ofgem

Switching Programme

DRAFT Minutes of the External Design Advisory Group (EDAG) meeting

Meeting 10 –15 September 2016

Introduction

1. Angelita Bradney (AB) introduced the meeting and welcomed EDAG members. A list of attendees is available at the end of this document.

Minutes and Actions

2. Members approved the amended minutes to EDAG meeting 9.

3. AB reviewed the actions from the previous meeting and a summary is provided in the table at the end of these minutes.

Work Package 2–Business Process Design (BPD)

4. Jenny Boothe (JB) stated that the approved policy positions on cooling off, objections, standstill and agent appointments had been integrated into the Casewise models. She invited EDAG to comment on whether the agreed policy positions had been adequately reflected in the Work Package 2 process maps.

5. In response to a comment, JB clarified that erroneous transfers will be included in this work package once the policy position on erroneous transfers has been finalized.

6. Gavin Jones (GJ) queried whether meter technical details will be held in CRS. JB responded that the ambition is to hold meter technical details in the MIS service. These details are easily available for smart meters but need to be transferred from the old supplier to the new supplier for traditional meters.

7. GJ asked whether the process and responsibility for updating meter technical details, if they changed, had been considered. JB stated that this depends on which party is best placed to update the MIS. There needs to be governance arrangements for any data held or being accessed through the MIS. The BPD Design Team will consider the governance arrangements and provide an update by 30th September. Another set of Casewise models will also be shared with industry parties for their input by end of September.

Action: Ofgem

CRS Management of Supplier of Last Resort Event–BPD

8. JB gave a brief overview of the paper. She said that the issue addressed by this paper is what processes and functionality suppliers and the new CRS should undertake to manage a supplier of last resort (SoLR) event. She invited EDAG to comment on the paper's recommendations.

9. Martin Hewitt (MHe) asked whether there will be a single point of legal and financial obligations under the new arrangements if meter points move. JB replied there needs to be clarity in CRS on

which supplier is responsible at any one timeIf there are fewer meter points, it is quicker to send registration requests and exchange liabilities. Currently, there is no clear definition of what a large or small supplier is. Given that there are a number of intermediate sized suppliers Ofgem will agree with Treasury and BEIS whether the SoLR or Special Administration Regime approach is appropriate on a case by case basis.

10. EDAG members discussed that there were practical issues around SoLR related to smart meters. Andrew Wallace (AW) noted that this was an issue that needed to be addressed now rather than waiting for the Switching Programme to deliver a change. The SMIP has set up a workgroup which would examine this issue. GJ said that the Switching Programme needs to clarify the assumptions that need to be made in the CRS for the purpose of the RFI and the timelines with the SMIP workgroup on when the recommendations coming out of that should be fed back into the Switching Programme work.

11. In response to a comment, JB stated that the Smart Metering Implementation Programme (SMIP) team is looking into CoS issues. They are trying to understand the processes around ECOES and should have an answer by December. GJ commented that it is important to ensure that the SMIP timelines do not adversely impact the Switching Programme.

12. Alex Travell (AT) said that a supplier should have the flexibility to either utilize the failed supplier's MPID or send a registration request if that is appropriate. One attendee flagged an issue with the supplier utilizing the failed supplier's MPID. He stated that this option would mean that the supplier would adopt all the agents currently appointed to that portfolio, including those agents with whom they do not have any contracts or any relationship.

13. An attendee asked whether it will be beneficial to distinguish between credit and prepayment customers. Another attendee said that because of the move towards half hourly settlement, all domestic customers will be on a single measuring class regardless of payment type, so it will not be possible to distinguish between customer types from existing registration data. JB responded that the failed supplier could provide a portfolio report which would indicate the type of customer they had. Another attendee pointed out that this may be difficult if the failed supplier was unable or unwilling to provide this information.

14. EDAG supported the recommendation that the CRS must include the functionality to readily produce a supplier portfolio report. The attendees also agreed that there should be engagement with the Smart Metering team on this. Members also agreed that, for the purpose of the RFI, the system should have the flexibility to enable the SoLR to send through full registration requests to adopt the failed supplier's meter points or be able to utilise the failed supplier's MPID. The SOLR will pick up liability from the SoLR Direction date and the MPID/switching issue is about how the SOLR normalises their supply arrangements at the supply point.

