		Costs	Benefits	Monetised or non-monetised?
Direct	Industry	Programme and delivery costs	Efficiency savings from automation/ harmonisation	Monetised (based on RFI data)
		Capital expenditure (eg investment in new systems, staff training etc)	Resource savings from improved reliability	Monetised (based on RFI data)
		Operational expenditure (eg IT resilience, additional staff etc)		Monetised (based on RFI data)
	DCC	Programme costs		Monetised (based on RFI data)
		Procuring CSS		
		PMO		
		System integrator function		
		Support contact centre		
	Consumers	*(costs passed through by suppliers)**	Increased utility from improved switching experience	Non-monetised
			Bill savings from increased switch success rate	Monetised (for domestic consumers only to date)
			Reduction in harm from reduced Ets	Monetised (for domestic consumers only to date)
			Reduction in harm from reduced delays	Monetised (for domestic consumers only to date)
			Bill savings from faster access to improved terms	Monetised (for domestic consumers only to date)
			Time saving from faster switching	Monetised (for domestic consumers only to date)
	Public sector	Programme and delivery costs	Easier access to better quality data	Ofgem programme costs have been monetised.
		Ongoing price control		Monetised
Indirect	Increased consumer engagement	Loss of revenue to industry	Bill savings to consumers	Illustrative monetised scenario analysis (for domestic consumers only to date)
		Resource cost to industry		Illustrative monetised scenario analysis (for domestic consumers only to date)
	Enabling innovation		Enabling innovation of product and service offerings by enabling faster switching and introducing new more flexible central systems	Non-monetised
	Increased competition		Improved customer service	Non-monetised
			Downward pressure on prices	Non-monetised
			Increased efficiency	Non-monetised
			Increased choice	Non-monetised

* No double counting of these costs ocurrs within the IA analysis.

Industry impact	Consumer impact	Public sector impact

Ref	Section of IA	Inputs requiring assumptions	Dependent variable	Assumption used (Low / pessimistic)	Assumption used (Central)	Assumption used (High / optimistic)	Source / rationale for chosen assumption
1	General	Saving achieved from a domestic dual fuel switch	Multiple	£280	£280	£280	Based on data from May 2017 for the differential between the average SVT and the cheapest fixed deal. On average, across all switchers, this is the maximum value a switcher could save at the point this data was gathered. While not all consumers will choose to switch to the cheapest fixed, so many consumers will not achieve this level of saving, they all have the option to. Given the freely available information through PCWs for comparing tariffs, we assume that where a consumer has opted for a more expensive tariff, it is because they value another element of the chosen supplier's offering (eg confidence and familiarity, customer service, recommend a friend incentive etc) at a value equal to or greater than the difference in the price. All consumers are therefore assumed to achieve the (average) maximum saving available. Assumption currently assumes all consumers will switch from an SVT to a fixed - this may need to be revisited to reflect that some consumers may switch before the end of their existing fixed deal. Further work to be done with assumptions for savings so that they are based on an average over a whole year, and to introduce a range based on the high and low during that year. Will also use variation over recent years to develop sensitivity analysis.
2	General	Saving achieved from a domestic electricity switch	Multiple	£120	£120	£120	As above.
3	General	Saving achieved from a domestic gas switch	Multiple	£160	£160	£160	As above.
4	General	Average saving achieved from a single domestic meter point switch	Multiple	£137	£137	£137	The average of the savings for gas and electricity, weighted by the proportion of switches that each fuel makes up. Proportions set out in assumptions below.
5	General	Proportion of total domestic switches that are gas	Multiple	43%	43%	43%	Source: Ofgem website - published data for monthly switching volumes. Proportions based on 2016 volumes.
6	General	Proportion of total domestic switches that are electricity	Multiple	57%	57%	57%	Source: Ofgem website - published data for monthly switching volumes. Proportions based on 2016 volumes.
