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Switching seminar

7 November 2016

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Aims of the seminar

1. Brief you on where we have got to on our reform options developed in the Blueprint Phase across the four workstreams of the Switching Programme

2. Get your views on how we have used these reform options to develop reform packages

3. Set out our high level approach to the RFI

4. Workshop the key stakeholder impacts to shape our development of the RFI questions

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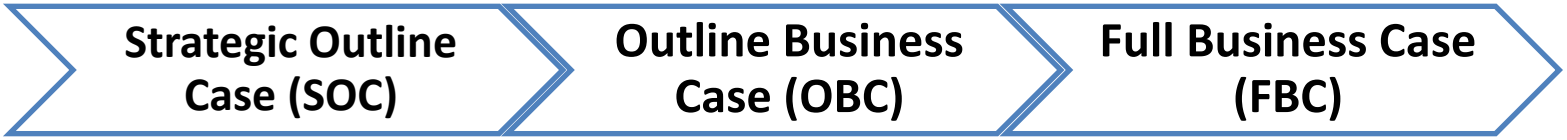
Agenda

Welcome and introduction	10:30 to 10:45
Overview of the Programme business case (framework and plan)	10:45 to 11:00
Overview of reform packages	11:00 to 11:15
Break	11.15 to 11.30
Workstream reviews and reform package content	
Business process design	11:30 to 12:05
Delivery strategy	12:05 to 12:20
Lunch	12.20 to 13.00
Regulatory design	13:00 to 13:15
Commercial	13:15 to 13:30
Wrap-up of workstream/reform package questions	13.30 to 13.45
Break	13.45 to 14.00
RFI approach and process	14.00 to 14.15
RFI workshop	14.15 to 15.30
Closing remarks	15.30 to 15.35

SWITCHING PROGRAMME BUSINESS CASE

Introducing the Business Case

Developing the Business Case is an iterative process. The level of detail will be built up through the three key stages:



The SOC, which will be published in Jan 2017 alongside an RFI, will focus largely on building the case for change, and exploring the way forward. It will describe the options analysis and three reform packages (Design Baseline 1) without preference

The RFI will support an economic cost-benefit analysis and a preferred reform package will be described at the OBC stage, alongside an intended procurement and delivery strategy and an assessment of affordability (Consultation: August 2017 and Decision: December 2017).

The FBC will set out the commercial and contractual arrangements, and put in place detailed management arrangements for successful delivery of the programme (Consultation: June 2018 and Decision: December 2018)

Spending Objectives

What we want to achieve from the Programme

1. To improve customer experiences and perceptions of changing supplier, leading to increased engagement in the market, by delivering a switching service that:

    a) Is more reliable, thereby reducing the instances of consumers being let down by delayed, unsuccessful or unwanted switches.

    b) Offers consumers control over when they switch, including providing the capability of doing so as fast as possible, and by no later than the end of the following day after a customer has entered into a contact.

    c) Minimises any differences in consumer experiences of the switching process, to the extent that is possible, taking into account any physical constraints imposed by metering and issues relating to consumer indebtedness.

2. To deliver a simple and robust system architecture design that harmonises business processes across the gas and electricity markets where possible, and is capable of efficiently adapting to future requirements.

3. To encourage more effective competition by minimising barriers to entry for new entrants to the market, including the extent to which a successful switch may rely on the actions of an incumbent, and by having appropriate safeguards in place where this is not possible.

The SOC

- The SOC will communicate why each policy option considered was either ruled out or taken forward by assessing it against these spending objectives along with other attributes that we consider to be critical to the success of the programme (e.g. achievability, supply-side capability, affordability, and potential value for money).

- This approach is approach will be consistent with HM Treasury's guidance.

- The SOC will then summarise the full list of policy options carried forward and explain how they have been mapped across to the three reform packages.

- The SOC will also include an annex setting out the details of the reform packages in full, forming Design Baseline 1. It is these reform packages (in addition to the status quo) that we will be asking for information on through the RFI.

REFORM PACKAGES

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Introduction to the reform packages and DB1

- We welcome industry's strong support in developing and shaping options for new system architectures, business processes, delivery strategy, commercial arrangements and the regulatory framework
- The key policy options and recommendations in each of these areas will be presented in the workstream review sections to follow
- We are now putting the preferred options across these areas together into three reform packages. We refer to this as Design Baseline 1 (DB1)
- We want to test DB1 through a Request For Information (in January) alongside a do nothing option
- DB1 will provide the supporting information needed by respondents to give us cost, benefits and impact data
    - This includes the spreadsheet circulated, business process diagrams documented in Casewise, consumer journey diagrams and data models
- We will continue to develop and test the draft reform packages and RFI with you prior to publication

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Draft reform packages

DO NOTHING

No system or process changes

No improvement to reliable switching

21 day switch

MINIMAL REFORM

Use existing systems

One off data cleanse to improve reliability

Key process changes to deliver 3 to 7 day switch

MAJOR REFORM

New central switching service (core data)

Enduring reliability improvement to MPxN/address data

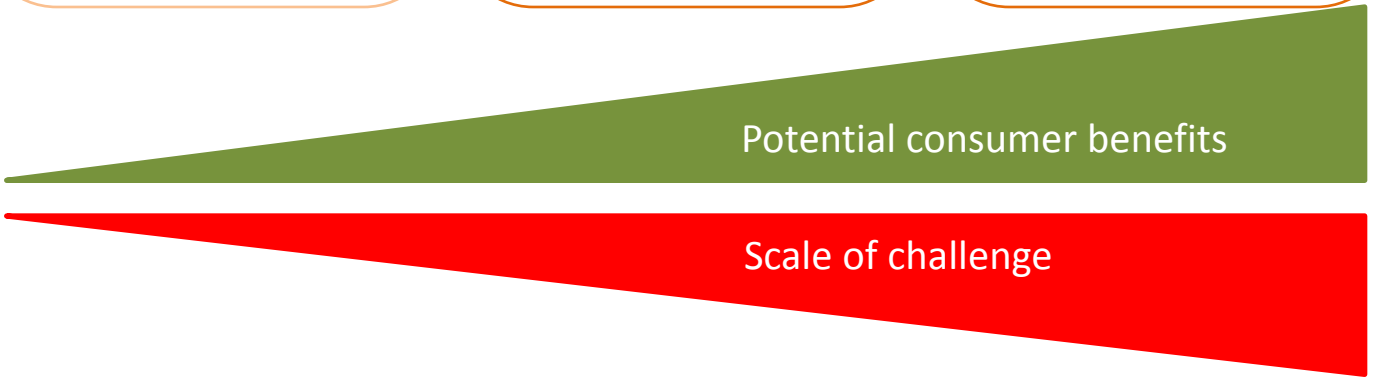
Harmonised and simplified next day switching process

FULL REFORM

New central switching and market intelligence services

Enduring reliability improvements, and improved access to broader range of switching data

Harmonised and simplified next day switching process



WORKSTREAM REVIEWS

BUSINESS PROCESS DESIGN

Summary

- In this section, we will talk through:
  - The scope of the workstream and key policy issues considered
  - The proposed solution architectures employed in the reform packages
  - How the operational requirements, business processes and policy issues fit into each reform package
  - Further variations on policy positions which will be tested in the RFI
  - The key issues identified to date from our stakeholder engagement

- The annex at the end of this section describes some of the key policy issues in more detail for your reference (we do not intend to talk through these at the seminar)

- We welcome questions as we go along
  - We are particularly interested in whether you agree with the allocation of reform options to packages, and whether our descriptions are clear
  - We do not intend to discuss the decisions DA has made on individual reform options in this session

Deliverables

1. Switching Business Processes

2. Policy Issue Papers

3. Solution and Data Architecture Options

https://bpdt.host.casewise.com/evolve/statics/swdqppqw/index.html

Business process design
Policy issues (1/2)

