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Dear Rachel,

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

We welcome the opportunity to respond to your consultation on behalf of SSE Energy Supply Limited (Non-Domestic); and SSE Electricity Limited and Southern Electric Gas Limited (Domestic). Please find responses to questions for your second tranche deadline, plus our further views as detailed below.

As we mentioned in our July consultation response, Retail Energy Code (REC) services must demonstrate added value which exceed the existing arrangements. In addition to being delivered efficiently and fit for purpose, there must be no unnecessary duplication with existing arrangements and significantly no additional cost in entirety. Through overall scale of fixed costs to industry, the collective ambition must be to maintain the best possible cost to serve on behalf of the consumer. In view of the proposals for performance assurance in Chapter 1, we have some concerns regarding what the Performance Assurance Board will be assuring and whether there will be duplication of assurance measures with other codes.

Under Chapter 2, we have some concerns regarding the scale of required consequential changes and if all changes have been identified and whether those that have can be delivered on time?

We note the Technical Specification Document within Chapter 3 and have a concern regarding our ability to conduct an effective review where this schedule is not available. As such, in our view many of the Schedules cannot be considered as being reviewed at the stage.

Regarding the Significant Code Review (SCR) Scope, Process and Proposals in Chapter 4, we believe there is a risk of duplication with existing arrangements in the proposals for the Metering Code of Practice consolidation. This appears to suggest there will be a requirement for 2 audits if a MEM is impacting a supplier's performance?

In terms of implementation of the new REC, there would also appear duplication (and inefficiency) through parties being required to comply with new and existing codes, where previous obligations were contained within one code, it appears that parties will now need to comply with two codes.



As an overarching concern, the focus for most obligations within the REC appear targeted for the domestic market, however we believe there should be consistency where applicable within the REC for the Non-Domestic sector. Considering the responses, and Ofgem's comments, to Question 5.12 of the October 2018 consultation, we assume there will be a view that there would be merit in extending obligations to Non-Domestic for some (if not all) the subjects.

We believe the additional acronyms being used within this programme could cause confusion where it is not needed. The current programmes being managed by Ofgem should be reviewed to ensure there is a consistency to the terminology. For example, the REC proposes amending a MOP to a MEM, however under the Electricity Settlement Reform proposals MOP has been amended to MSS.

With Ofgem's view that REC should be best in class, we do not believe the current set up of Schedules will achieve this. We appreciate the intent of grouping the processes together however, to provide an accessible and comprehensive set of rules which are as easy as possible to understand, we believe each process should have its own separate Schedule. If we use the example of Resolution of Consumer-Facing Switching and Billing Problems schedule, the contained processes effect the consumer however, when a change is needed for one of the sections, the entire Schedule will need to be reviewed and change accessed. This could cause unnecessary resource burden on Parties to the REC. With the intention of the REC being digitalised, this would seem a more appropriate approach.

We also note additional emphasis in arrangements being placed upon the Code Manager, however our acceptance in principle will depend upon eventual manifestation of new powers in practice and for example the determination of changes or disputes between suppliers.

We hope our feedback to your consultation is helpful, please let me know where further clarifications are required?

Kind regards,

Victoria Burkett
Policy and Regulation

Chapter 1 – REC Governance Arrangements

1.1: Do you agree that the mission statement and objectives encapsulate the functions of the code, can drive activity of the governance functions and assist decision-making on changes to codes?

We agree the current statements provide a start for the functions of the code but as noted in our July response, there should be a review ahead of implementation to ensure these remain fit for purpose.

1.2: Do you agree with our proposals on the initial and ongoing appointment of RECCo Board Members?

We broadly agree with the proposals however, we believe there should be a representative from each constituency with board members of up to 6 members with alternates to ensure quoracy is maintained. We would like to understand how votes will be split, there is a risk that there will be no majority voting? Although members should have experience to cover all constituencies, they should not be relied upon to make judgement on a sector that could have changed since their involvement. Understanding other sectors will be advantageous however a Networks board member should not be making decisions for a Supplier member.

1.6: Do you agree with our proposals on the set-up of the REC Change Panel? Do you foresee any problems with these proposals?

Whilst industry have experts in all fields, it needs to be noted that there is a risk that some suppliers will struggle to attend all meetings if their experts are also required at other industry meetings. We would like to understand how the changes will be prioritised, if the Change Panel are responsible for driving forward decisions? If changes are consumer driven, will a methodology be created to determine how changes will be prioritised? We would like further information on how this would work.