7	General	Number of households	Multiple	27100000	27100000	27100000	ONS 2016 data release. https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/bulletins/familiesandhouseholds/2016
8	General	Number of dual fuel households	Multiple	21400000	21400000	21400000	Source: Xoserve
9	General	Number of electricity only households	Multiple	5700000	5700000	5700000	Number of households minus the number that have gas.
10	General	Number of domestic meter points	Multiple	48500000	48500000	48500000	21.4 million dual fuel (42.8mn accounts) plus 5.7 million single fuel. This does not account for households with multiple MPANs eg Related MPANs or Export MPANs.
11	Counterfactual	Baseline annual volume of domestic external switches to new supplier	Multiple	7760000	7760000	7760000	Based on 2016 volumes. In the absence of any reasonable expectations for future switching volumes, which have varied significantly over time, we have taken the simplifying assumption that the average over the period will be equal to 2016. The fact that switching volumes are now higher is no reason to suggest this assumption is inappropriate for the average over the appraisal period. Higher switching rates in the counterfactual will be included within our sensitivity analysis.
12	Counterfactual	Baseline annual volume of domestic internal switches to new tariffs	Multiple	15520000	15520000	15520000	Internal switching has been roughly double external switching in recent years. We have assumed this ratio would continue in the counterfactual.

13	Reliability analysis	Current annual volume of erroneous transfers	Net impact on the volume of erroneous transfers	73,920	73,920	73,920	2016 Ofgem Retail Energy Markets publication said that ET rate for big six was 0.5% in March 2016. RFI and Electralink data suggests that the true ET rate is higher. Based on RFI data, we will initially assume an industry average ET rate of 0.96% x 7.7m switches.
14	Reliability analysis	Current annual volume of erroneous transfers prevented during the switching window	Net impact on the volume of erroneous transfers	147,840	147,840	147,840	RFI data suggests that there is a market average of 1.28% of switches away from supplier A are stopped as Customer Requested Objections (1.28%*7.7m=98,560). RFI data also suggests that 6.4% of switches to Supplier B end up as Registration Withdrawal Requests. We cannot be sure what proportion of Registration Withdrawal Requests are prevented ETs as we know the same process is also used for customers cooling off. Bilateral discussions with suppliers suggests that up to 10% of registration withdrawals could be prevented ETs. So prevented ETs using Registration Withdrawals (0.64%*7.7m=49,384). So we will initially assume ETs prevented = (0.0128%*7.7m) + (0.0064*7.7m)
15	Reliability analysis	Proportion of currently prevented Ets that would become Ets with a 7 CD switch	Net impact on the volume of erroneous transfers	0.5	0.4	0.3	Depending on what length of switching window is chosen, different proportions of Ets currently prevented will become ETs in the future. If seven day switching is introduced we will initially assume 40% of Ets that are currently prevented using CROs and Registration Withdrawal Requests would become Ets as there would be time to enable some customers to alert suppliers to an ET. There would also be time for the gaining and losing suppliers to identify ETs before the switch. Over time, it may be possible for suppliers to develop more immediate means of contacting customers through electronic channels to alert them to the switch. So we would hope that the effectiveness of preventing ETs within seven days would increase over time.
16	Reliability analysis	Proportion of currently prevented Ets that would become Ets with a 3 WD switch	Net impact on the volume of erroneous transfers	0.85	0.75	0.65	Depending on what length of switching window is chosen, different proportions of Ets currently prevented will become ETs in the future. If 3 WD switching is introduced we will initially assume 75% of Ets that are currently prevented using CROs and Registration Withdrawal Requests would become Ets as there would be less time to prevent ETs.
17	Reliability analysis	Proportion of currently prevented Ets that would become Ets with a 2 WD switch	Net impact on the volume of erroneous transfers	0.9	0.95	0.975	Depending on what length of switching window is chosen, different proportions of Ets currently prevented will become ETs in the future. With only one full WD between registration and switch completion, it will be difficult for the supplier to send out meaningful communications by post that the consumer can then respond to in time. We have therefore assumed that only a small proportion of ETs would continue to be prevented. Over time, we expect suppliers to move towards different forms of electronic communication with their customers, which may help to identify more ETs within such a short window. This assumption may therefore become overly cautious over time.