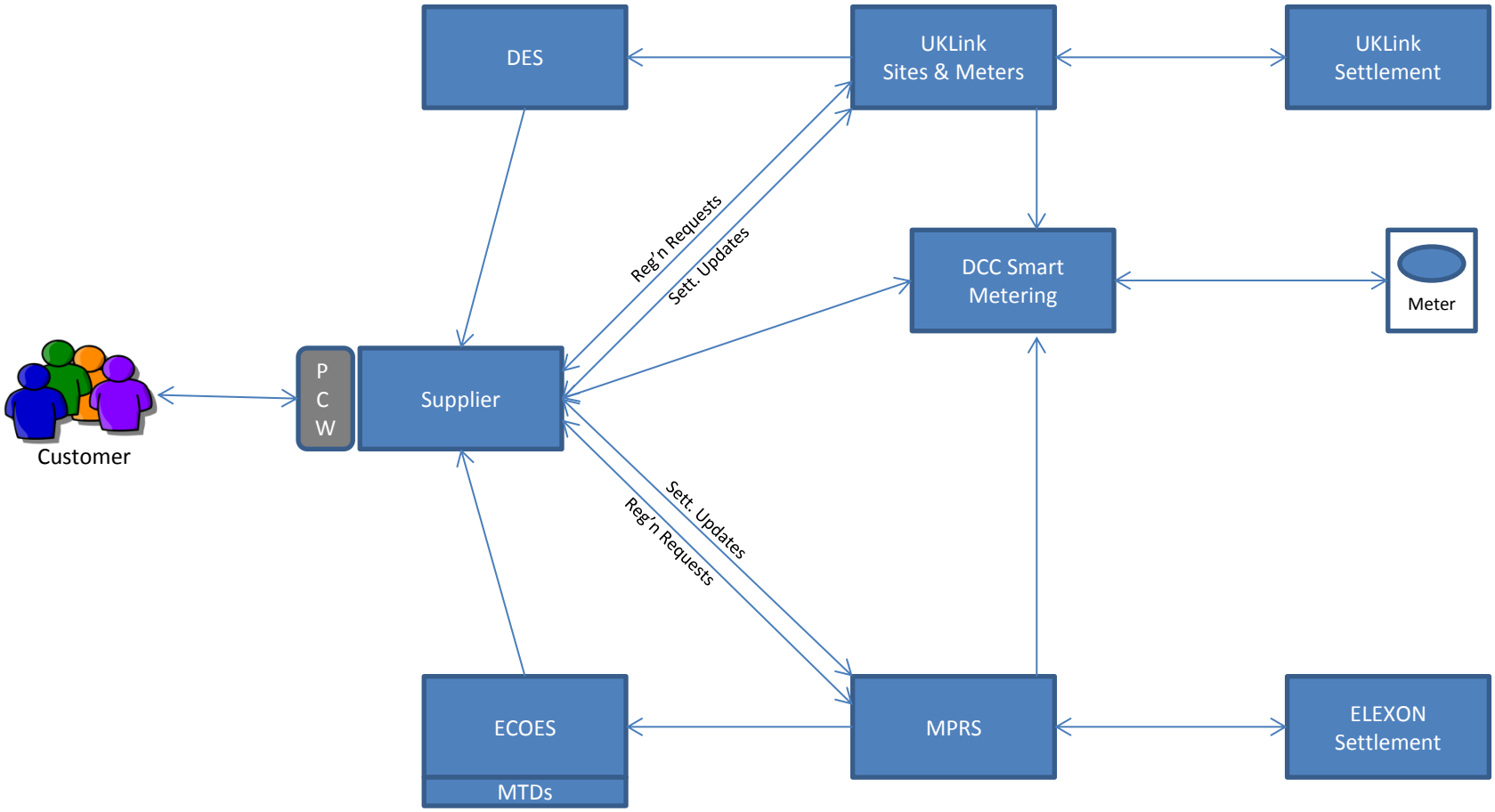
ISSUE	DESCRIPTION	PROPOSALS
Standstill Periods	Should customers be required to take an energy supply with a supplier for a predefined minimum period – before being permitted to switch again?	Adopt a configurable standstill period in the CSS, covering all meter points, should be included in the design. The design should allow for different standstill periods for smart or traditional meters. A working assumption of 5 calendar days is appropriate for the purpose of the RFI with the goal of reducing this to zero days.
Objections	What is the operational approach that should be employed in processing objections? Specifically whether objections should be processed instantly or raised reactively in a compressed objections window.	The following three options will be included in the RFI: •Instant objections id preferred as it allows confirmation at the Point of Sale. Due to lack of cost information DA agreed that we should test the following: •"Compressed window" objections, where a supplier has 5 hours to respond to a loss notification from the CSS. • Will test I day objection process for minimal reform and different object approaches for domestic and non-domestic consumers. • A change of occupancy flag should override an objection relating to a previous tenant. Regulatory measures have the potential to ensure correct use of this flag.
Cooling-off	Domestic customers have statutory 'cooling off' rights to cancel a services contract within 14 days. How can this statutory right be delivered where energy is continuously consumed and the consumer should not face any undue detriment by exercising their right to change their mind?	The Design Authority concluded that •Customer has choice on whether to switch to Supplier A (their previous supplier) or a Supplier C (a new supplier) if they cancel within the cooling off period, •Customer can be billed by Supplier B for the time they are with them, •Supplier A should offer to take the customer back on "equivalent terms" to the contract that they wold have been on had they not left. •Supplier B will provide a grace period (30 days) to the customer after they have cancelled where the same tariff would be. Further assessment is needed on the extent to which explicit rules are needed to give effect to the proposals.
ETs	How can the new arrangements be designed to (i) prevent ETs from occurring, and (ii) effectively rectify them?	Agreed that an industry working group should be convened to explore whether a best practice framework for preventing ETs could be developed. The DA agreed also with the specific recommendations in relation to rectifying erroneous transfers, including that the existing processes for reversing erroneous transfers, as set out in industry codes, should be referred to the MRA and SPAA executive committees for review to ensure they are fit for purpose.

Business process design

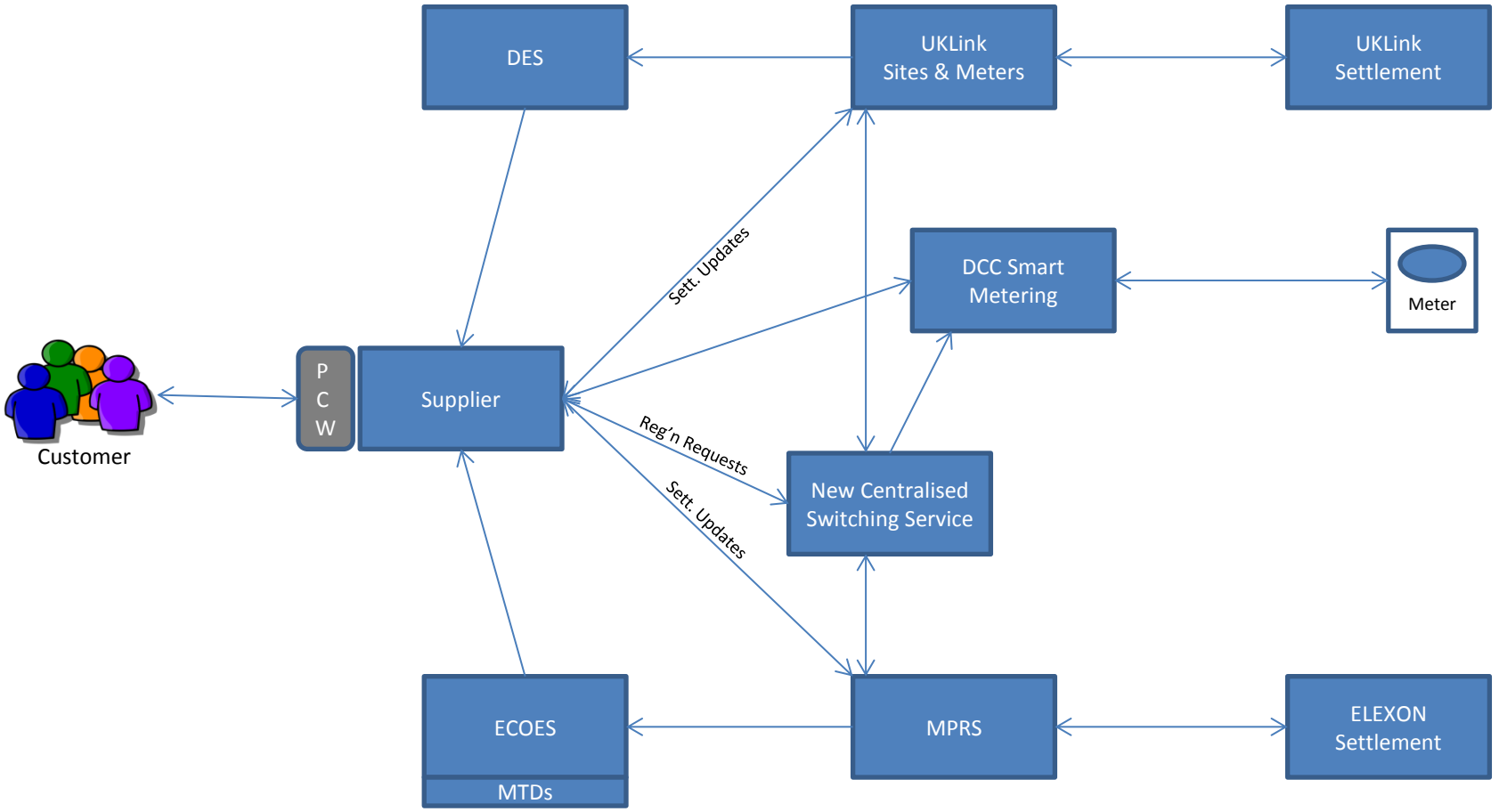
Policy issues (2/2)

