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Date: 11 September 2018

Dear Colleague,

Open letter: Request for engagement with Faster Switching Engagement Group and other industry initiatives

We are now in the Enactment phase of our Switching Programme. In this phase, we are tendering for partners to develop and operate the infrastructure that will enable faster and more reliable switching. In addition, we will continue to develop the REC code, which will enable the new Switching arrangements. These changes will affect all suppliers, DNOs and meter asset providers, who will be required to develop new infrastructure of their own to allow interaction with the new arrangements. Our current expectation is that the new switching arrangements will be ready to go-live in early 2021.

Poor quality data has repeatedly been identified as a risk to proper operation of the retail market, and has been a drag on switching quality for some time. We require significant improvements to be made to existing industry data to ensure that the data held in existing industry systems reflects that required by the new Central Switching Service (CSS), and that it is of the appropriate quality to ensure that switching is reliable when the new arrangements are launched. Suppliers, DNOs and their agents need to take action now to ensure that they have adequate resources in place to review the proposed changes, to understand their impact upon their organisations and to execute any necessary actions arising.

We wrote to the MRA Executive Committee on 23 March 2018, requesting a number of changes intended to improve data held within MPAS databases and other industry systems. These changes will affect data held by DNOs, Suppliers, and Meter Asset Providers. To ensure that the necessary changes are made to industry data, MEC has convened the Faster Switching Expert Group (FSEG). The principal responsibility of FSEG is to ensure that data is ready for migration into the CSS in the programme's Design, Build and Test phase. FSEG intends to deliver proposals for consultation by the end of 2018, and those proposals should be implemented by late summer 2019. In addition to the work of the FSEG, MEC's IREG group is working to ensure that industry data is properly cleansed and improved in advance of the new switching arrangements.

We encourage all suppliers, DNOs and Meter Asset Providers to engage with and support the work of FSEG and IREG. At a minimum, this engagement should take the form of delivering appropriate resources to ensure that stakeholders are able to execute FSEG's proposals in good time for the Design, Build and Test phase. We note that some of the data to be migrated in the CSS is currently owned and mastered by parties who are not signatories to the MRA. In these cases, we would encourage suppliers and other

stakeholders who are MRA signatories to ensure that their agents are engaged with the work of FSEG and IREG and to take appropriate steps to manage them to ensure that they are on course to deliver the required changes. This relationship will be formalised in the REC in 2019, but we would encourage suppliers and DNOs to work with their partners to deliver the FSEG's work in advance of the formal designation of the REC.

The successful implementation of faster switching is a key priority for Ofgem, and will be a key component of the retail energy market in future. We will continue to actively monitor the progress of these groups and working with industry to ensure that their aims are delivered.

Yours faithfully,

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Rachel Clark