Need for Customer Differentiation in CRS–BPD

15. Harshini Samarakoon (HS) gave a brief overview of the paper. She said that the issue addressed is whether the switching system needs to contain functionality and/or indicators that allow it to distinguish domestic from non-domestic customers. There are a number of policy areas where there have been discussions on whether there is a need for differential functionality based on customer type. However, only objections have been identified as an area where a different approach might be taken for domestic and non-domestic customers. The paper's recommendation is that the CRS would not contain any indicators or functional services relating

to customer type. That is, there would be nothing in the MIS or CRS to distinguish domestic from non-domestic customers.

16. There was some general discussion from EDAG members around the difficulty of applying a consistent definition of domestic and non-domestic customer or premises. Joanna Ferguson (JF) pointed out that some domestic premises could be included within commercial contracts.

17. AT pointed out the value of holding customer type information centrally as a way for suppliers to help ensure they are correctly complying with various pieces of legislation including their licences. Another member also pointed out that it is vital for DNOs and GTs that this information is held centrally.

18. AT stated that the contracting process is the right mechanism for identifying if a customer is domestic or non-domestic. There was a strong call for indicator in the CRS to line up with the licence definitions.

19. One attendee asked whether this distinction will be binary. Mike Harding (MH) stated that it will be binary from the trading perspective. JF pointed that it can only be binary as it is either domestic or non-domestic. Another attendee noted that where there is the potential for a customer to be identified as domestic or non-domestic due to difficulties with correctly applying the definition, the supplier will need to take a view.

20. One attendee said that this may be costly to implement and maintain, but not having this differentiation may be more costly. In response to a comment, AB stated that there is a trade-off between cost and design simplicity. Avoiding domestic/non-domestic customer differentiation in CRS will prevent adding unnecessary and complex functionality to the system.

21. EDAG agreed with JB that the supplier should determine whether a customer is domestic or non-domestic when a supplier requests that a meter point is energised, at every switch request and update if necessary during the life of a switch. There was also agreement that there will be time limits around the updating of this information. Members held that the CRS should be able to differentiate between domestic and non-domestic customers and that suppliers should determine whether a customer is domestic or non-domestic as they are the ones that have a contractual relationship with the customer.

Operational Requirements and Incident Helpdesk–BPD

22. Gavin Critchley (GC) gave an overview of the Operational Requirements paper. Operational requirements describe the requirements for the availability of switch related systems and help desks applicable to the various architecture options. He stated that there need to be operational changes to current processes around cooling off and objections to allow next-day switching to be achieved. Customers increasingly expect continual online service, so the proposal is to move to 24/7/365 service to enable real time processing of switch requests.

23. GC added that most market participants currently have helpdesks that deal with multiple enquiries which suggests that a central helpdesk should be implemented when a CRS is delivered.

24. In response to a comment, GC clarified that a central helpdesk should be an independent body that provides information to help facilitate the switch.

25. GJ stated that two different helpdesks, a customer facing one and an industry facing one might potentially be needed. He was concerned whether customers would be aware of the scope of the helpdesk and which type of queries it deals with.

26. Anthony Lewis (AL) stated that having a central helpdesk could potentially change DCC's role if the consumers are interfacing with it. He also added that there are elements of automation that need to be considered.

27. One attendee asked why customers could not be given access to MIS. AW responded that the challenge is how will consumers get authorization, the range of questions they could ask, who would be able to answer them and ensure they only accessed data relevant to them.

28. MH said that consumers prefer a single point of contact and may not be aware that there are different telephone numbers for different queries. Alex Belsham-Harris (ABH) agreed that having multiple points of contacts could be confusing.

29. AB said that this policy issue will be part of the RFI and a decision is not required at this stage. EDAG members supported the idea that suppliers should be able to communicate with each other and their agents.

Testing Strategy–Delivery Strategy

30. James Crump (JC) gave a brief overview of the Testing Strategy paper. He said that the system testing will be done close to the delivery of the programme. This Testing Strategy will be followed by a more detailed programme level Testing Management Plan which will be produced during the Detailed Level Specification (DLS) phase of the Switching Programme. There are dependencies on solution architecture, governance and assurance and data cleanse and migration.

31. GJ asked for clarification on the System Integrator function. JC explained that this involved a person or persons coordinating and overseeing different market participants when a system is brought into the market.