18	Reliability analysis	Proportion of currently prevented Ets that would become Ets with a 1 CD switch	Net impact on the volume of erroneous transfers	1	0.975	0.95	Depending on what length of switching window is chosen, different proportions of Ets currently prevented will become ETs in the future. With next calendar day switching there would not be scope for sending letters to customers. We would expect only a very small number of ETs to be picked up prior to switch completion.
19	Reliability analysis	Impact of ongoing industry reforms on data quality	Net impact on the volume of erroneous transfers	1	0.85	0.7	Potential improvements to reliability through data quality improvements that we would expect in the counterfactual, eg through roll out of smart meters, conclusion of Project Nexus, ongoing industry efforts to cleanse data etc. Assumptions are based on expectations for reliability improvements tending towards the better performers in the market. An assumtion of higher than 15% improvement is thought to be optimistic given the long running nature of the problems and the ongoing issues related to governance and stewardship. The analysis is also related to data issues that cause reliability problems, so we expect that they are generally the harder ones to fix.

20	Reliability analysis	Proportion of Ets caused by data quality issues	Net impact on the volume of erroneous transfers	0.8	0.8	0.8	Market data suggest 85% of Ets are caused by incorrect MPXN selected. However, not all of these are because of problems with industry address data and this same category will also capture human error by customers and supplier's operation staff selecting the wrong address when switching. So we will initially assume that 80% of ETs are caused by poor address data. This assumption is being tested with the ETWG, in particular whether we have underestimated the proportion that are down to pure human error.
21	Reliability analysis	Proportion of Ets down to 'contract withdrawals not actioned	Net impact on the volume of erroneous transfers	0.13	0.13	0.13	11.3% of electricity ETs for this reason in 2016 15.25% of gas ETs for this reason in 2016. 13% is weighted average for both fuels.
22	Reliability analysis	Proportional reduction in negative switching outcomes caused by data issues (RP2a / 2 / 3)	Net impact on negative switching outcomes	0.75	0.85	0.95	An assumption is needed to consider the impact of data improvement remedies on reducing numbers of Ets. Remedies to introduce a premises address database and improve plot addresses should help to reduce ETs. Initial assumptions are based on PWC research conducted during the blueprint phase, which suggested that automatic fuzzy matching of data would have approx 80% successrate, and manual data cleansing coudl cleanse a further 15%. Cleansing the remaining few per cent might require more costly interventions such a site visits. Given that the data problems causing the reliability issues may be the most difficult to cleanse, we have taken a cautious central assumption that only 85% of the data issues causing reliability problems will be corrected. In practice, we will expect the impact to increase over time closer to 100%.
23	Reliability analysis	Proportional reduction in negative switching outcomes caused by data issues (RP1)	Net impact on negative switching outcomes	0.5	0.6	0.7	An assumption is needed to consider the impact of three data improvement remedies on reducing numbers of Ets. Cleansing existing address data within UK Link and MPAS against an address database and matching addresses to an MPxN would be expected to deliver some improvements to data quality and therefore to reliability. However, RP1 would still retain two separate databases with existing issues around governance and stewardship retained. Without the single premises address database within the CSS it will not be possible to gain as much certainty that the MPRN and MPAN are linked to the same premises address and that the link will be correctly maintained over time. We have scaled down from the above assumption based on judgement only at this stage.
24	Reliability analysis	Proportion of 'contract withdrawals not actioned' avoided due to fast (1-3 day) switching	Net impact on the volume of erroneous transfers	0.9	1	1	Based on the logic that if next day switching is introduced, there will be a very low volume of contract cancellations made by customers prior to the switch date, and hence a very low potential for these not to be actioned by the gaining supplier throught the switch withdrawal process.
25	Reliability analysis	Proportion of 'contract withdrawals not actioned' avoided due to one week switching (transitional phase)	Net impact on the volume of erroneous transfers	0.4	0.5	0.6	Based on proportional reduction in contract withdrawals in line with the reduction of the switching window (ie around a reduction of around two weeks to one week).
