Switching Programme Delivery Group – Meeting 6

1. Welcome and introductions

RC welcomed all attendees to the sixth meeting of the Switching Programme Delivery Group (SPDG).

Action log				
Ref :-	**Subject**		**Action due**	**Action owner**
Actions - Ongoing & Carried Forwards				
SPDG 2 - 05	RFI	SPDG members to inform the programme team the names of the primary contacts in their organisations for discussing the RFI. *Closed – RFI published 19 January 2017*	SPDG 5 (7 Dec)	**SPDG Members**
SPDG 3 – 03	SPDG Agenda	Members to suggest future agenda items as required.	Ongoing	**SPDG Members**
Actions - New				
SPDG6 - 01	DLS Decision Making	Ofgem to further consider representation and numbers required for the TDA.	End Jan 17	**Ofgem**
SPDG6 - 02	DLS Decision Making	Industry to provide Ofgem with details of their TDA representatives	End Jan 17	**Industry**
SPDG6 - 03	RFI Update	Industry to respond to RFI as fully as possible	02 March 17	**Industry**
SPDG6 - 04	RFI Update	Ofgem to provide date by which industry to provide comments on revised draft RFI. *Closed – Comments used to produce final version of RFI*	10 Jan 17	**Ofgem**
SPDG6 - 05	RFI Update	Ofgem to ensure essentials in RFI are mandatory and the remainder voluntary, to ensure mandatory ones are completed for organisations with constrained resources. *Closed –Where appropriate RFI responses are voluntary and guidance has been given to recipients.*	19 Jan 17	**Ofgem**

2. PwC Out Of Industry Insights

PwC were contracted by DCC in early 2016, one of their roles being to provide an 'out of industry' challenge service to the Switching Programme. This was to address concerns by SPDG and other industry stakeholders that the Programme was too focused on energy industry experience and the world 'as it is' rather than 'what it might be' and the need for input from outside the Energy sector to ensure a broader perspective to ensure Programme success.

PwC referred SPDG to their presentation covering the challenges that other industry programmes have faced as they have moved from the initial Blueprint design to the detailed design and implementation phases, how other programmes overcame these challenges and the experience of introducing the Banking Switching Guarantee. Key themes explored included how to manage the fact that change is inevitable, the 'devil is in the detail', replying upon goodwill of market participants to get this done, the duration and complexity of a Programme like Switching, the fact that the world is changing and setting expectations and measuring success.

PwC, focusing on experience from the telecoms and financial services sectors, led SPDG discussion on common experience from energy and industry transformation programmes. The importance of being able to define the issue and scope of the goal/s to be achieved, as well as how to measure success once an initiative has gone live were highlighted. Also, as the world becomes more complex, the need to ensure that arrangements are robust and flexible enough to address this. There is a need to balance adhering to legislative requirements whilst ensuring that potential interaction with

consumers is not lost. Customer awareness is key and programmes must conduct analysis to identify the main barriers to their engagement. Programmes must also seek strong engagement with industry.

3. Programme Update

AA updated SPDG on the key aspects of the Highlight report. All key products for Design Baseline 1 have now gone through the Design Authority and governance process and been baselined. Focus of team activity is now producing the SOC and RFI and developing the DLS Plan and aligning the plan with DCC to be able to baseline the DCC Business Case. Consultations have been issued for the DCC Business Case (closes 23 December) and Margin and Incentives (closes 12 January). The highlight report now includes a section on programme expenditure, being developed to provide stakeholders with information in relation to budget, spend to date, forecast and variances (including expenditure for Ofgem, DCC and industry code bodies). SPDG were content that this is the information stakeholders need. A more developed presentation of this information will be provided going forward. The latest DA log has been sent to SPDG listing the products baselined ex-committee on 30 November.

4. DLS Phase Decision Making and Industry Engagement

RC confirmed that the Programme is transitioning from the Blueprint to the DLS phase which requires a different kind of work, organisation and governance process which is more technically focused, agile and able to make decisions quickly to ensure steady progression of decisions. The Programme has been looking at what needs to be done to change the decision making process so it is appropriate for the new phase and what that means in terms of how industry can and should engage with the programme in terms of decision making, feedback and influence.