32. MH asked whether timelines for the Testing Strategy align with the overall delivery strategy. He noted the need for end-to-end testing including market participants, not just of newly created systems. JC said that a more detailed testing plan with detailed approach and timelines will be developed in the DLS phase.

33. MH also asked whether market trial testing would be conducted in a controlled test environment or with real live data. PS stated that there could be a controlled go-live or a pilot. He also highlighted that the cost of running two systems in parallel could be high.

34. GJ said that the Switching Programme is complex. Integrating and then testing multiple interlocking systems would take time. He also added that if live data will be maintained in MIS and if there would be multiple parties updating it, there is a need to consider the implications for system security, penetration testing and getting specialist advice on handling commercially sensitive data in MIS during the test phase.

35. GJ stated that governance arrangements for testing and the parties that will be managing it need to be considered as well. JC responded that governance and assurance responsibilities for the Design, Build and Test phase would be explored in a separate Governance and Assurance strategy as part of the Delivery Strategy workstream.

36. GJ said that it is important to consider who will be doing the testing to ensure that there are no conflicting objectives. The group discussed the possible role of a system integrator to ensure quality and independence of testing. David Liversidge (DL) said that this role will be covered by the forthcoming System Integration Strategy.

37. Another attendee commented that it is important to ensure that the testing period is not shortened if the programme is tight on the timelines and agreed with the contention within the strategy that testing should not be 'squeezed'.

Post Implementation Strategy–Delivery Strategy

38. On Post Implementation Strategy, JC stated that a detailed Post-Implementation Plan will be developed in the DLS phase. The right Post-Implementation Strategy would depend on how the transition between systems was undertaken. He invited EDAG to comment on the three options proposed by the paper for Post-Implementation period:

    - Do nothing (no additional service stability phase)
    - Monitoring and information sharing
    - Proactive management and intervention

39. MHe stated that it is important that the Post-Implementation Strategy document keeps developing and evolving until the system design materialises. He also added that performance reporting should be in place as part of post go-live management, so that suppliers report any issues at earliest.

40. EDAG expressed a preference that options for the Post-Implementation period should not be closed down until the end solution was more developed.

41. Adam Iles (AI) said that the implementation needs to be done in a synchronized and coordinated manner. There is a need to plan for post-implementation so that it runs smoothly. He also added that disaster recovery and system recovery and restoration also need to be considered. DL stated that testing for system resilience and restoration will be undertaken as part of a detailed Testing Plan.

AOB

42. Next EDAG meeting is on 13th October. Policy papers on transition strategy, data conversion and migration approach, data cleanse strategy, solution architecture options for RFI and interactions with smart metering will be shared for review.

End

Jeremy Guard – First Utility
Nick Salter – Xoserve
Adam Iles – British Gas

Andy Knowles– Utilita
Alex Belsham-Harris – Citizen's Advice
Eamon Hannaway – CNG
Joanna Ferguson – NGN
Dan Alchin – Energy UK
Colin Blair – Scottish power
Alex Travell– E.ON
Andy Baugh – Npower
Paul Saker – EDF
Mike Harding – BUUK
David Crossman – Haven Power
Anthony Lewis – DCC
Gavin Jones – Tech UK
Martin Hewitt – UK Power Networks
Angelita Bradney – Ofgem (Chair)
Andrew Wallace – Ofgem
Fatima Zaidi – Ofgem
Andrew Amato – Ofgem
Jenny Boothe – Ofgem
Harshini Samarakoon – Ofgem
James Crump– Ofgem

EDAG Action Log

No.	EDAG meeting	Action	Responsible party	Update	Status
33.	EDAG 7, 18 July 2016	Ofgem to consider developing a paper on the role of PCWs and TPIs in the new switching arrangements	Ofgem	Ofgem to hold discussions with TPIs in 3rd week of October and will participate in TPI forum. The BPD workstream is trying to understand the relationship between TPIs and suppliers and the role of TPIs in the new switching arrangements	Open
34	EDAG 10, 15 September	The BPD Design Team to consider the governance arrangements for MIS	Ofgem	This issue is linked to the overall governance arrangements and how parties can access the MIS. This issue will take account of the work currently undertaken by the MEC sponsored Third Party Access Group (TPAG) considering access to data by TPIs	Open