26	Reliability analysis	Current annual number of Abandoned Switches caused by data quality (2016)	Net impact on the volume of abandoned switches	142,450	142,450	142,450	RFI data suggests that around 1.8% of gas switches and 1.9% of electricity switches are abandoned as result of data quality issues. So we will initially assume that 1.85% of switches are abandoned as a result of data quality (taken as a proportion of 2016 switch volumes).
27	Reliability analysis	Proportion of abandoned and rejected switches (due to data quality issues) that would not be successfully reattempted by the consumer in the counterfactual.	Net impact on additional switches	0.4	0.5	0.6	Following a failed (rejected or abanondoned) switch, a consumer may choose to re-attempt the switch with the same or a different supplier, or they may be put off by the experience and as a result not want to try again. Or the underlying cause of the switch being unsuccessful might continue to prevent the consumer from switching as it has not been addressed. The latter is expected to be more likely for cases relevant to this analysis where there is an underlying problem with the address data. In the absence of any data to support this assumption, we have adopted 50% as our central case based on judgement only. In other words, we assume that in the counterfactual, half of the consumers that have a failed switch are then put off and do not immediately try again.

28	Reliability analysis	Time spent (and wasted) by a consumer registering a switch request that is subsequently unsuccessful	Monetised benefit from reduced abandoned and rejected switches	0.5	1	1.5	Citizens Advice research into time taken to make decisions suggests 53 minutes for searching and finding the right deal. This does not include time to then request the switch. 93 minutes is an upper bound as this is estimated as the amount of time it takes if the proces is carried out thoroughly. We have cautiously assumed that consumers will not follow what is termed as the 'good' process. This assumption is applied to analysis for those consumers that, in the counterfactual, successfully reattempt their switch following a rejected or abandoned switch. In this case, they go through the switching process twice. By avoiding the original rejection/abandonment, this consumer will save this time. For the consumers that would not have re-attempted the switch successfully in the counterfactual, there is no impact on their time, but they gain additional savings under the reforms due to the switch being successful.
29	Reliability analysis	Current annual number of gas switches rejected by UK Link	Net impact on the volume of rejected switches	385,000	385,000	385,000	Based on analysis of market data.
30	Reliability analysis	Current annual number of electricity switches rejected by MPRS	Net impact on the volume of rejected switches	57,750	57,750	57,750	Based on analysis of market data.
31	Reliability analysis	Proportion of rejected switches caused by data quality issues	Net impact on the volume of rejected switches	0.15	0.15	0.15	Based on analysis of data for recorded reasons for rejected switches. Majority are due to requesting a switch date outside of acceptable parameters.
32	Reliability analysis	Current annual number of Delayed Switches caused by problems with industry address data (2016)	Net impact on the volume of delayed switches	100,755	100,755	100,755	Based on analysis of data for the volume of delayed switches and the reason codes recorded.
33	Reliability analysis	Cost to Suppier A of correcting an ET	Monetised benefit from reduced Ets	£63	£63	£63	Average of figures provided by suppliers in response to the relevant question in our RFI
34	Reliability analysis	Cost to Suppier B of correcting an ET	Monetised benefit from reduced Ets	£63	£63	£63	Average of figures provided by suppliers in response to the relevant question in our RFI
35	Reliability analysis	Harm caused to the consumer that has their supply ET'd	Monetised benefit from reduced Ets	£20	£20	£50	Harm to this consumer will range from time spent engaging with the issue, such as reading a letter or calling a supplier, to stress and worry about the issue. The current level of voluntary compensation sometimes paid to consumers who have suffered an ET is £20 where the requirements of the ET Customer Charter have not been met. Given the intention of the compensation is to offset the harm caused to a consumer, the rationale for this proxy appears sound. If the level of compensation is inadequate, the assumption will not reflect the full extent of the harm. Of the two consumers involved in an ET, this consumer that is wrongly transferred may face less harm than the consumer that wanted to be transferred but wasn't. Given the low value of the compensation, which was set nearly 15 years ago, this figure is considered more appropriate for this consumer. This is thought to be a cautious assumption.