AA (referring to the slide pack) summarised the DLS and Programme Governance arrangements in terms of the kinds of decisions to be made, decision maker and advisory bodies. There was discussion around how the transition would work between Blueprint and DLS, the membership of the advisory bodies and the need to ensure consistent representation across groups. A concern noted that there are existing comprehensive security and privacy controls under the SEC and creating another body could be more onerous than anticipated and create inconsistencies. The importance of being able to set tolerances i.e. in terms of costs and impact on consumer experience was recognised. DIAT will play a key role in managing these. The need to get the right balance between focusing down one route and freedom to move forward was recognised as was the need for transparency and accountability.

Feedback was sought from SPDG specifically regarding the Technical Design Authority (TDA in terms of membership and draft terms of reference. The TDA will provide the opportunity for far closer external industry support and advice to the decision making process. The Chair will seek consensus and have overall decision making authority. Industry representation on the TDA in terms of numbers, sourcing the required skill sets and ensuring representation of smaller suppliers to pick up consumer views was also discussed. It was suggested that industry should identify individuals with the required expertise to sit on the TDA.

Action SPDG6 - 01: Ofgem to further consider representation and numbers required for the TDA.

Action SPDG6 - 02: Industry to provide Ofgem with details of their proposed nominees.

5. Helpdesk

At the last full meeting of the SPDG concern was raised and there was a call for a proper discussion about a proposed helpdesk which enables customers to confirm details about their connection point and their supplier, as detailed in the Reform Packages. RC was keen to understand whether further discussion is required by the SPDG in light of the details provided about the Helpdesk in the RFI which has just been circulated to SPDG. The Helpdesk will generate a high volume of traffic and is essentially a consolidated function to address only basic customer questions to identify a customer's MPXN, with anything else to be referred to the networks. It is important to ensure it does not replicate similar pre-existing functions or provide another 'touch point' for consumers to be referred to between functions. The Helpdesk is not a core function of the CSS, so in terms of procurement it may need to be an additional package.

6. RFI Update

There has been a good response to the draft RFI issued 08 December. Comments have helped refine the language in the RFI. Ofgem will send a read-out of all questions received, Ofgem's comments and responses by 23 December. Ofgem propose to issue draft version two of the RFI at the start of January for industry to review, comment on and start planning against, although this would be at risk should there be any further changes to the RFI. The RFI will be published w/c 16 January 2017.

There was discussion around the fact that while it would not be desirable to make completion of the RFI mandatory for all recipients, Ofgem needed to get as much information as possible from the RFI. Whilst there are highly engaged suppliers, the risk of resource constraint impacting on engagement was recognised, particularly for smaller providers. In such cases Ofgem will make it clear where responses are mandatory and where they are not. Where responses are voluntary Ofgem will guide organisations on the priority questions in the RFI

For the majority of respondents, a six week timescale to respond was preferable to four weeks. However timescales have still to be reviewed. One of planning assumptions in the RFI of using DTN as a communications mechanism for exchanging data between parties and CSS will be removed and replaced by a separate piece of work looking at communications options between parties and CSS and MIS and an exercise to estimate the costs of these new arrangements.

Action SPDG6 - 03: Industry to respond to RFI as fully as possible.

Action: SPDG6 – 04: Ofgem to provide date by which industry to provide comments on revised draft RFI.

7. **Action: SPDG6 – 05:** Ofgem to ensure an appropriate balance between mandatory and voluntary questions for all RFI recipients. **AOB**

Next meeting w/c 27 February 2017.

Attendees

Rachel Clark – Ofgem (Chair)
Rob Salter-Church (Ofgem)
Andrew Wallace – Ofgem
Andrew Amato – Ofgem
Heather Bignell – Ofgem
Sarah Pennington – Ofgem
Stuart Cook – PwC (Agenda item 2 only)
Alistair McPherson – PwC (Agenda item 2 only)
Phil Kenworthy – PwC (Agenda item 2 only)
Graham Line – EON

Sharon Johnson – British Gas
Douglas McLaren – Scottish Power
Alan Raper – ENA (Gas Distribution Networks)
Stew Horne – Citizens' Advice
Kelly Forrester – DCC
Bryn Coles – DCC
Paul Saker – EDF Energy
Gareth Evans – ICoSS
Matthew Cole – Npower
Helen Nesbitt – Npower
Liz Furmedge – SSE
Alison Russell – Utilita
Pete Finlay – Extra Energy
Peter Davies – SEC Panel
Audrey Gallacher – Energy UK