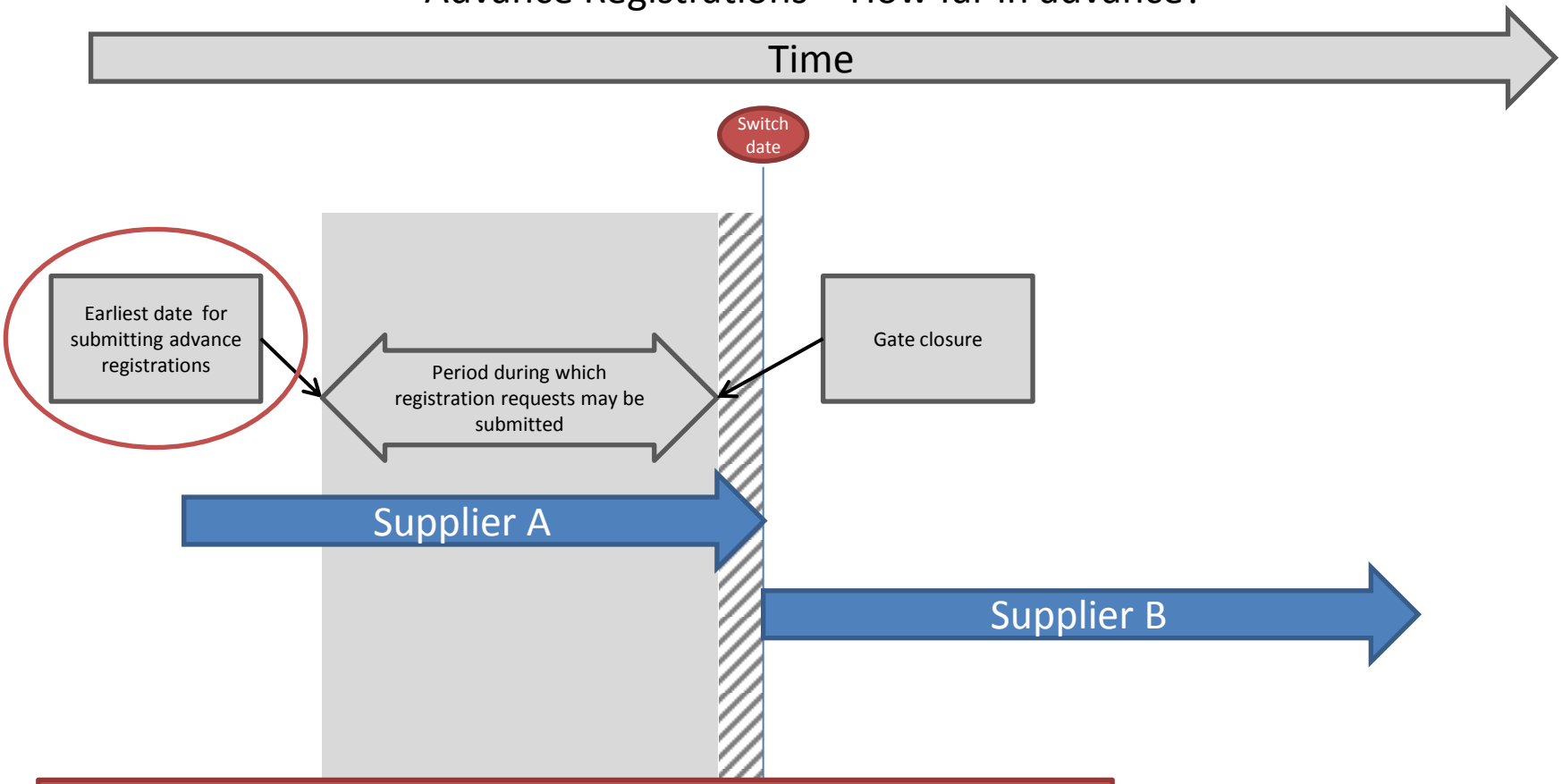
Arguments for blocking:
- Provides certainty for customer that switch will go ahead
- Avoids potential confusion if customer hit 'enter' on several PCWs*
- Provides certainty for the supplier that the switch will proceed so they can set up customer account, payment arrangements, trading positions, etc.

Arguments against blocking:
- None?

Team / UG: strongly in favour of blocking

* If supplier B wasn't really the customer's preferred choice they can liaise and B can withdraw the request: or customer can cancel under cooling off

Switching Calendar
Advance Registrations – How far in advance?