1.7: Do you agree with our proposals on the set-up of the PAB? Do you foresee any problems with these proposals?

We do not foresee any issues with the current set up, however, like many questions, we believe that there should be a review ahead of implementation to ensure these remain fit for purpose. There should also be an opportunity to review the processes to ensure the PAB achieves what is required. When will the Performance Assurance Schedule detail liabilities and sanctions? To enable a full review of the proposal, we believe this information should be available.

Under current Green Deal regulations, Suppliers are expected to issue reports based on their performance of Schedule 7, providing reasons where they may not be fully compliant with the obligations, could this be adopted for REC? There would need to be a review of industry processes to gain an understanding of the average performance however, this could be a starting point for performance.

PAB membership can be extended to include parties who have experience in other sectors, however only where their inclusion is justifiable. It also needs to be noted that the PAB should only be assuring obligations contained within the REC. Industry should not be expected to duplicate assurance efforts where the intention of REC is to put consumer outcomes at the heart of everything it does.

1.8: Do you agree that the inclusion of the principles outlined (as included in the draft change management schedule) should address some or all of the problems associated with existing code governance?

Many delays caused for Change Proposals are due to parties not having a full understanding of the issue and creating a solution which will not resolve the problem. The current principles should address some of the concerns however, the inclusion of a process to raise an issue should be codified. We have seen on many occasions Change Proposals being delayed because the solution is not fit for purpose, if an issue process was clearly defined, many changes could have been progressed a lot quicker than what we have experienced.

We would like to understand how change proposals will be prioritised, there is a real risk that only changes raised by the REC manager are prioritised, we would therefore like to see a prescribed methodology to ensure this does not happen.

Chapter 2 – Delivery Approach

2.1: Do you agree with our proposed choreography of the Retail Code Consolidation SCR, Switching Programme SCR and associated licence changes, including our proposals that the Switching Programme changes will be introduced as ‘dormant’ before being made ‘active’ following Authority direction?

We agree with how this process will be completed but feel that the timescales provided could be challenging. We would prefer a longer lead time between the new obligations being put in place and the respective codes being closed.

2.2: Do you agree with the approach we have described for managing the delivery of the Switching Programme SCR and the Retail Code Consolidation SCR?

As answered in the question above, we agree with the actual process however, we do not agree with the proposed timescales.

2.3: Do you have any views on the draft consequential changes to industry codes and work plans described in Appendix 5 that would help deliver the Switching Programme and Retail Code Consolidation SCRs?

The current changes appear to be progressing well at present, however Ofgem need to ensure there is an alignment of the consequential changes to ensure all the proposals can be delivered on time. We believe there is a substantial amount of work which needs to be completed to be able to deliver this programme, we therefore feel that this needs to be carefully monitored.

Chapter 3 – Switching Programme: REC Operational Arrangements

3.1: Do you agree that the draft Registration Services Schedule meets the required standards set out in the Regulatory Design Principles? If not, please describe how you think it should be improved.

Yes. Please note further comments regarding this schedule in question 3.18.

3.2: Do you agree that the draft Address Management Schedule meets the required standards set out in the Regulatory Design Principles? If not, please describe how you think it should be improved.

Yes. Please note further comments regarding this schedule in question 3.18.

3.3: Do you agree that the draft Data Management Schedule meets the required standards set out in the Regulatory Design Principles? If not, please describe how you think it should be improved.

Yes.

3.4: Do you agree that the draft Service Management Schedule meets the required standards set out in the Regulatory Design Principles? If not, please describe how you think it should be improved.

As we have identified with all schedules, a lot of the information we require to assess these will be included in the Technical Specification document however this is not yet available. We are therefore unable to give a full review. Based on the information we have at present, it appears that this covers what is required. We believe a register should be maintained of all identified problems to ensure an up to date record is maintained. We do not believe this should only be recorded where there is a frequent issue. Please note further comments regarding this schedule in question 3.18.

3.5: Do you agree that the draft Entry Assessment and Qualification Schedule meets the required standards set out in the Regulatory Design Principles? If not, please describe how you think it should be improved.

Yes. Please note further comments regarding this schedule in question 3.18.

3.6: Do you agree that the draft Resolution of Consumer Facing Switching and Billing Problems Schedule meets the Regulatory Design Principles? If not, please explain how the Schedule could be improved?

Yes. Please note further comments regarding this schedule in question 3.18.

