

GDAA Panel Secretary
On behalf of the GDAA Panel
Gemserv Ltd
8 Fenchurch Place, London, EC3M 4AJ
GDAAPanelSecretary@gemserv.com

To:
Rachel Clark, Programme Director
Switching Programme
switchingprogramme@ofgem.gov.uk

3rd September 2019

Re: Switching Programme and Retail Code Consolidation: Proposed changes to Licences and industry codes

Dear Ms Clark,

The Green Deal Arrangements Agreement (GDAA) Panel welcomes the opportunity to respond to the above consultation and in particular those areas that focus on future governance of Green Deal. As you are aware and have recognised in the consultation, there has been previous work conducted into the feasibility of merging the GDAA into the MRA. Although that merger was not completed, the experience has helped shape our response to your consultation. We would also be happy to provide further detail on our experience if necessary.

The GDAA Panel is supportive of Ofgem's aim of efficient and effective Green Deal Governance through the REC. We agree that Option 2, where all Green Deal provisions are transferred from the MRA and GDAA to the REC, is the preferred option and would deliver optimal benefits.

We understand that the consequential changes required to align the GDAA for Switching may not fall under the Switching Programme SCR, and we would like to have this position confirmed. We also believe that this issue may have relevance when considering the Code Consolidation SCR and whether the GDAA should fall under its remit.

Our response concentrates only on those questions that directly impact the GDAA. We have not commented where we feel it is more relevant for individual parties to the GDAA to respond.

If you would like to discuss our response further, please contact the GDAA Panel Secretary (Gemserv) at GDAAPanelSecretary@gemserv.com.

Yours sincerely,

The GDAA Panel.

Question 4.5: Do you agree that the GDAA and Green Deal related provisions in the MRA should transfer to the REC?

The GDAA Panel are in support of merging the GDAA and Green Deal related provisions into the REC and believe this will achieve Ofgem's aim of ensuring the arrangements are effective and efficient. We are also of the view that the GDAA Panel should be consulted throughout this process in order to ensure that lessons learnt from the proposed merger of the MRA and GDAA are shared. The future of the Green Deal framework will be subject to review and consultation by BEIS, but the GDAA provisions will likely apply substantially for the duration of existing Green Deal Plans. Furthermore, we would expect that consolidation of Green Deal provisions into the REC would not be detrimental to the evolution of the Green Deal scheme.

Merging all Green Deal elements into the REC should provide a simplified, clearer and more aligned end-to-end customer journey, with benefits in efficiencies including governance and costs for Green Deal Parties and consumers. Additionally, consolidation of governance will assist other party types in referencing and understanding obligations for the scheme.

It is essential that all GDAA parties are consulted and have the opportunity to engage in the transition of Green Deal into the REC. Particular attention should be made to inform and engage those parties who are not currently party to the MRA and therefore may not be actively contributing to the development of the REC.

Question 4.6: Do you think GDAA parties should accede to the REC, or be engaged in governance through some other means?

We support all GDAA parties acceding to the REC but based on lessons learnt from the proposed GDAA MRA merger, we believe that the REC should ring-fence responsibilities and accountabilities of different party types, enabling parties to only accede to their relevant obligations. This should ensure transparency and fairness for all parties and eliminate any concerns regarding increased complexity from those parties who are not currently party to the MRA. This could be enhanced further by implementation of an innovative digital format for the REC.