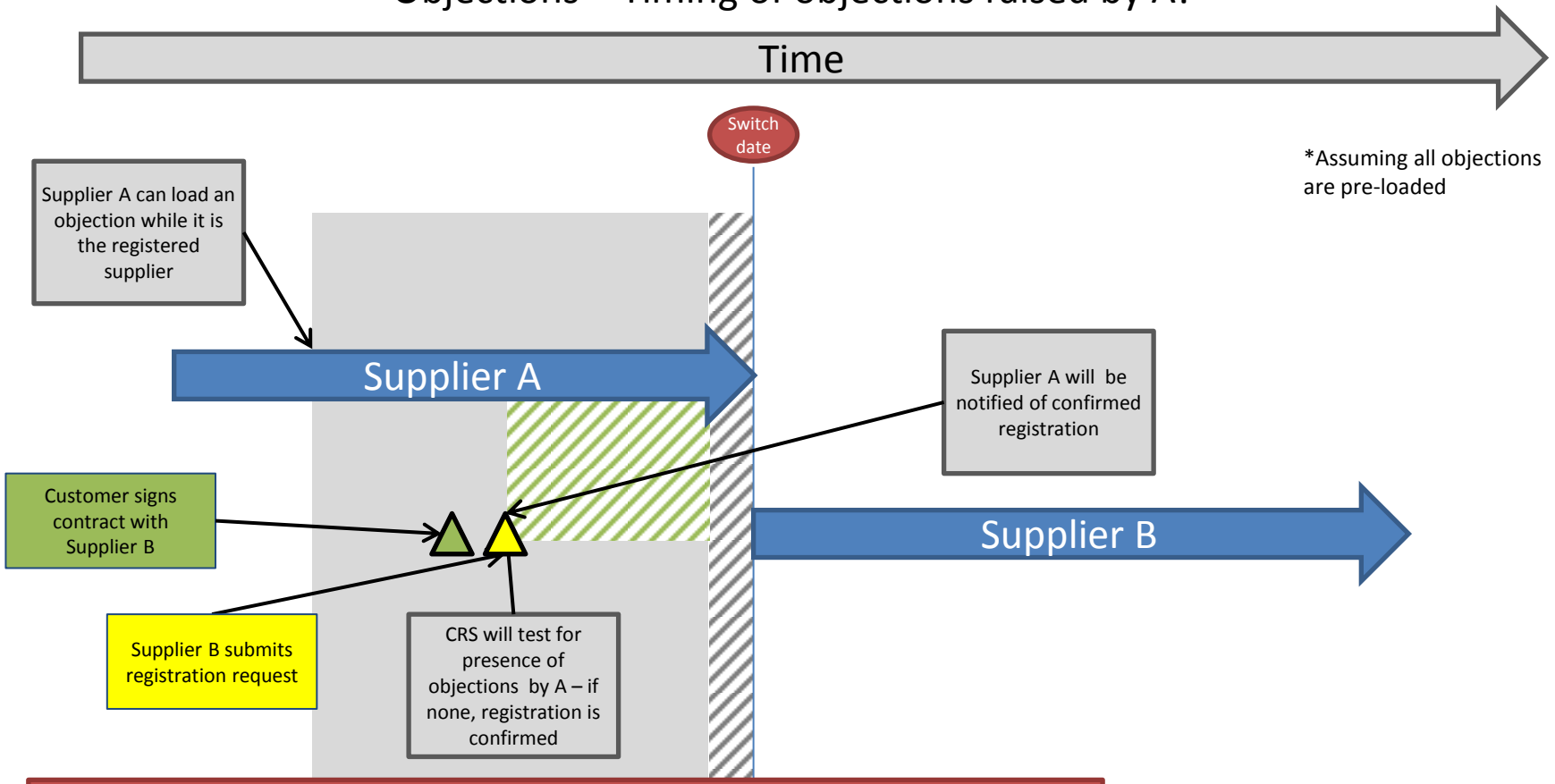


A long period:
- Provides certainty for customer who signs up ahead of moving house or is coming to the end of a fixed-term contract

A short period:
- Minimises the time that other suppliers are 'blocked' from registering that customer
- Means suppliers have to hold back registration requests for some advance sales

Team / UG: set advance period of 28 days (as adjustable parameter)

Switching Calendar
Objections – Timing of objections raised by A?*



Option 1: Reject objections raised by A after request by B has been confirmed:

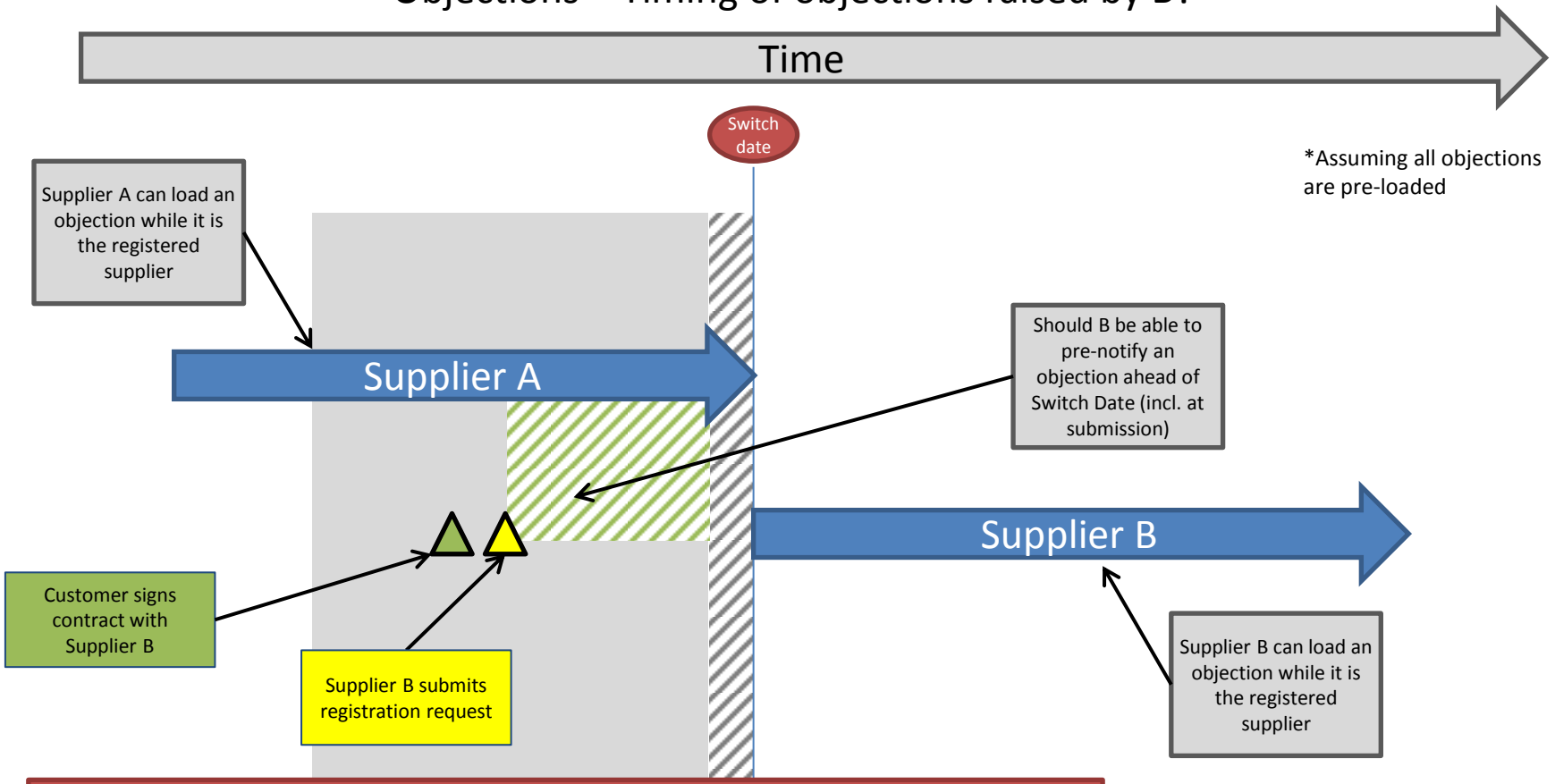
- Provides certainty to customer and Supplier B that switch will proceed
- Supplier A will be notified of impending loss

Option 2: Accept objections from A after confirmation:

- Effectively becomes a reactive objection
- If switch is 'next day', gate closure may have been reached before objection is raised

Team / UG: adopt Option 1

Switching Calendar
Objections – Timing of objections raised by B?*



Option 1: Allow Supplier B to submit an objection (active from SD) in advance:

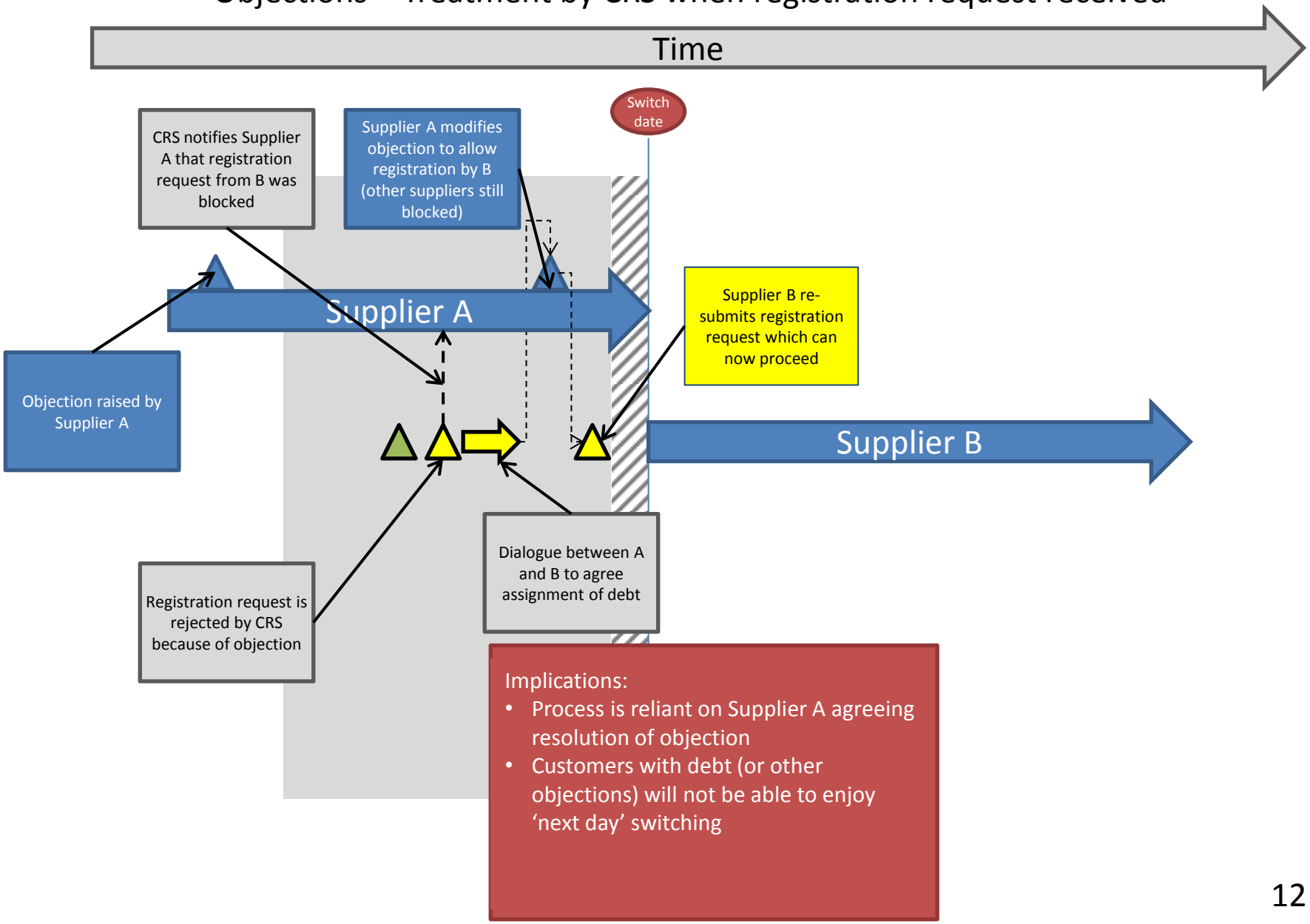
- Suppliers should be aware of debt / fixed term prior to submitting registration request
- Minimises risk of customer switching quickly to C before B has opportunity to load an objection

Option 2: Only accept objections post Switch Date:

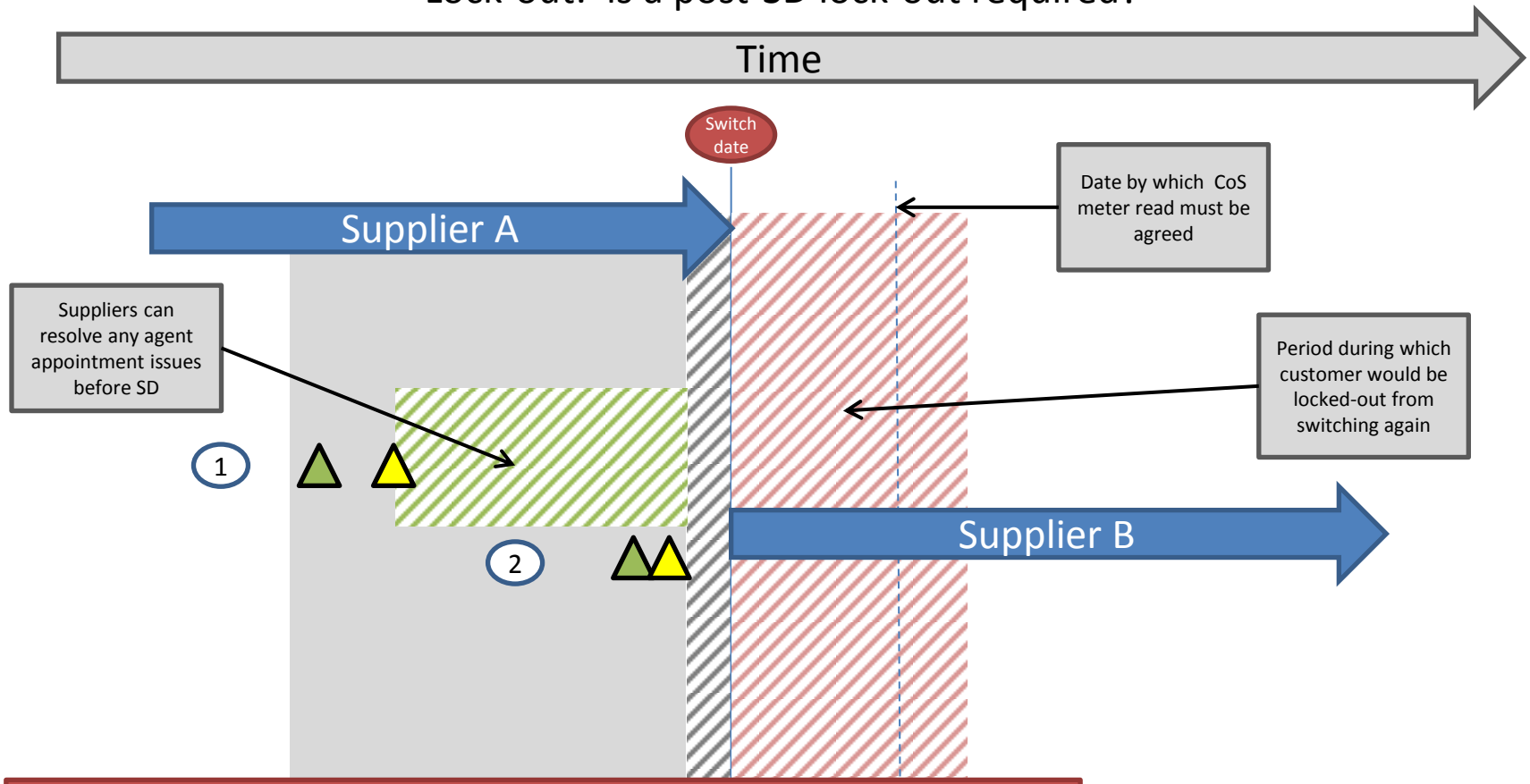
- Simpler process (no reversal in event of registration withdrawal pre SD)

Team / UG: adopt Option 1

Switching Calendar
Objections – Treatment by CRS when registration request received



Switching Calendar
Lock-out: is a post-SD lock-out required?