3.7: Do you agree that we have adequately captured the requirements of the ETCC within the draft Resolution of Consumer Facing Switching and Billing Problems Schedule, taking account of the existence of Guaranteed Standards of Performance that cover engagement with the consumer and resolution of erroneous transfers?

We believe there are several sections omitted from this schedule which adequately captures the ETCC and therefore these need to be addressed. At the start of this Schedule it states Non-Domestic is To Be Confirmed, currently MRA MAP 10 states that Half Hourly Sites are excluded, we therefore believe the scope should be confirmed before an accurate review can be completed.

MRA MAP 10 and SPAA Schedule 10 also clearly states that Suppliers must have a dedicated telephony service to assist other Suppliers with queries, reviewing Section 3.6 we cannot see it has been determined that this must be available. Industry already experience issues with operational contacts, by omitting this from the Schedule we believe there will be an increase in unresolved queries and therefore this should remain.

There is also no mention in the draft schedule of how to manage an ET that has been agreed but the supply has been with multiple suppliers. This is covered in the current SPAA and MRA Schedules and states the ET must be resolved bilaterally or multilaterally between Suppliers via telephone. MAP CP 0302 and SCP 439 were implemented in the first release of this year; however, these changes do not appear in the newly drafted schedule.

Section 8.4 details the process for when the Energy Supplier who holds the Energy Contract sends a Switch Request to Re-register however, we cannot see what process the Old Supplier should follow if the Gaining Supplier does not request to Re-Register the customer. We also note there are Re-Registration escalation timescales noted within the respective SPAA and MRA processes which have not been added to this new Schedule.

Section 9 Timetable for ETs – It has been noted at previous industry meetings including the ETWG that the current response time for a Gaining Supplier should be reduced. We believe the current timescale of 8 Working Days should be reviewed as we are unable to see the benefit allowing a Supplier this period to initiate an ET. We would suggest this is reduced to 3 Working days. The escalation process would be started at 5 Working Days. If the current timescales remain, based on the newly drafted Schedule, a Supplier can escalate prior to the Gaining Supplier initiating the process.

The new GSS process states the timescale for completing a Registration after an ET has been accepted, however this is also not included.

We note there is no mention of how an Escalation will be communicated. The Secure Communication Working Group has been set up and the final solution may not yet be known, but we believe the Schedule should address that this will be finalised once a decision has been made.

We note detail of how to populate a flow has also been removed for when sending or rejecting these. The current processes detail what codes should be provided for each scenario of an ET and includes a Valid list of Codes to be used when raising an ET, these have also been removed.



Will the structure of the relevant ET flows be amended? We believe these should be included however, if this does not fit with the current plan of REC, we believe these should be at least included in the Technical Specification document, or an Annex to the Schedule, this will ensure new entrants can manage the process accurately.

Within the current processes, the ET Reason Codes and the reasons for using these have been deemed beneficial previously and therefore we believe these should also be included in this Schedule. Rejections also have this beneficial information which should also be included. Please note further comments regarding this schedule in question 3.18.

3.8: Do you believe there is merit in extending obligations relating to the resolution of Erroneous Switches, Crossed Meters, Switch Meter Read Problems and Duplicate Meter Points to micro-business consumers or should these requirements more generally apply to all Non-Domestic Energy Suppliers? For Switch Meter Read Problems, should the scope be extended to cover domestic and micro-business consumers who are settled on a Half-Hourly basis?

Before a view can be provided on whether we believe the obligations can be extended to either Micro-Business or generally Non-Domestic, we would need to assess the impact on other regulations covering the switch process and be provided with information on how these new obligations would effectively be put into practice. The latest review of Switching Guaranteed Standards confined these to Domestic only as it was concluded that there was no evidence at the time to warrant extending these to MBC. If it was deemed unnecessary to extend these obligations to MBC's under GS, we would like to understand how extending the switching obligations under REC would be beneficial. We also do not believe it would be necessary to extend switch meter read problems to Half-Hourly customers as this issue should not be encountered.

3.9: Do you agree with our proposal to introduce a harmonise procedure for escalating delayed and disputed problem resolutions for all problem areas covered by the draft Resolution of Consumer Facing Switching and Billing Problems Schedule? If not, please explain how the approach for escalations could be improved.

Yes, it has been noted in previous industry meetings with regards the lack of alignment therefore we feel this is a positive step. Ensuring a consistent timescale will benefit all parties, however we would like to understand how this can be achieved.