36	Reliability analysis	Harm caused to a consumer that requested a switch but didn't due to an ET	Monetised benefit from reduced Ets	£20	£40	£100	As with the ET'd consumer, harm to this consumer will range from time spent engaging with the issue, such as reading a letter or calling a supplier, to stress and worry about the issue. However, in addition, this consumer could face being double billed by direct debit as they are billed for the other consumer's energy as well as their own. The voluntary compensation referred to above would not be applied to this consumer as they have not been ET'd, but in any case teh level of £20 would appear inadequate for consumers in this situation. Recognising that not all cases will be this extreme, an assumption of £40 has been made. This is thought to be a cautious assumption.
37	Reliability analysis	Cost to a Supplier B of a delayed switch	Monetised benefit from reduced delayed switches	£60	£60	£60	Average of figures provided by suppliers in response to the relevant question in our RFI. Figures were provided for gas and electricity separately. Assumption is approxiate mid point of the two averages.
38	Reliability analysis	Consumer time spent dealing with a delayed switch (hours)	Monetised benefit from reduced delayed switches	0.5	1	1.5	Initial findings from our qualitative consumer research indicates that sorting out delayed switches can be very time consuming for consumers, not just in terms of the time spent thinking about or being frustrated about the delay, but also sometimes involving several calls to suppliers. This initial assumption has been made but will be tested once the full results of the research have been received.
39	Reliability analysis	Cost to supplier B of handling an abandoned or rejected switch.	Monetised benefit of reducing the volume of abandoned switches	£20	£20	£20	Average of figures provided by suppliers in response to the relevant question in our RFI regarding abandoned switches. Have assumed the impact of a rejected switch is similar.
40	Direct benefit - faster realisation of savings	Average length of a fixed term contract (years)	Direct benefits to consumers from realising savings more quickly	1.2	1.1	1.1	Based on the assumption that the vast majority of fixed term contracts are for one year.

41	Direct benefit - faster realisation of savings	Ratio of external switches to internal switches when new contracts are agreed.	Direct benefits to consumers from realising savings more quickly	50%	50%	50%	The average consumer is twice as likely to switch internally than externally. We have assumed that the most engaged consumers are equally likely to switch internally and externally (ie that the most engaged consumers are more likely to switch externally than the average consumer) as they may be more familiar with the process, more aware of the better deals, and less risk averse as a result.
42	Direct benefit - faster realisation of savings	Number of switches by a highly engaged consumer over fifteen years	Direct benefits to consumers from realising savings more quickly	6.5	7	7	Based on assumption that there will be 14 new contracts agreed in the 15 year period (due to average of 1.1 years) and the assumption that 50% of new contracts will be an external switch. For low scenario assumed there are 13 new contracts agreed over 15 years.
43	Direct benefit - faster realisation of savings	Proportion of switches that a highly engaged consumer will not request early enough to avoid a temporary lapse onto the SVT	Direct benefits to consumers from realising savings more quickly	20%	40%	60%	In the absence of any data an assumption of 50% has been made based on judegement only. This is on the expectation that, even for the most engaged consumers, switching their supplier or tariff may often be left to the last minute or forgotten until there is an increased energy bill.
44	Direct benefit - faster realisation of savings	Number of days of paying the SVT that will be avoided on average (steady state)	Direct benefits to consumers from realising savings more quickly	10	14	18	The same assumption has been made for all three reform packages, which vary only by a couple of days from the fastest to the slowest. The assumption recognises that the highest number of days on the SVT that could be avoided is 20, but that in some cases in the counterfactual the consumer may not lapse onto the SVT for this long.
45	Direct benefit - faster realisation of savings	Number of days of paying the SVT that will be avoided on average (transitional phase with one week switching)	Direct benefits to consumers from realising savings more quickly	5	9	13	As above, while recognising that during the initial transitional phase switching will take around 7 calendar days (around 5 days slower on average.