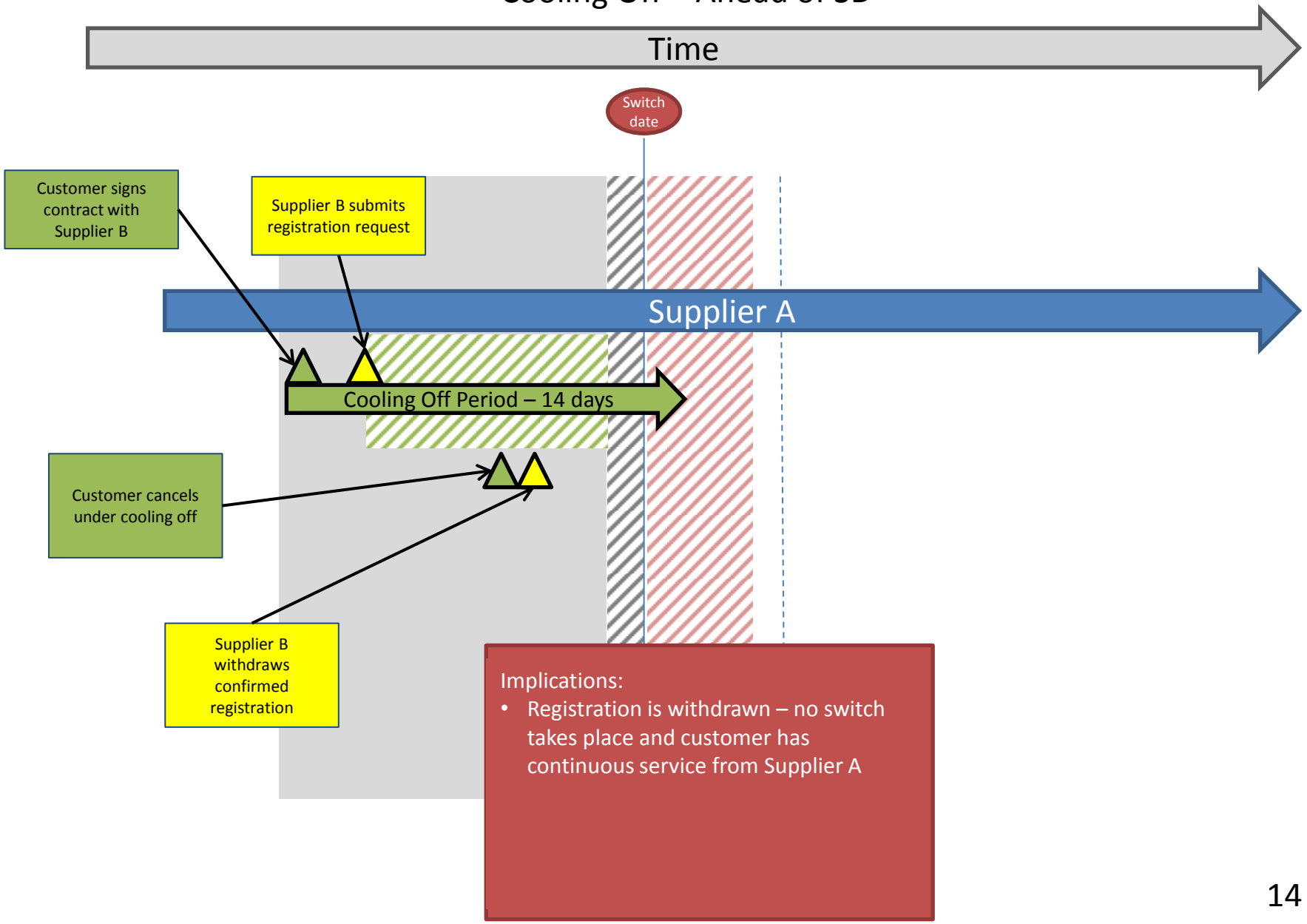


Arguments for having a post-SD lock-out period?

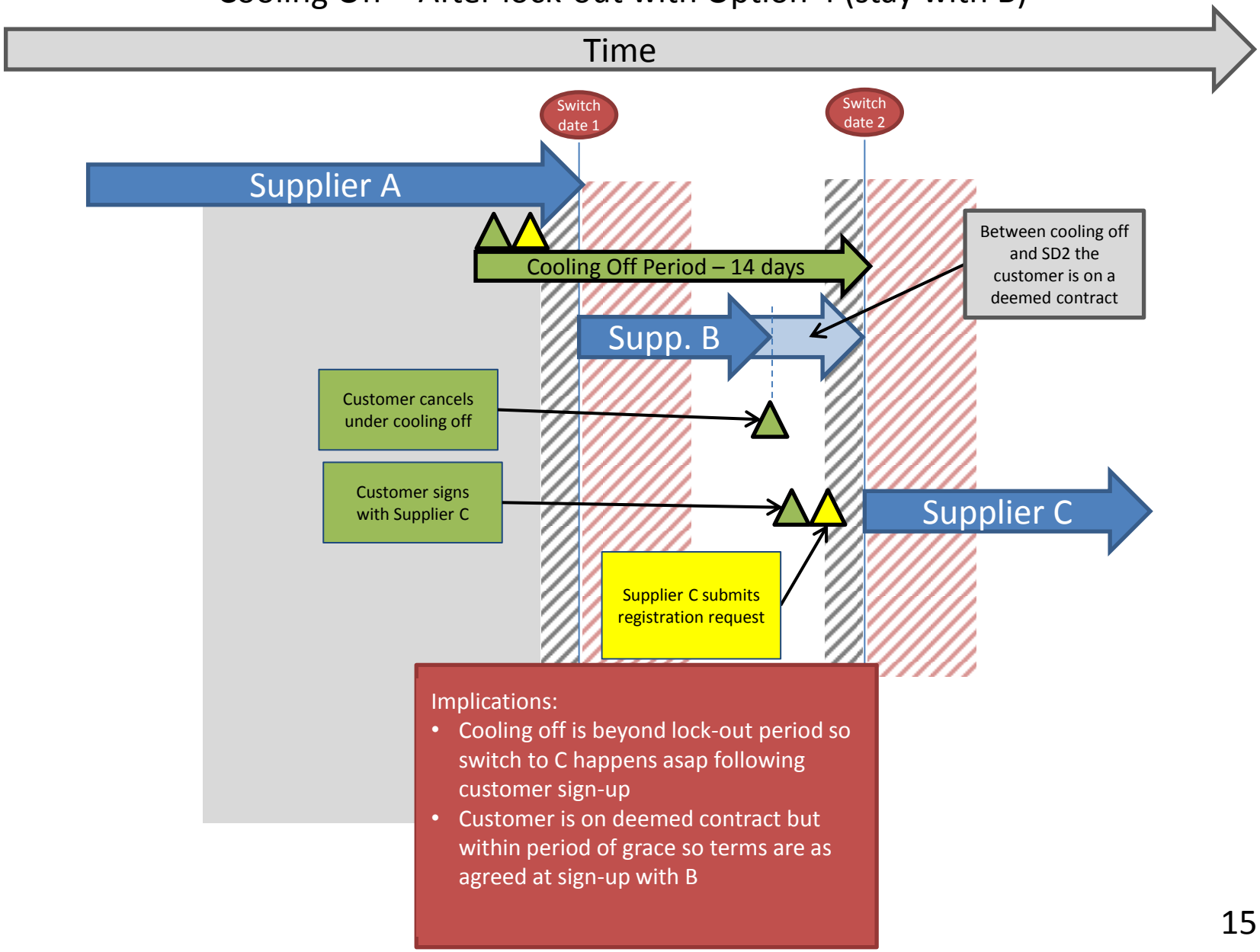
- Suppliers have confidence of a minimum billing period – this should reduce pressure to take deposits or increase use of PPM
- Allows suppliers to agree CoS read thereby ensuring that customer billing is continuous
- Provides time for data exchanges to be completed ahead of switch to Supplier C – further improving reliability of billing