3.10 Do you agree that the draft Prepayment Arrangements Schedule meets the required standards set out in the Regulatory Design Principles? If not, please describe how you think it should be improved.

We do not believe this schedule has been afforded the appropriate review along with the other schedules. Although many of the obligations have been 'lifted and shifted' it does not appear that the obligations have been aligned where these can be achieved. We agree that a cost benefit needs to be realised but where overall obligations can be made with fuel specific sections, then this should be adopted, as suggested in question 4.8. Please note further comments regarding this schedule in question 3.18.

3.11: Do you agree that the draft Related Metering Point Schedule meets the required standards set out in the Regulatory Design Principles? If not, please describe how you think it should be improved.

Yes. Please note further comments regarding this schedule in question 3.18.

3.12: Do you agree that the draft Data Access Schedule meets the required standards set out in the Regulatory Design Principles? If not, please describe how you think it should be improved.

Yes. Please note further comments regarding this schedule in question 3.18.

3.13: What changes would you make to best align the draft Data Access Schedule to the Energy Data Task Force recommendations?

The Energy Data Task Force report details recommendations that could be adopted within industry however understanding the cost implications before making any changes would be beneficial. We note the suggested recommendations (1-3) within the report appear to be adopted within the Data Access schedule, however, data is in integral part of the switch and therefore ensuring this is as accurate as possible would benefit all consumers. The report is comprehensive and covers various strategies that could be adopted but without detailed analysis as to how this would benefit the industry and the omitted Technical Specification schedule, we are unable to give a review of whether this schedule is suitable without all the information required.

3.14: Do you agree that obligations should be placed on networks and suppliers to ensure that RECCo procures gas and electricity enquiry services and that obligations in the Gas Transporter and Distribution Licences can be removed?

Yes. If obligations are being placed within REC which procures the relevant services, it seems sensible to remove these obligations from the licence.

3.15: Do you agree that the RECCo should be able to appoint either the Code Manager, Enquiry Service operator or a third party to act as the Enquiry Service Administrator for the purpose of monitoring compliance and managing Data Access Agreements?

Yes. We believe there needs to be controls put in place for the appointment of compliance monitoring. Having this in one place will ensure the appointment is completed in a fair and appropriate manner. We would however like to see how the methodology for the appointment would be determined.

3.16: Do you agree that the draft Interpretations Schedule meets the required standards set out in the Regulatory Design Principles? If not, please describe how you think it should be improved.

Yes.

3.17: Are there any other areas that you think should be covered in the REC to support the Switching Programme, other than those that will be included in the Technical Specification?

As we have alluded to on other questions, the omission of the Technical Specification schedule means that we cannot confirm whether the schedule is fit for purpose and unable to determine whether all areas have been covered.

3.18: Do you have any additional comments on the drafting of any of the schedules, in particular in relation to whether they effectively achieve the outcomes described here and articulated in Design Baseline 4 or other programme documents?

We have noted some overarching concerns with regards to all schedules:

- There needs to be a consistency throughout the schedules – Business Days or Working Days – Business days is not included in the Interpretation Schedule.
- We have noted that there is a heavy reliance on Technical Specification document however, as this is not yet available it is difficult to provide a thorough review of what is required. We therefore feel that additional reviews will be required of the current schedules when this Schedule is released.
- We believe there needs to be a consistency with acronyms, there are several schedules that refer to REC PAB and REC Performance Assurance Board for example. On the first instance the full wording should be used, the acronym can then be adopted.
- We have identified there are a few timescales that have not been included – added as X working days. To ensure these timescales are achievable, we would like to confirmation of what these are going to be.
- We believe due to the size of the changes required, a table of where each process sits within each schedule should be developed for industry to use.
- All titles to the tables need to appear at the top of each page where the table spreads over multiple pages, this will ensure ease of reading.
- We have identified there are a few instances where RMP and Metering Point is used, this needs to be consistent.