46	Direct benefit - faster realisation of savings	Proportion of dual fuel consumers that will be highly engaged, consistently agreeing to new fixed deals back-to-back (only with very small breaks on the SVT) under the counterfactual	Direct benefits to consumers from realising savings more quickly	4%	6%	8%	Ofgem 2016 consumer engagement survey found that 12% of consumers have switched electricity supplier four or more times, and the equivalent for gas is 11%. While this proportion of consumers are regular switchers, not all of them will do so very regularly over time. An assumption has been made that half this group are highly engaged consumers that will switch internall or externally on an annual basis. This is to some extent supported by the data from the same source that 6% and 7% of consumers have switched internally for their gas and electrciity tariffs respectively at least four times before.
47	Direct benefit - faster realisation of savings	Proportion of electricity only consumers that will be highly engaged, consistently agreeing to new fixed deals back-to-back (only with very small breaks on the SVT) under the counterfactual	Direct benefits to consumers from realising savings more quickly	4%	6%	8%	Ofgem consumer engagement survey found that 12% of consumers have switched electricity supplier four or more times, and the equivalent for gas is 11%. While this rpoportion of consumers are regular switchers, not all of them will do so very regularly over time. An assumption has been made that half this group are highly engaged consumers that will switch internall or externally on an annual basis. This is to some extent supported by the data from the same source that 6% and 7% of consumers have switched internally for their gas and electrciity tariffs respectively at least four times before.
48	Indirect benefit - additional switching scenario analysis	Marginal cost to suppliers per switch	Net benefit per external switch	£20	£25.00	£30	Analysis of RFI data for questions 6.3a and 6.4a regarding the impact of a 20% increase in switching volumes. It was unclear from RFI responses what types of costs were included in this number.
49	Indirect benefit - additional switching scenario analysis	Proportion of consumers that will change their behaviour as a result of the switching prorgamme reforms (Scenario 2)	Increase in switching - scenario 2	N/A	10%	N/A	When consumers were asked in Jan 2017 (source: GfK Energy360, a syndicated energy market tracker) to select the most important factor that would make them more likely to switch or consider switching their energy supplier in the future, around one fifth identified issues being tackled by the switching programme. This scenario is based on an assumption that half of this group (hence 10% of consumers) will make a small behavioural change as a result of the reforms.
50	Indirect benefit - additional switching scenario analysis	Percentage increase in switching in a month where there is high profile media campaign and public interest	Increase in switching - scenario 2 and 3	N/A	50%	N/A	Based on the sharp increase in switching seen in November 2013 that followed announcements of price increases and associated media attention.
51	Indirect benefit - additional switching scenario analysis	Number of months media interest/adverts would last for after launch	Increase in switching - scenario 2 and 3	1	2	N/A	Typically media interest would be expected to be short lived, but advertising campaigns (particularly those led by PCWs) may be more persistent.
52	Indirect benefit - additional switching scenario analysis	Saving to a consumer from a change of tariff with the same supplier (internal switch) for a single fuel	Net benefit per internal switch	N/A	£35	N/A	Market data from May 2017 suggests that the differential between suppliers SVT and their fixed tariff is around £70 on average for a dual fuel account. As analysis for increased switching is based on individual meter point switches, the figure has been halved to £35.
53	Indirect benefit - additional switching scenario analysis	Additional external switching in year 1 in scenario 3	Increase in switching - scenario 3	N/A	15%	N/A	

54	Indirect benefit - additional switching scenario analysis	Additional external switching in year 2 and 3 Scenario 3	Increase in switching - scenario 3	N/A	5%	N/A	Scenario, and the assumptions underpinning it, are based on an understanding of what has happened in the current account market following the switching reforms in 2013. Following a sharp increase in year 1 of around 20%, the increase fell to around 13% in years 2 and 3, from which point the level of switching is expected to continue at around the baseline level. The rise in switching was attributed to an increase in innovative product offerings and competition. At the same time customer retention efforts have now increased, with customers taking up incentives to remain with their current account provider. This is thought to be the sustained impact of the current account reforms. We have assumed the switching reforms in the energy market will have a larger sustained impact on external switching as research demonstrates the reforms are tackling genuine barriers to engagement, and there is clearer financial incentives for repeat switching in the retail energy market.