Team / UG: include parameterised lock-out of up to 10 days

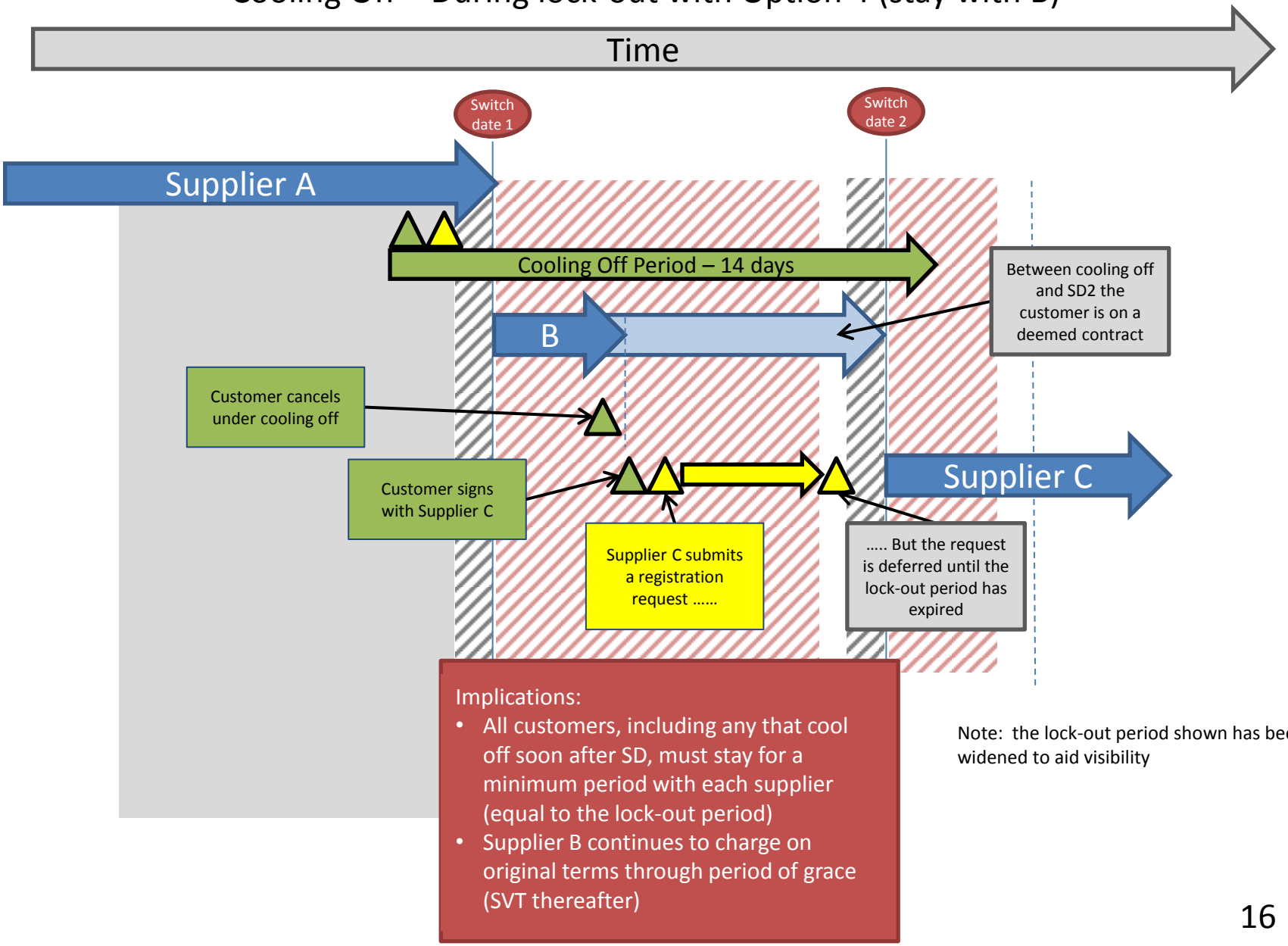
Switching Calendar
Cooling Off – Ahead of SD



Switching Calendar
Cooling Off – After lock-out with Option 4 (stay with B)