ISSUE	DESCRIPTION	PROPOSALS
One fail/All fail	Should suppliers have the ability to manage the progress multiple registration requests?	Suppliers are able to determine how multiple linked registration requests should be progressed.
Advanced registrations	How far in advance of the switch date can a registration request be submitted?	A registration request can be submitted up to 28 calendar day before the switch date.
Customer type indicator	Should the CSS maintain a customer type indicator?	A customer type indicator should be maintained within the CSS
Agent Appointments	Should the CSS maintain a repository of supplier agents?	The CSS will contain a repository of the DC, DA, Mop, Shipper, MAM, Meter Communications Provider and MAP ID
Related Metering	Should the CRS contain functionality to identify and support the switching of unique metering configurations?	Propose that : Related MPAN with have a 'parent' and 'child' status to ensure they are switched together. Management of Pseudo MPANs should not change from the current arrangements – infer if an MPAN is a pseudo MPAN. An Export MPAN identifier should be included in the CSS. A single MPRN is held within CSS in relation to a set of shared gas supply points. For meter points on LENs - identify 'opted out' MPANs through the presence of 99 at the start of the MPAN number or by the relevant MTC code
Supplier of Last Resorts	How should the meter points of a failed supplier be transferred to the SoLR.	The SOLR will have the choice to either absorb the MPID of the failed supplier and/ or submit registration requests to take over the failed supplier's meter points
Interaction with smart meters	How should next day switching be managed for a customer with a smart meter?	The completion of a switch should not be 'coupled' with the data presented on the customer' smart metre or IHD. The CoS event should be undertaken at midnight following gate closure at 5pm(exact time tbd) and where possible the consumption data from the Daily read log should be used.

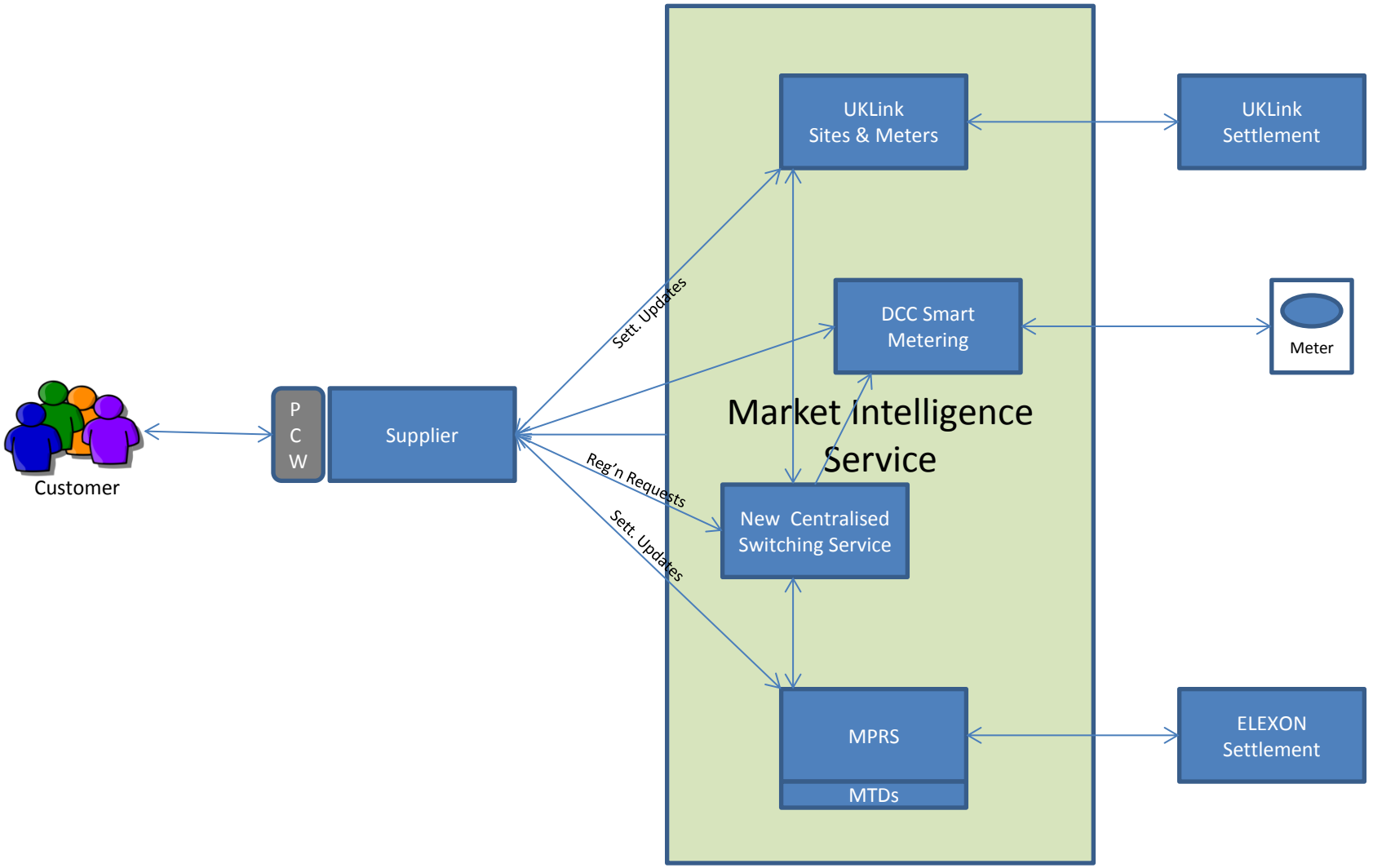
Reform package 1: Minimal Reform



Reform package 2: Major Reform



Reform package 3: Full Reform



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Incremental changes to solutions architecture, business process/policy changes

Minimal Reform	Major Reform	Full Reform
• Objections window reduced to 1WD • Gas confirmation window reduced to 1WD – this applies to all packages • No nominations for LSPs – data to be published by GTs – this applies to all packages • Suppliers support 'equivalent terms' for cooling off returns – this applies to all packages	• New Centralised Switching Service (CSS) • MPRS and S&M modified to accept changes from CSS and to remove switching functionality • MPRS modified to handle: related MPANs; exports • ECOES, DES and Smart accept updates from CSS • Losing suppliers respond instantly to objection requests • MPxNs linked via GB address register • Shipper and agent IDs recorded in CSS (MOP, DA, DC, MAM, MCP) • Dom / non-dom recorded in CSS • Smart meters updated before switch becomes effective • CSS, supplier objections and ECOES & DES available 24x7 • Central M-number helpdesk with 2nd line support from networks	• As for Major Reform, plus…. • New Market Intelligence Service (MIS) – all switching, meter point, settlement and meter asset data (incl. smart) accessed via MIS • ECOES and most of DES are withdrawn • MPRS modified to handle MTDs • Data 'scraped' from transactions (e.g. MAP) available via MIS • All relevant transactions carried over single network • MIS available 24x7