55	Indirect benefit - additional switching scenario analysis	Additional external switching in year 4 - 15 Scenario 3	Increase in switching - scenario 3	N/A	3%	N/A	
56	Indirect benefit - additional switching scenario analysis	Additional internal tariff switching year 1 - 2 Scenario 3	Increase in switching - scenario 3	N/A	0%	N/A	
57	Indirect benefit - additional switching scenario analysis	Additional internal tariff switching year 3 Scenario 3	Increase in switching - scenario 3	N/A	3%	N/A	
58	Indirect benefit - additional switching scenario analysis	Additional internal tariff switching year 4 - 15 Scenario 3	Increase in switching - scenario 3	N/A	5%	N/A	
59	Indirect benefit - additional switching scenario analysis	Supplier cost of an internal tariff switch	Net benefit per internal switch	£8	£10.00	£12	Only involves one supplier so taken to be no more than half of the external switching cost. Assumed to be slightly under half the cost as process is presumably more straightforward.
60	Consumer NPV	Cost pass-through for direct costs of programme from industry to consumers	Net benefit to consumers	75%	90%	100%	We propose to assume a high level of pass-through of the direct costs of the switching programme on the basis that they are being imposed across the industry on all suppliers. A value of below 100% is proposed as some suppliers will face much higher costs than others, and those may be reluctant to pass the full costs on. Also, as some of the up-front investment costs will not be linked to marginal cost of supply (ie they will be sunk), suppliers may find it difficult to pass these on in an increasingly competitive market. Academic research of the Spanish electricity market in 2013 found that 80% of emissions costs were being passed through to consumers (reflective of the level of market power and price-elasticity). We are yet to reach a conclusion on the most appropriate central estimate for this assumption.
61	Direct benefit - consumer time saving from faster switching	Average consumer time saving from faster switching (hours)	Net benefit to consumers	0.08	0.125	0.17	Faster switching will improve consumers' experience in a number of ways. During the existing switching window many consumers may spend time wondering what is happening with their switch, being frustrated or concerned, checking their app/emails/online account for updates, or even contacting suppliers for an update online or by phone. By having to submit a meter read weeks after the initial decision to switch they may also have to re-engage mentally with the process. They may have read their meter when they first switched. Though the fundamental improvement of faster switching will be the increase in certainty and a reduction in frustration, there is also expected to be a small time saving to consumers associated with this uncertainty and frustration. On average the time spent by consumers engaging mentally or actively with the lack of progress is likley to be low, hence a cautious range of 5 - 10 minutes has been assumed.
62	Direct benefit - consumer time saving from faster switching	Monetary value of one hour of a consumer's non-working time	Net benefit to consumers	£5.34	£6.93	£9.95	(Source: DfT WebTAG Table A 1.3.1) Value based on consumer valuation of non-working time in relation to transport / commuting - the extent people will pay more for a faster journey. Assumption is considered to be cautious as DfT analysis recognises that people will typically place a greater value on their time if they are doing something they particularly dislike eg waiting for public transport. We have not sought to make any adjustments for this type of effect. Central assumption is employed by Ofcom in their impact assessment for easier and more reliable switching. High is DfT figure for commuting time, and low is DfT figure for 'other' eg waiting (uprated to 2016 prices).
63	Public sector costs	Annual cost to Ofgem for one FTE Band C (for ongoing DCC price control arrangements)	Ongoing Ofgem resource cost	£46,231	£46,231	£46,231	Figure used for programme budgeting requirements.

64	Public sector costs	Ongoing Band C FTE requirement for DCC price control arrangements	Ongoing Ofgem resource cost	0.5	0.5	0.5	Expected requirement built into Ofgem resourcing plans.