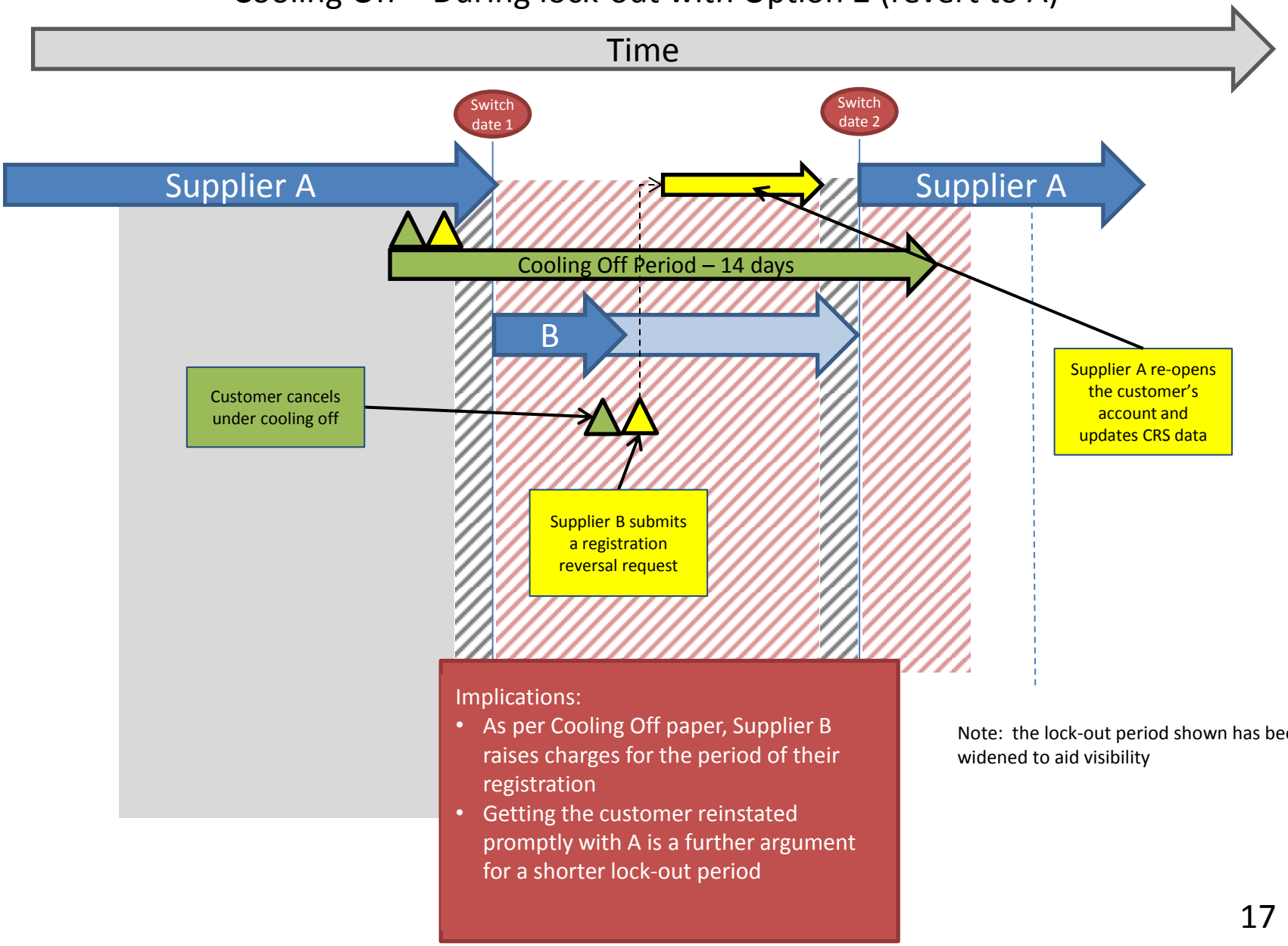


Switching Calendar
Cooling Off – During lock-out with Option 4 (stay with B)



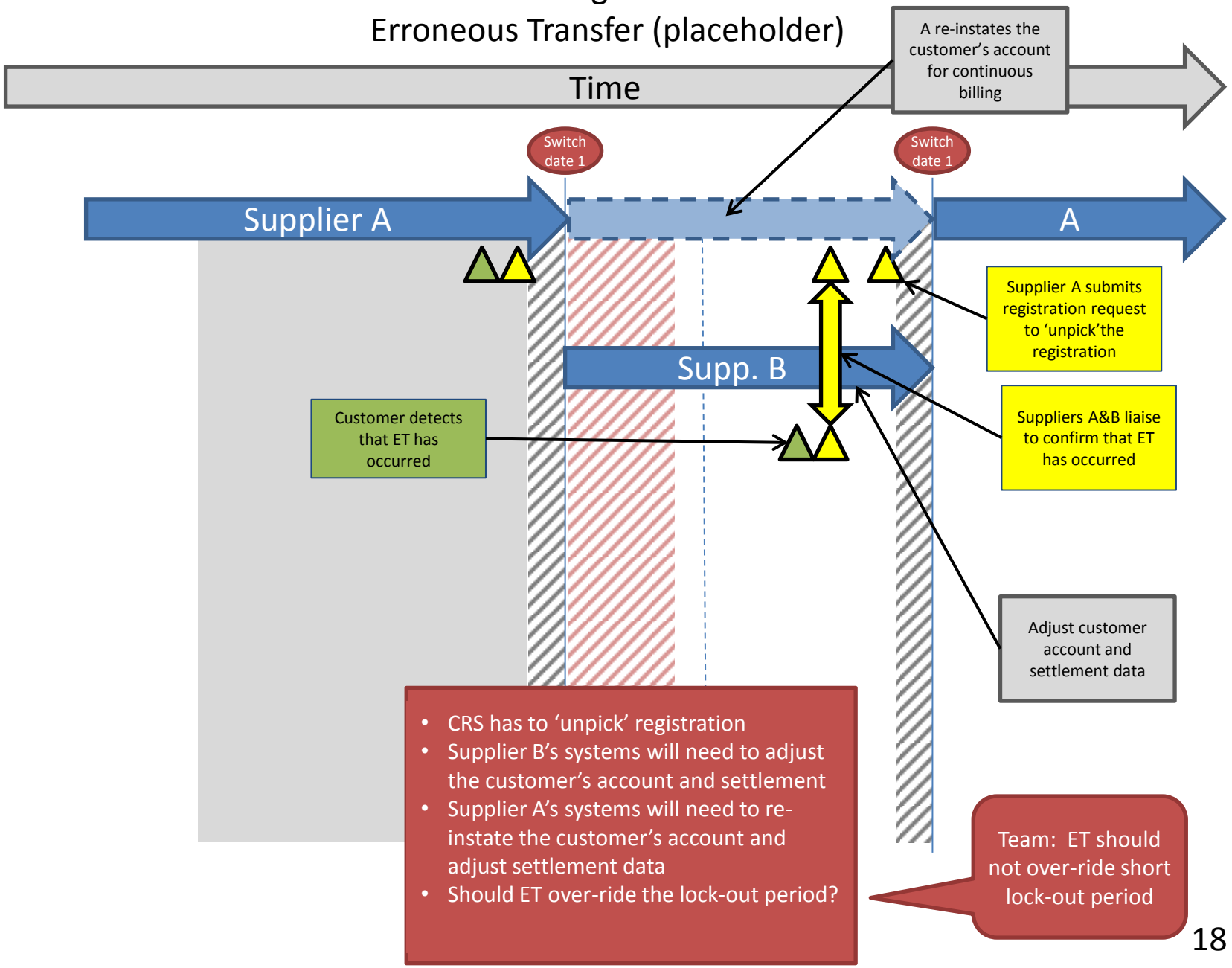
Note: the lock-out period shown has been widened to aid visibility

Switching Calendar
Cooling Off – During lock-out with Option 2 (revert to A)



Note: the lock-out period shown has been widened to aid visibility

Switching Calendar
Erroneous Transfer (placeholder)