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Assumptions for RFI

Minimal Reform	Major Reform	Full reform
• Invitations to object received by the incumbent supplier by 6am to be responded to by 6pm • TCoS process applies to updates to smart meter security credentials - this applies to all packages • NEXUS and CMA reforms (including PCW access to ECOES and DES) fully implemented - this applies to all packages • Gas: from 3Q17 agreed reads and ETs will be exchanged via DTN – this applies to all packages	• Instant objections = <2 secs • Additions / changes to MPxNs are passed via DTN to CSS daily (WD?) • Switches are passed via DTN from CSS to networks at gate closure every calendar day (and processed daily in MPRS and S&M) • DCC to operate as data steward for CSS data (incl. premises address) • Gate closure is at 5pm for switch at midnight • Standstill = 5 calendar days for all meter points (zero for ETs) • Maintenance outage slots will be agreed for all services • For security, JSON type XML messaging based on SAML 128/256 PKI encryption • Capacity = current switching rate + [50%?]	• Assumptions as for Major Reform plus …. • All relevant messages to be carried over DTN (to allow 'scraping' by MIS) • PCWs access to data will be via MIS

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Variations on policy positions to be tested in the RFI

Minimal Reform	Major Reform	Full reform

• Cooling off:
  • (Central case) Equivalent terms on return to A
  • No obligation to offer equivalent terms
• Definition of 'day':
  • (Central Case) All time periods expressed in working days
  • All time periods expressed in calendar days (and systems operate 24x7)
	• Objections:
	  • (Central case) Instant reactive (<2 secs)
	  • Instant with pre-loaded objections database
	  • Compressed window (assume 5 working hours)
	  • Mixed: dom = instant and non-dom = comp. window
		• MIS:
		  • (Central case) DCC procured and operated MIS
		  • MIS procured and operated by industry

Issues

- Middleware: the PwC work indicated that middleware might offer benefits but further work is needed in DLS to specify where/how it might be deployed. In the RFI we will assume XML messaging but are not prescribing a middleware platform

- MAPs: updating meter asset data is not central to the switching process and MAPs (who are 'tethered' to assets not to suppliers) do not change at a switch. Although no register of MAPs is proposed, the MIS should allow MAP details to be retrieved

- Time: updates to smart meters are scheduled using UTC which differs from 'local time'. We propose that switch time on smart meters should be midnight UTC

- Coincident changes to settlement data: where a switch occurs at the same time as a change to settlement data the two updates will be processed in parallel. Suppliers will be responsible for ensuring that updates are consistent and timely

WORKSTREAM REVIEWS

DELIVERY STRATEGY

Delivery Strategy

What we've delivered so far

Product	What we've delivered
Transition Strategy	Developed high-level strategy for transition to new switching arrangements.
Data Improvement	Remedy proposals for improving and cleansing data. These proposals will be costed, assessed and further developed as part of RfI.
Data Migration	Developed high- level strategy, laying foundations for detailed planning work in DLS phase of the project.
Testing Strategy	
Post-Implementation Strategy	
System Integration	As above, but with possible procurement of System Integration function.
Governance and Assurance	Outline principles for governance in DBT phase, based on Programme Board decisions.

Likely impact of different reform packages

(Subject to change)

	0: Do Nothing	1: Do Minimum	2: Major reform	4: Full reform
Transition Arrangements	None	None	'Big Bang' launch of switching service	Phased launch of functional components
Data Migration	None	None	Yes	Yes (extensive)
Testing Plan	None	None or very limited	Yes	Yes
Post-Implementation Plan	None	None or very limited	Yes	Yes
System Integration Function	No	No	Yes	Yes
Data Improvement	No remedies in counterfactual	Possible remedies	Possible remedies inc. address DB in CSS	Possible remedies inc. address DB in CSS

Data improvement remedies

Remedy Description	Who is responsible?	Dependent on reform packages?
Procure address database for CRS	DCC	Yes (RP 2 or 3)
Mandated comparison of meter technical information with MOPs and MAMs	Suppliers	No
One-off cleanse and ongoing monitoring of plot address data	DNOs, GTs	No
Use SM installer site visits to cleanse residual data issues	Suppliers	No, but relies on Smart Meter programme

These are high level proposals - we will call for further information on the costs and benefits of these remedy proposals in the RFI before making a decision about whether they should be carried forward

WORKSTREAM REVIEWS

COMMERCIAL

Summary

Objective for the Blueprint Phase

- Develop proposals for how the new CRS (includes the CSS and MIS) run by the DCC will be charged for, funded and procured

Procurement Framework

- Jointly developed with DCC and outlines the high-level principles and the strategic approach to procurement
- Will be published in December 2016
- Makes no assumption in relation to the possible reform packages
- The Procurement Plan will set out the detailed commercial and actual delivery approach. Initial development will start with input from the RFI and will be developed in detail when Ofgem has announced the preferred solution

Summary

DCC Business Case

- Draft DCC Business Case for DCC activities during the Transitional Phase of the Switching Programme has been developed. Sets out DCC's planned approach and costs for activities in support of the Switching Programme up to the point of CRS contract signature
- Draft forecast costs are not based on a particular reform option
- DCC's Business Case will be consulted on from end November 2016. A further version of the DCC Business Case will be published and baselined in March 2017. this version will incorporate further joint development with Ofgem and will reflect, where appropriate, feedback received from the consultation
- Baselined DCC Business Case used for application of an ex-post plus price control approach and for monitoring DCC's delivery against its plans

Margin and incentives

- In parallel, Ofgem will consult on its proposal for DCC's margin & incentives during the Transitional Phase of the Switching Programme

DCC's RFI return

DCC return to the RFI

- Provide a cost estimate for each of the reform packages including:
  - DCC's activities within procurement and design
  - Potential service providers
- Focus on major and full reform options
- For do minimal, outline if there are likely to be residual costs relating to requirements for continued low-level DCC activities
- Consideration to include an outline of DCC's cost estimates for the reform packages as provided in response to the RFI within the DCC Business Case published in March

Next steps

Next steps

- Direction on DCC's margin and incentives for the Transitional Phase in February 2017
- Joint working with DCC to align plans before baselining DCC's Business Case in March 2017
- Develop a reporting framework as part of the ex-post plus regime

Deliverables after RFI

- Develop DCC licence obligations for Switching Programme role beyond transitional period
- Develop charging arrangements for the DBT Phase, and live operation of the CRS
  - The charging methodology for determining the charges that DCC users pay for its services, and the necessary credit arrangements
  - Governance arrangements for the CRS' charging arrangements
- Developing a price control framework for DCC's provision of the CRS for the DBT Phase and live operation

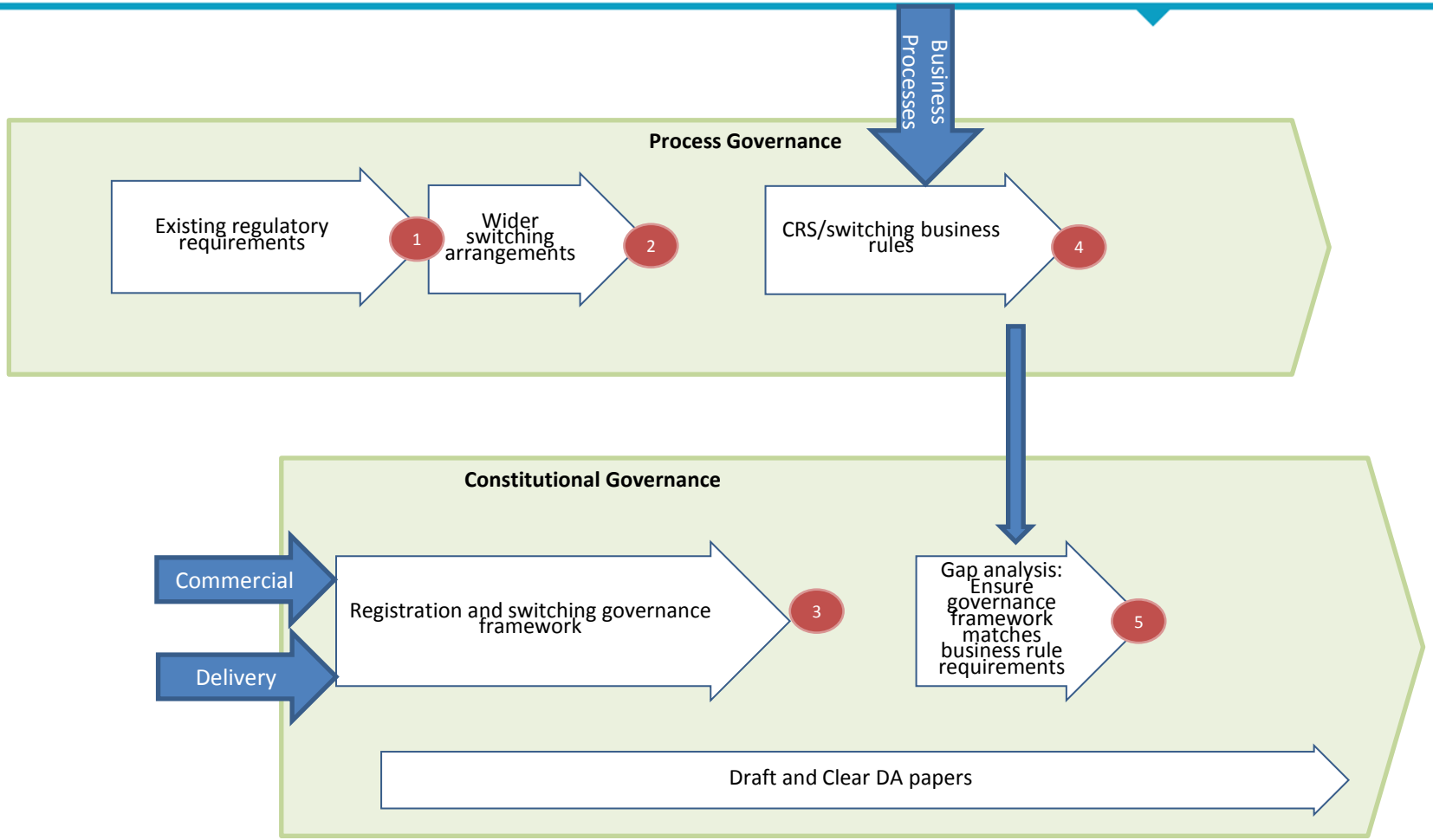
- The DCC Business Case will be updated and re-baselined when Ofgem announces a preferred option
- Initial work on the Procurement Plan will start with and take account of responses to the RFI

