

# Update on the Approach to the RFI

EDAG – 21 November 2016

ofgem

1. To update EDAG on our RFI approach.
2. To share feedback and challenge received at the Switching Seminar on 7 November, and to set out our intended responses.
3. To update EDAG on our approach to stakeholder engagement for the RFI.

- 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.

- Lots of very useful input during the workshop on the range of impacts the reforms would have on different stakeholders, and which of these would be material cost drivers.
  - This feedback will guide us on the questions we need to ask in the RFI, and to whom.
- Some mixed feedback regarding the activity areas themselves. Some (but not all) responses suggested that some stakeholders could not relate to some of the areas, and that they would not find it easy to think about the changes in the way we had set out.
  - We are going to tailor the activity areas so that they are specific to each stakeholder type, rather than adopting a 'one size fits all' approach.
- Will the RFI be used to assess the benefits of the programme?
  - The RFI will only be used to understand impacts on industry stakeholders, which will include benefits. We will continue to work on understanding the benefits to consumers separately.
- Will the RFI be mandated?
  - We expect the RFI to be mandatory where possible. We will take a view on which questions are captured within our legal powers once we have developed a first draft.
- “4 weeks is not long enough for us to respond!!”
  - We will take a final view on the time period for responses once we have developed the questions and can assess the scale of work required. We will talk to stakeholders to get views on this as the questions are refined.

- 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 and since the workshop
  - Share initial draft sections of the RFI with you from 9 December, and offer discussions eg via WebEx sessions in stakeholder groups
  - Circulate responses to commonly asked questions alongside draft questions
  - Share further developed drafts of the RFI from mid-December to early January for your written comments.
- Please nominate a lead contact from your organisation for us to engage with on the RFI.

# ANNEX

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 (as presented at Switching Seminar)

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)