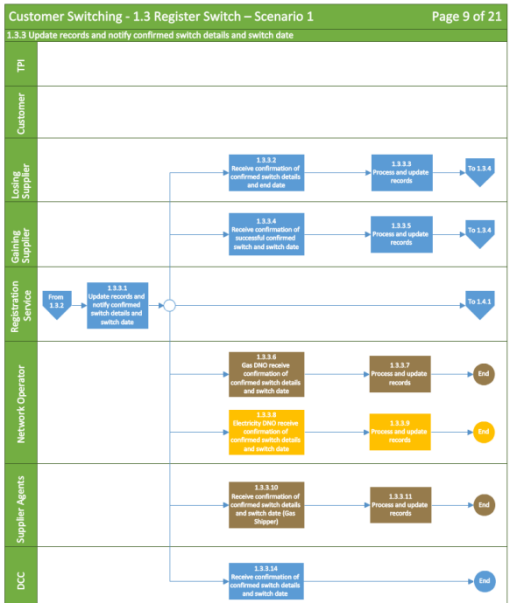


Scope of Information Requirements

Information Requirements

- Programme goal is to support ‘faster and more reliable switching (FMRS)’ – registration is at the heart of this but must consider the entire customer journey
- Aim is to harmonise across gas and electricity – therefore need to understand underlying concepts not just current data definitions

If we were only concerned about registration we’d focus solely on the Registration Agent swimlane



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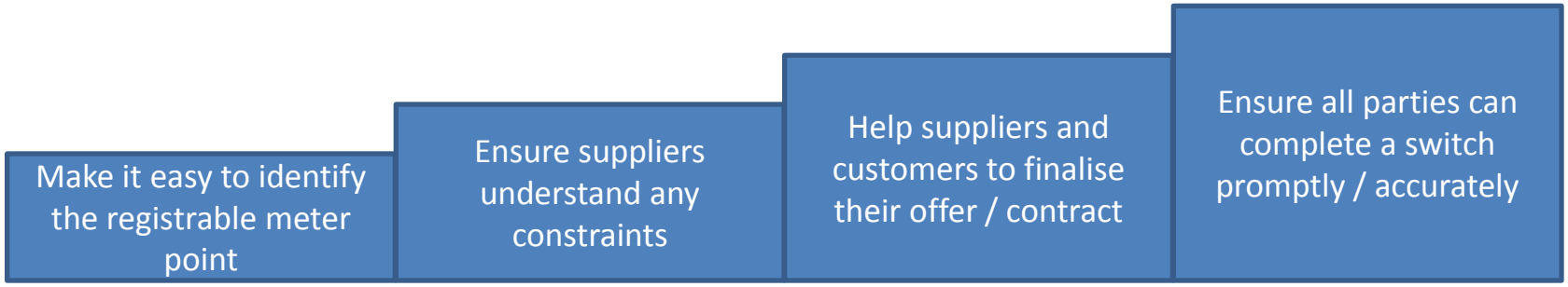
To promote FMRS we need to:



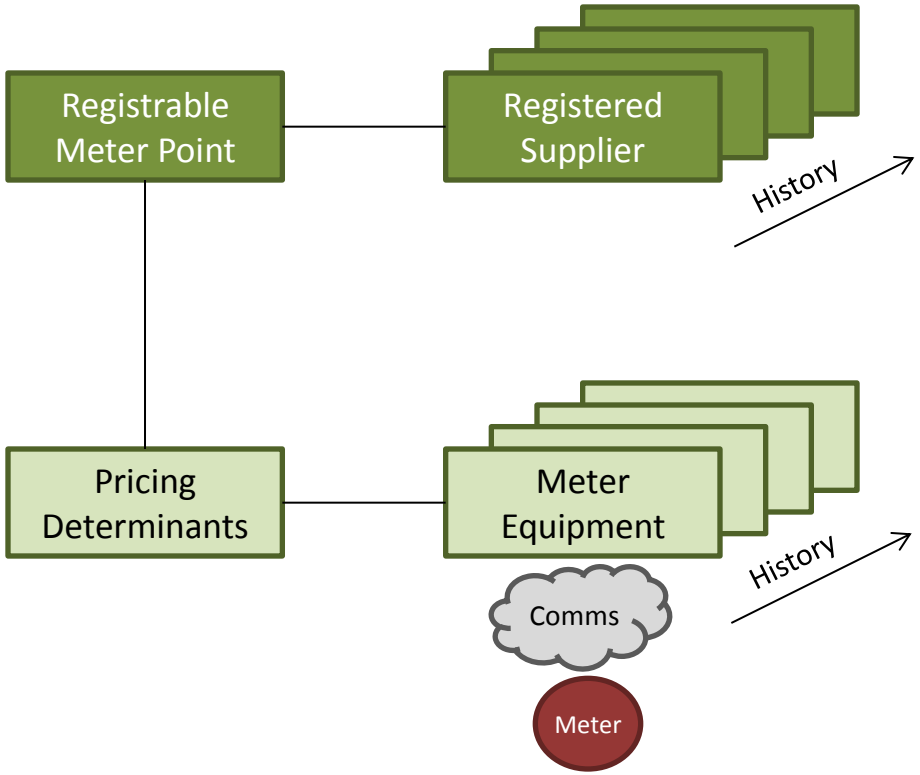
- Address of premises served
- MPAN / MPRN
- GUID / MSN
- Smart meter CIN

- Meter type
- Related meter points
- Capacity constraints
- Meter configuration
- Aux Load Control
- Green deal

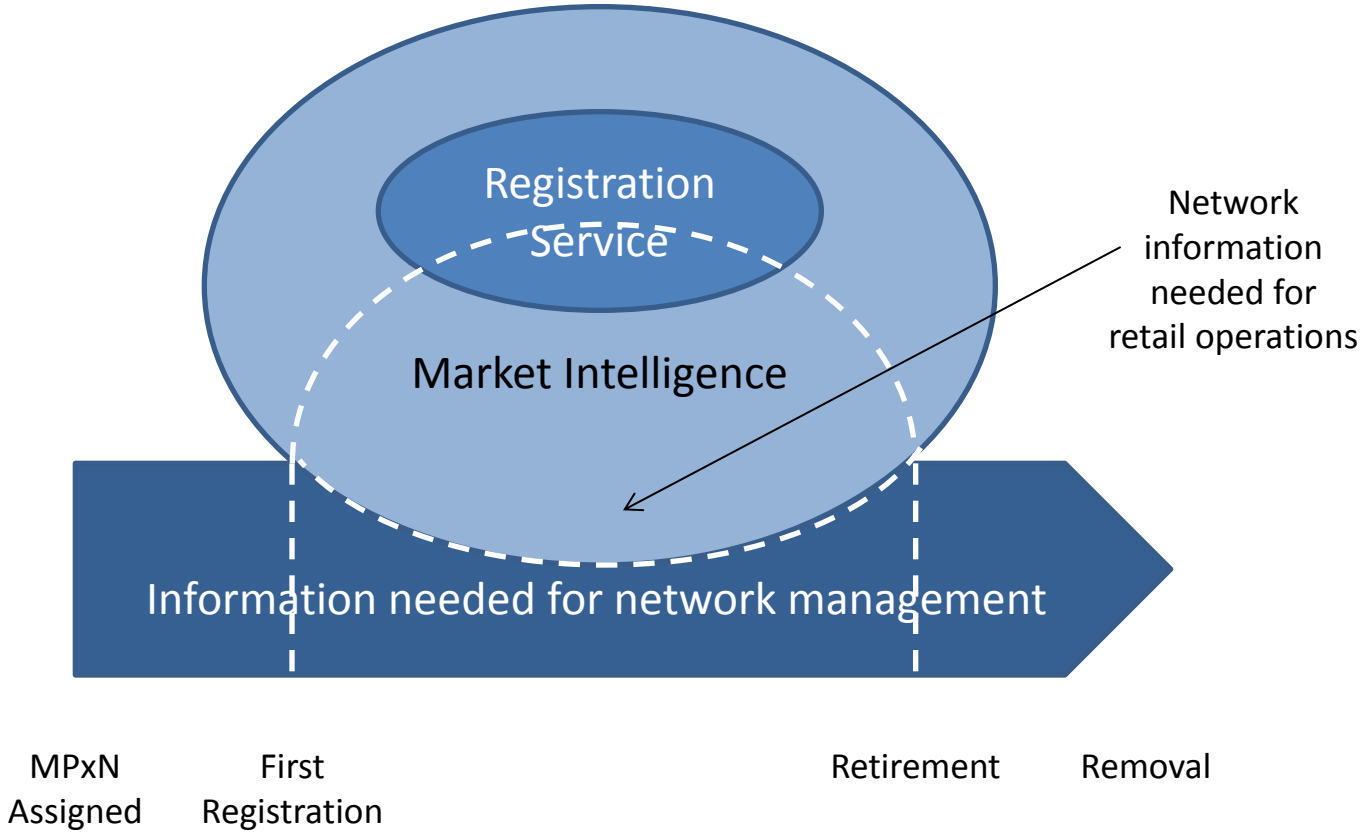
- Consumption history
- Network pricing parameters
- Settlement parameters
- Nomination requirements