WORKSTREAM REVIEWS

REGULATORY DESIGN

Regulatory Design Work stream

Reminder: original high-level plan



Background

- TOM built upon June 2014 consultation, originally proposed that all switching arrangements would be contained in the SEC with some residual arrangements in current codes.
- Developed thinking (e.g. thin CRS) and changing circumstances (e.g. CMA remedies) have placed a different perspective on these assumptions.
- Whilst conscious to avoid scope creep, timetable for development of switching governance presents opportunity/necessity to future-proof, consistent with CMA remedies, code governance review(s) and principles based regulation.

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Other governance options considered

Summary of Assessment

		Option A CRS and SA contained in the SEC	Option B CRS (SEC) and SA remain in current codes	Option C CRS (SEC) and SA contained in a new retail code	Option D CRS and SA contained in a new retail code	Option E CRS (SEC) and SA contained in a retail code, built on an existing code	Option F CRS contained in a new CRS code and SA remain in current codes
	Overall Rating						
Evaluation Criteria	**Criteria Weight**	**Assessment**					
(5) Competition *Do the governance arrangements pose any barriers to entry?*	10						
(6a) Design Simplicity *How simple would it be to design and implement governance arrangements?*	10						
(6b) Design Simplicity *Do the governance arrangements raise other issues that impact the wider industry that would negate its simplicity?*	10						
(7a) Robustness *Does the governance arrangement deliver: clear accountability of roles and responsibilities?*	10						

(7b) Robustness *Does the governance arrangement deliver an approach that supports the Programme aim of faster, more reliable switching?*	10	
(8) Flexibility *Is the governance arrangement able to adapt and flex, in a timely manner, with a changing environment?*	10	
(9a) Solution Costs - Development and Implementation *What are the likely or related costs of developing and implementing each governance option?*	15	
(9b) Solution Costs - Code Changes Does the arrangement minimise the cost of change?	10	
(9c) Solution Costs - Enduring *Can the arrangement provide for efficient running costs?*	10	
(10) Implementation *How long would each solution take to implement? Does timing of implementation make the option prohibitive?*	5	

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Next steps

- We have essentially completed an assessment originally intended to await product 5
- Now intend to proceed with drafting on the basis of text forming a REC – though this doesn't preclude it being adopted under another options at a later stage
- RDT continue with detail business rules and requirements (product 4)
  - These form the basis of legal instructions
- Ofgem to procure dedicated central legal support for drafting
  - Expected to be conducted Spring to Autumn 2017
- Funding to be provided via existing codes
- RDT continues, acting as quality assurance and assisting with contract management
- Licence conditions to underpin new code to be designated following consultation
- If a new REC, Code administrator (or manager) to be competitively procured
- Consequential modifications to existing codes directed under SCR powers – no new powers required
- Anticipate that this will be both quicker and cheaper than other options relying upon existing code modification procedures
- We do not consider costs to be a significant factor in development of governance – therefore not anticipating governance options being a feature of the RFI

WRAP-UP REFORM PACKAGES Q&A

RFI APPROACH AND PROCESS

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RFI approach

- We are now developing our approach to structuring the RFI
- We intend to split different elements of the switching process and related activities that we think will be affected by our reform packages into Activity Areas
- We will focus questions in the RFI on these Activity Areas to make it more manageable to provide and analyse the information. It is important that we are able to capture all of the material stakeholder impacts of the reform packages through structuring questions around these areas.
- We have developed initial descriptions of the Activity Areas in the break-out session materials and linked these to descriptions of the components of the reform packages.
- We have also considered the additional information and assumptions we will need to give you for consistency of responses (eg switching volume forecasts, smart meter prevalence, go-live dates, price base years, and appraisal periods)
- We are seeking your input on this approach today through a set of questions.
- We will use feedback from this session to develop the questions in the RFI as set out in the stakeholder engagement slide.

Proposed Activity Areas

1. Communications with customers
2. Interaction with enquiry services
3. Maintenance of meter point data
4. Registering the switch
5. Executing the switch
6. Post switch activities
7. Other requirements

Who we will request information from

We are currently planning to submit our request for information to the following stakeholders:

- Active gas and electricity suppliers
- Gas transporters (including iGTs)
- Distribution network operators (including iDNOs)
- Xoserve
- Code bodies
- DCC
- Metering agents (including MAPs)
- Shippers (that provide services for suppliers that are not part of same organisation)
- Electralink
- TPIs

We are also considering from who else we should collect customer impact data (eg from consumer bodies)

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Stakeholder engagement plan

- We will engage with you during three phases of the RFI:
  - During RFI design
  - During the RFI response window
  - Following submission of your RFI response.
- During design (from now until January), we expect to:
  - Follow up with you on specific comments raised during the workshop today
  - Share initial draft sections of the RFI with you in early December, and offer discussions eg via WebEx sessions in stakeholder groups
  - Share further developed drafts of the RFI from mid-December to early January for your written comments.
- We welcome your views on how you would like to engage with us during any of the phases set out above.

RFI WORKSHOP

Instructions

- The room will be broken up into 7 groups
- Each group will have a facilitator and a scribe
- Each group will be asked to answer Question 1
- Each group will be allocated an Activity Area. The group will be asked to answer Questions 2 – 4 for their allocated Activity Area
- Once finished, the group can move onto another Activity Area
- Ofgem will provide a write up of the workshop
- Any further views to be sent to Ofgem by 11 Nov

switchingprogramme@ofgem.gov.uk

We want to use this breakout session to get your views on the RFI

Question 1: Have we identified the right Activity Areas?

Question 2: Have we included all of the reforms that impact stakeholders within the Activity Areas?

Question 3: What are the key impacts on stakeholders within each activity areas (and which of these should we ask specific questions for in the RFI as opposed to being captured by a general question for that Activity Area)?

Question 4: What information do you need from Ofgem to support your RFI response?

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Supplementary information for Question 4

To support RFI responses we expect to provide the following documents:

- Descriptions of the components of the reform packages (as currently described in the spreadsheet Reform Package V0.3)
- Casewise Business Process Diagrams (see link here)
- Data model
- Consumer journeys for key processes
- Assumptions, including:
    - Switching volume forecasts
    - Details of the go-live date, appraisal period, depreciation, price base
    - Smart metering assumptions

CLOSING REMARKS

ANNEX

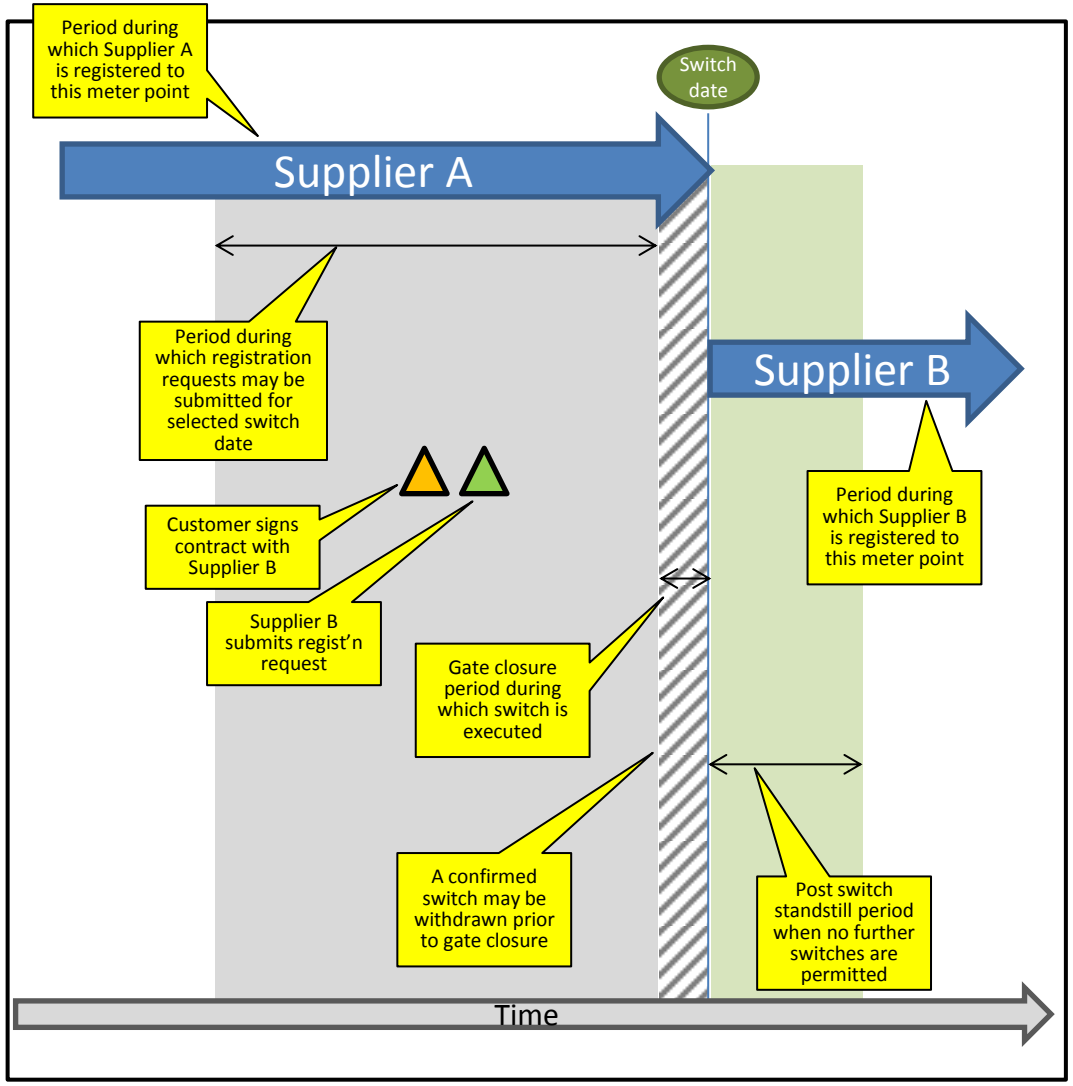
Orientation Slide

Issues:

- Summary of the issues addressed in the relevant policy area

Policy Positions:

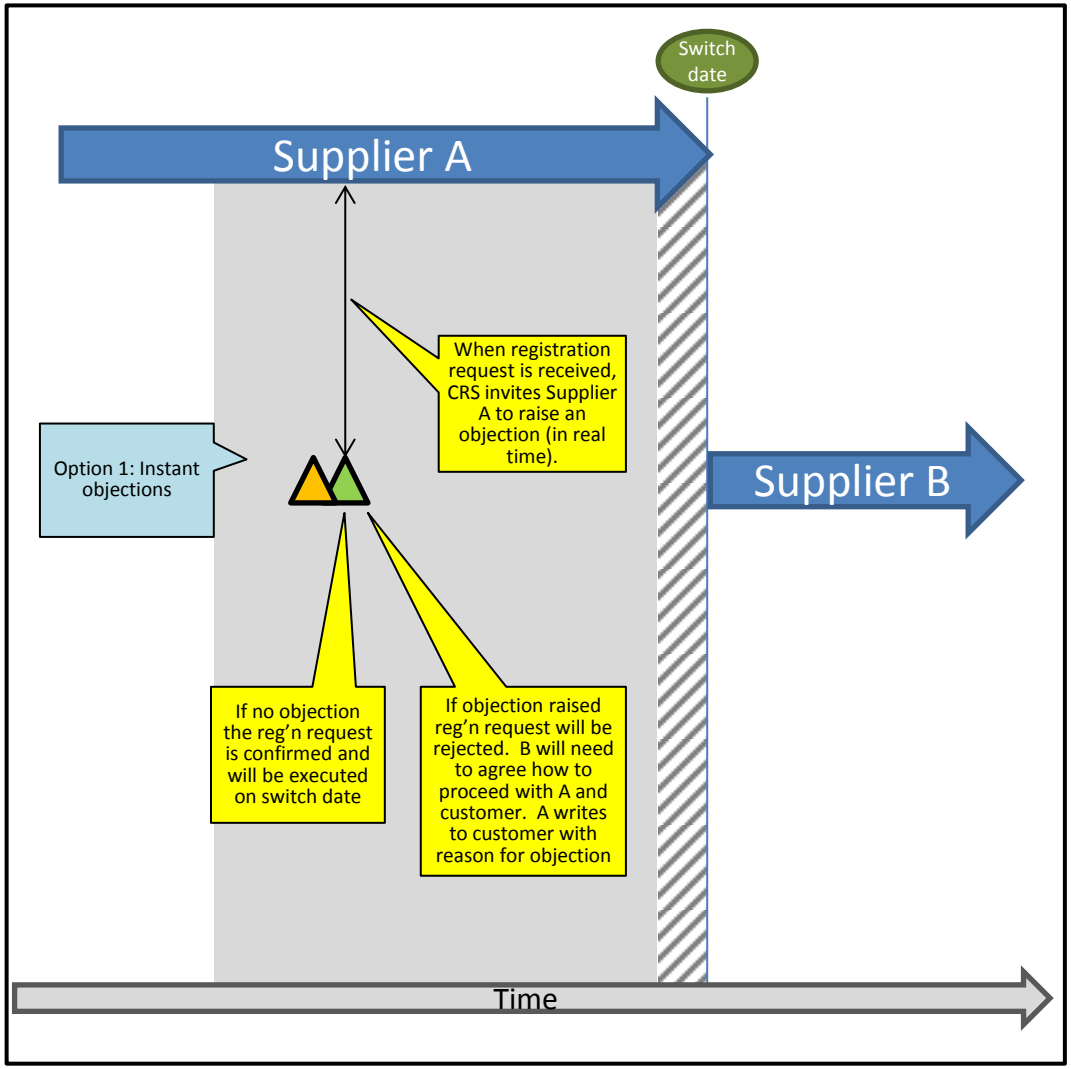
- Summary of the positions signed off by Design Authority for inclusion in Baseline 1
- First policy position – all the processes described in the following slides apply equally to both gas and electricity



Objections

Issues:

- Can objections be handled in a timeframe consistent with next day switching?
- How to minimise abuse of the Change of Occupancy (CoO) indicator?