- Metering agents
- Settlement agents
- Shipper
- Smart meter comms operator

It may be helpful to differentiate between:



The lifecycle of a registrable meter point



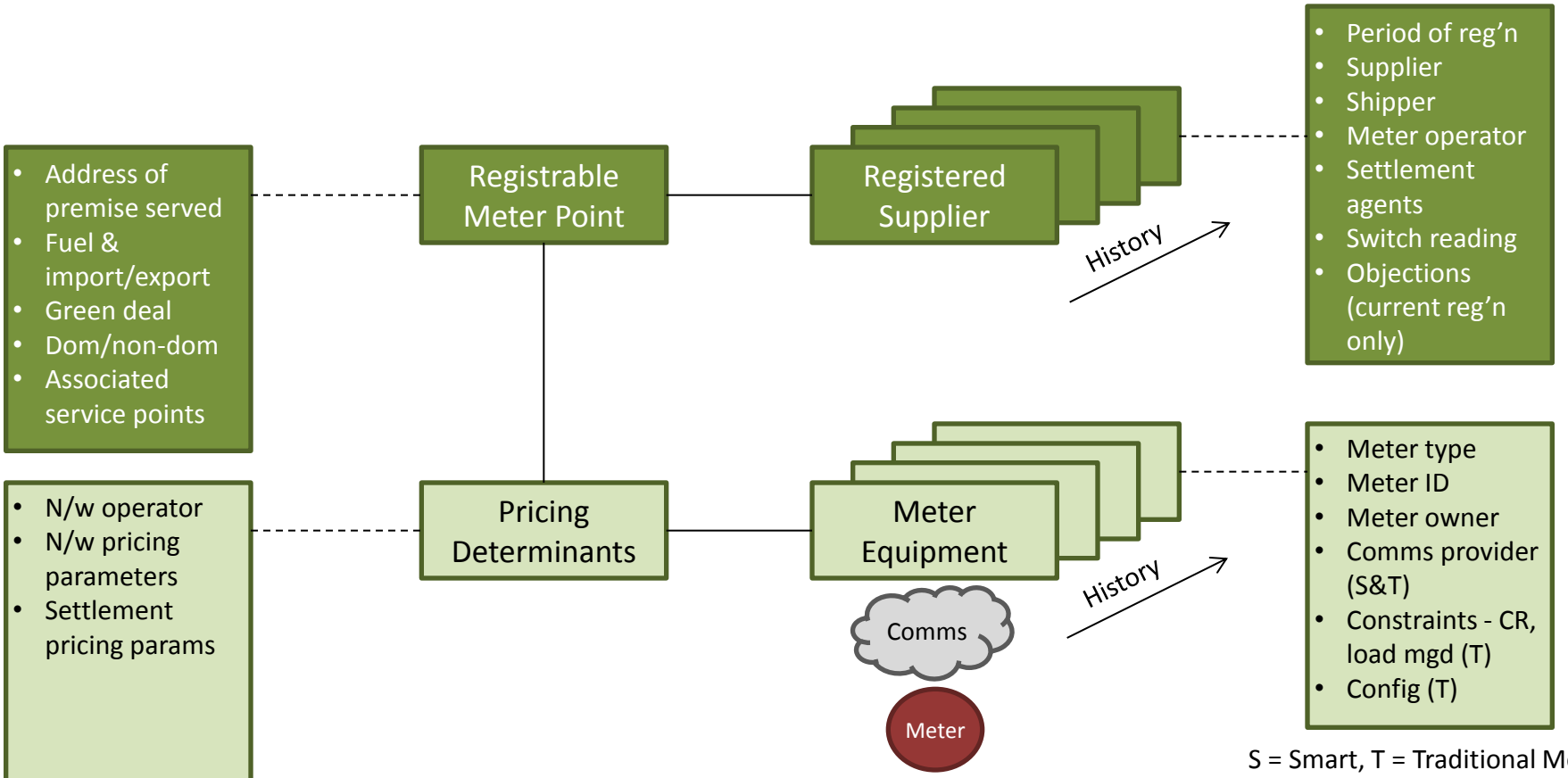
Observations and way forward

1. A new registration system is needed to provide a platform for faster switching and harmonisation of requests, objections, lock-out, cooling off, ETs, etc.

2. Market intelligence services will assist in the delivery of FMRS but:
   - Smart metering will make some requirements obsolescent (e.g. meter configurations)
   - Some data is currently patchy (e.g. links between meter points) or has to be inferred (e.g. presence of load control) so data capture / clean-up will be required
   - Compelling arguments for all aspects of a market intelligence service have yet to be established – including cost/benefit

3. Work planned over the next few months:
   - BPD team is identifying 'information needs' for each step in Level 3 process maps
   - Architects will be devising solution options and Delivery Strategy team is considering phasing
   - Shortlist of options will be presented in RFI for cost and benefit assessment

Appendix: Illustrative data attributes



S = Smart, T = Traditional Meter

AOB

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Future EDAG meetings

- Next EDAG meeting – 24 May (**12:00 to 17:00**)

- Draft agenda
  Policy issues – for review before submission to DA
    - Lock out
    - Mapping of legacy Systems
- Further EDAG meeting scheduled for 16 June (**12:00 to 17:00**)