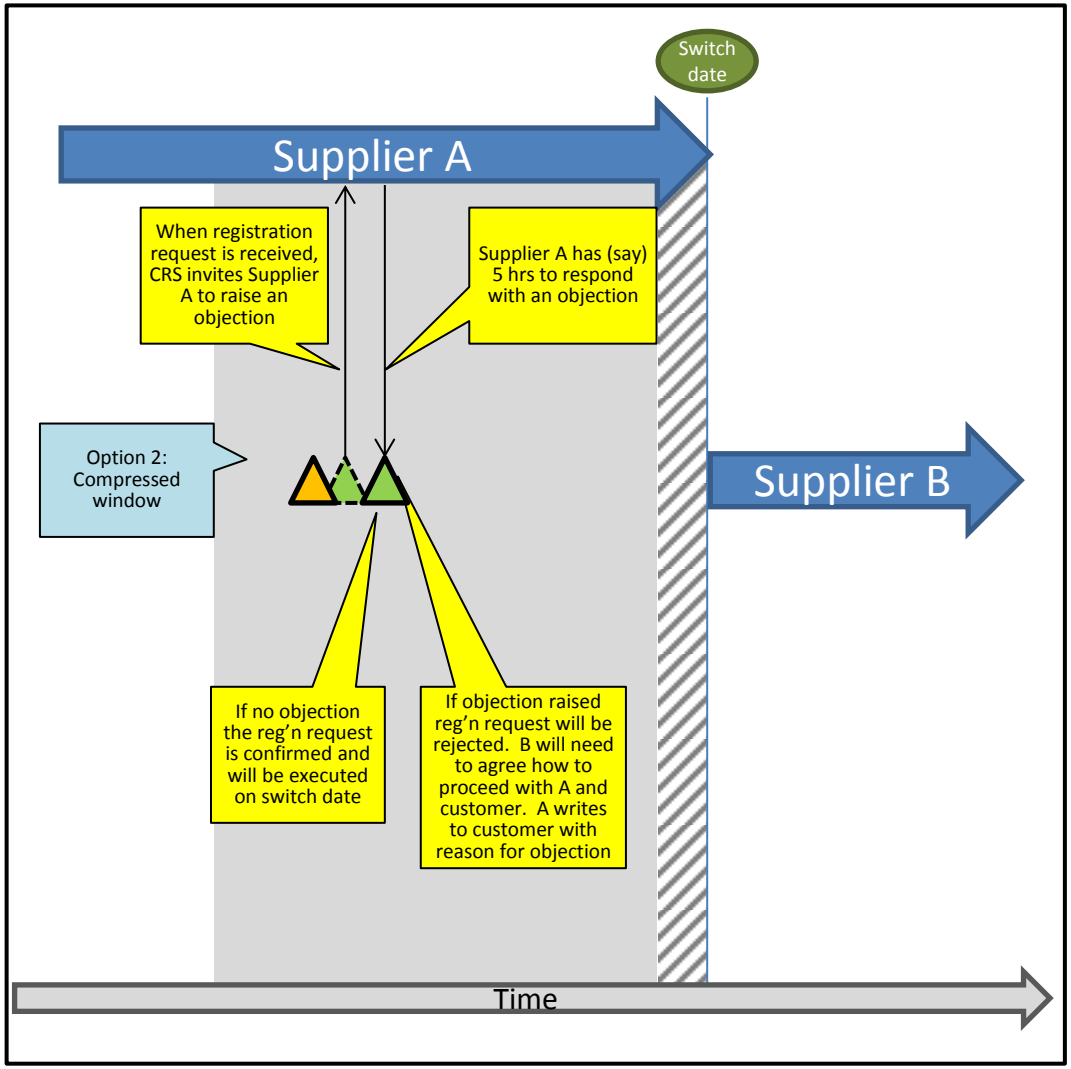
Objections

Issues:

- Can objections be handled in a timeframe consistent with next day switching?
- How to minimise abuse of the Change of Occupancy (CoO) indicator?

Policy Positions:

- Instant objections offers the possibility of providing confirmation to customer at point of sale and a start of next day switch
- [5 hr] compressed window offers an end of next day switch
- Costs not known so both options to be tested at RFI
- Abuse of CoO indicator to be addressed by retention of evidence (gas) and more rigorous performance assurance



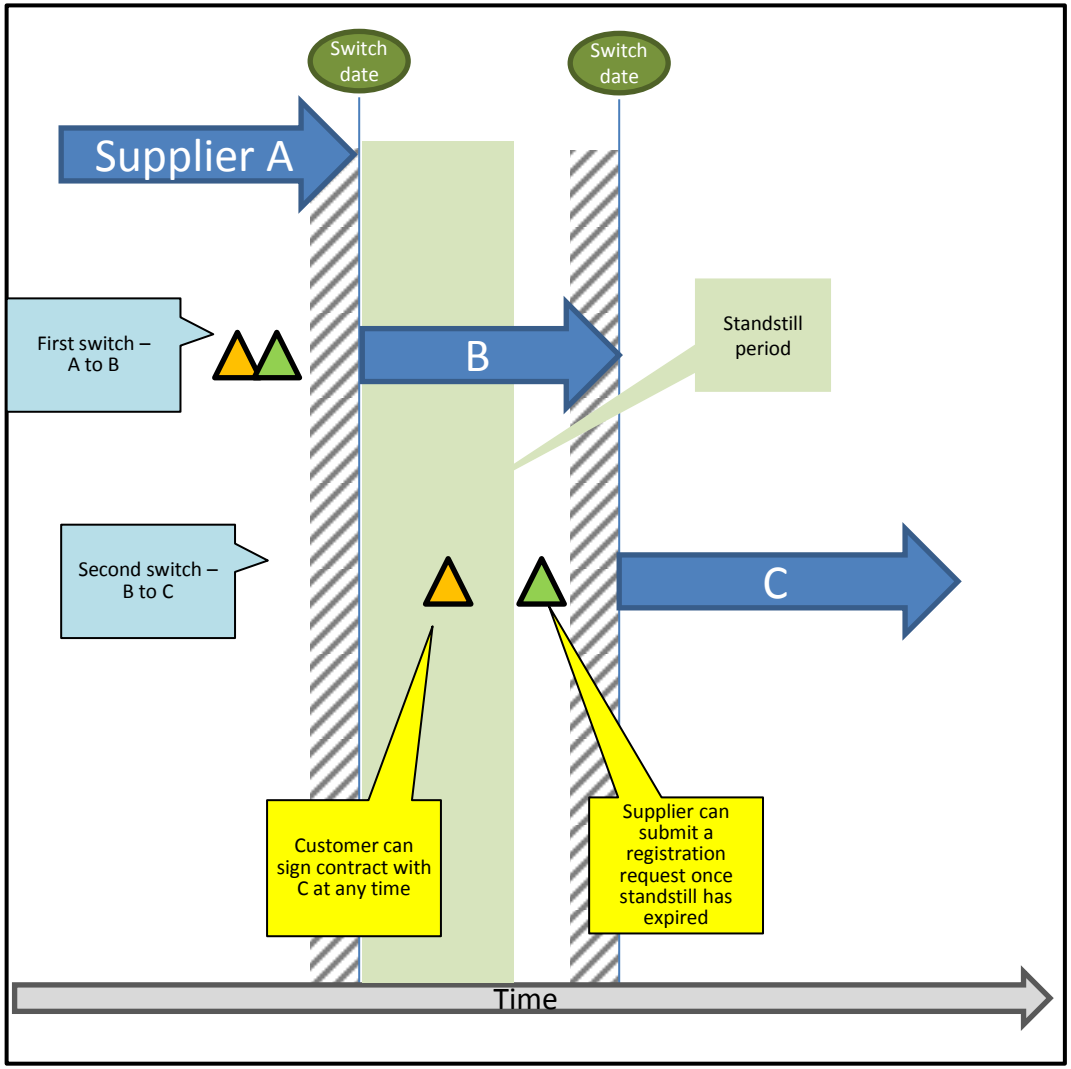
Standstill

Issues:

- Is a standstill period needed to mitigate risks to data integrity?
- Is a standstill period needed to support market stability?

Policy Positions:

- A short standstill period (0-10 days) should mitigate threats to data integrity
- Risks differ between traditional and smart meters so separate standstill parameters should be applied
- Standstill parameters should be reviewed by the Code panel
- Use 5 day parameter for RFI and set 'launch values' later in the programme – goal is ratchet down to zero
- There is no requirement for standstill period to support market stability



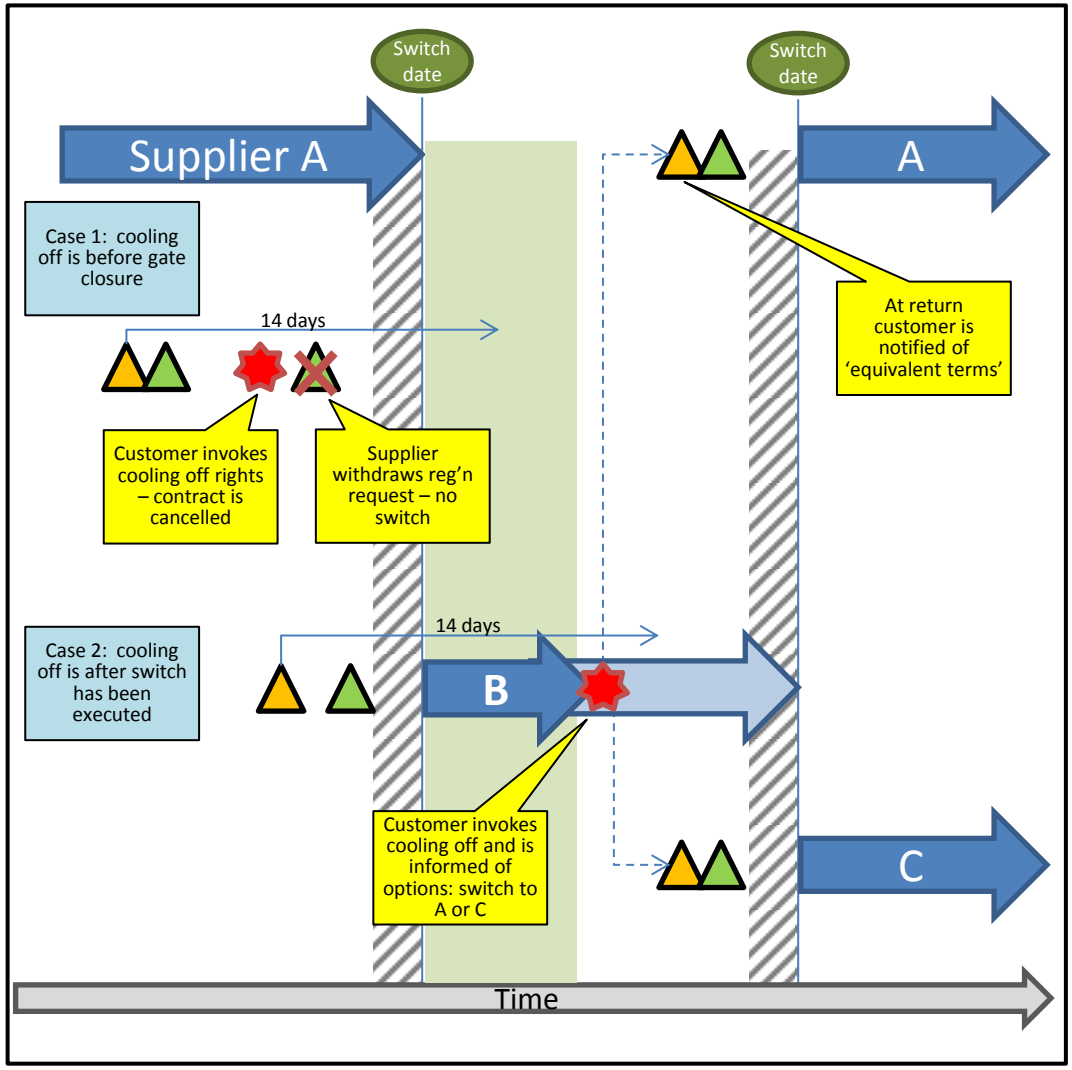
Cooling Off (1)

Issues:

- What should happen to a customer who elects to cool off?
  - What options should be available?
  - What obligations need to be placed on suppliers?
- Should standstill restrictions apply if the customer cools off?

Policy Positions:

- Customer options post-switch are:
  - To review the market and switch to Supplier C
  - Switch back to A on 'equivalent terms'
- Customer is billed by B until they switch to A or C (must secure consent to bill during cooling off period)
- Suppliers obliged to inform customers at sign-up and cooling off
- Standstill restrictions apply



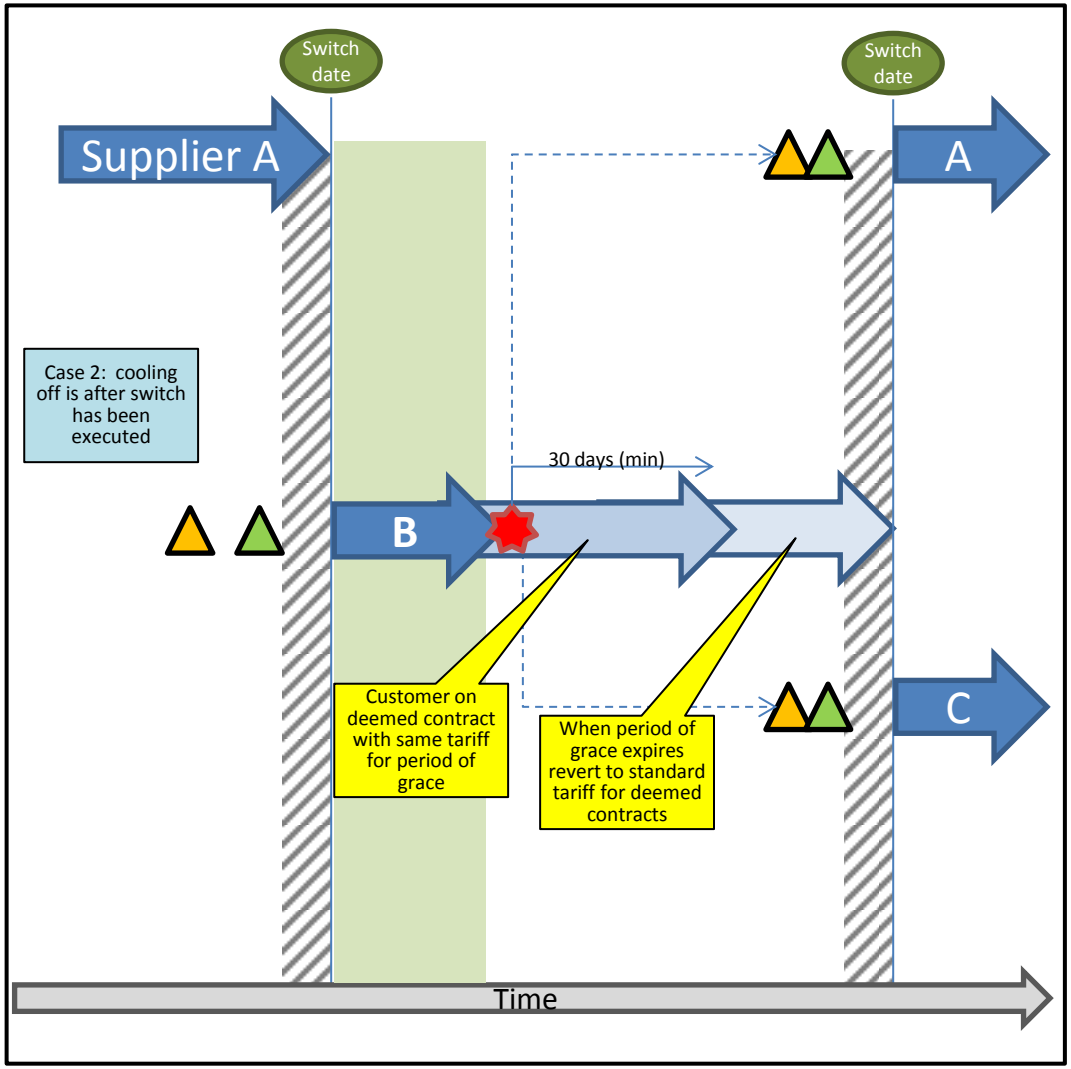
Cooling Off (2)

Issues:

- How should customer be treated after cooling off with B before they switch to A or C?

Policy Positions:

- Customer remains with B on deemed contract until they switch to A or C
- For a period of grace (min 30 days) the tariff in operation prior to cooling off will be in force
- Thereafter B will apply their standard tariff for deemed contracts
- At cooling off B will be obliged to notify the customer of the tariff change
- Prior to expiry of the period of grace, B will be obliged to remind customer of impending change of tariff



Erroneous Transfers

Issues:

- What steps can be taken to avoid Erroneous Transfers?
- What processes should be applied to manage ETs?
- Should ETs be subject to standstill?

Policy Positions:

- Risk-based approach to meter point verification using triangulation and CIN
- Determination of ET will require agreement between A & B
- A will initiate the return switch and re-open customer account to provide continuous billing
- No bills will be raised by B