We would also like to note the following specific points with regards to the drafting of the released schedules:

REC Change Management Schedule

- We would like confirmation as to how an interested party to the REC may be able to make changes to the code. We would appreciate information as to how this would be managed, and who will determine whether the change would be beneficial to all industry parties?
- 4.5. (d) How will this be determined? We have had experience of changes being accepted at Change Board where we believe they would not be approved. We would appreciate information as to how this could be monitored.
- 13.3 appears to have the start of the sentence missing
- 13.4 (d) Should a timescale be added here? This schedule does not have a timetable therefore we believe any process within this should have the relevant timescales added.
- 14.1 We believe this timescale needs to be reviewed, expecting a Service Provider to review an impact to a system within 5 days may not be achievable.
- 14.4 needs to start on a new line, also: needs to be removed from the end of the sentence

Registration Services

- How will we amend the Industry Market Domain Data for electricity at the point of registration?
- Section 2 – States that a gaining supplier will only submit a switch request where they have an energy contract for that RMP. We believe this needs to be reworded as this statement could be misleading as the contract will only be valid upon successful registration.
- Section 2.2 states that the Gaining Supplier must only specify an effective date within the request, we are unclear on the impacts of this due to the Technical Specification document being unavailable. It appears the entire process is changing but until we have reviewed the Technical Specification document, we are unable to assess this accurately.
- For SMETS2 Multi Rate applications, we apply for the plan we have configured the meter to but would like to understand how this process will work through the CSS and where this will be documented? There is a significant risk there will be an increase in MPAS Rejections.
- Clause 6.1 – We believe this clause needs to be amended to state that the old supplier does not have to respond to a loss notification with an objection response, it only needs to be done if they are raising an objection.
- Section 11 - Confirmed Registration – 11.4 (c) The text states there is a requirement for the gaining and losing suppliers to both send 'Notify Old Supplier Information', currently only the old supplier sends this information, and the following process table only shows this being sent by the old supplier. We believe the wording should be:
The losing supplier must send 'Notify Old Supplier information' notifications in accordance with this paragraph 11.
- Section 16 – Change of Domestic Premise Indicator – We would like to query why this cannot be submitted alongside the Registration Request which would then become effective on the Switch date? If the switch is subsequently stopped, the change would not take effect. This would make the switch process significantly easier for 'Domestic' sites that are part of a multi-site contract / accommodation services contract. Having this update to an indicator that is only allowed once a supplier's registration is active means there will be sites being moved to the other classification whilst a switch is being attempted and could cause confusion.

Address Management Schedule

- 3.5 amend 'an' to 'a Qualified Energy Supplier'
- 4.4 'Promptly' can be mis-interpreted. Can a timescale be added here for clarification?
- 9.2 Do we need a timescale for how long this would need to be kept for?

Switching Service Management Schedule

- 1.9 Should there be a consistency to the format for information? There is a risk that there will be a different format for each provider causing unnecessary burden when each provider provides their information.
- 2.9 Will there be a set criterion to determine whether an incident is major?
- What is the SLA's for the service desk? Where will these be defined?
- 7.2 & 7.3 As soon as practicable is open to interpretation, we believe there should be a timescale added. This should also be amended to state practical as detailed within other schedules.

- 7.5 We believe there needs to be more specification with regards to this. For example, when will this happen? What if there isn't availability there?
- 11.7 How will required performance be determined?

Entry assessment and Qualification Schedule

- 2.12 As noted above, we believe there should be a defined format to ensure consistency.
- 2.27 We believe there should be a timescale added here, this clause will be open to interpretation. What would be deemed a delay?
- We would also appreciate a timescale for when an assessment has been completed but the Supplier remains dormant, after a period an assessment should be completed to ensure the qualification remains accurate.

Resolution of Consumer-Facing Switching and Billing Problems

- 3.7 (c) Although the intention of these schedules is a lift and shift of current obligations, we believe the omission of 'where appropriate' changes the intent of this schedule. There is a risk that this is setting a precedent for customers that would assume compensation will be paid on each complaint.
- The current process for ET's ensures the consumer is provided with enough information of what they can expect from their Supplier and who to contact should they experience any issues. An overarching statement is provided at the beginning of this Schedule however, what the customer can expect from a Supplier for a Disputed reads process has not been detailed. To ensure the consumer receives the information it needs, there should specific information noted which the Supplier must provide to the Consumer.
- 3.8 Again for this section, the schedule explains that we must provide confirmation of the resolution but for Disputed Reads it does not detail what should be provided and by when. This inclusion of information will benefit all parties.
- 5.7 The timescales for escalation need to be reviewed here, does REC have suitable resource to be able to monitor and deal with all escalations which are raised with them? How will it be determined who is at fault for specific escalations? We believe this needs to be carefully reviewed. There is a substantial risk that REC will be inundated with escalations which could be reviewed inhouse. The Code Manager should be the last resort for escalations.

Section C – Switch Meter Read Problems

- General Comments for consideration which are currently included in the MAP and Schedules– Before submitting a Disputed Reading, Suppliers should carry out appropriate Validation checks to ensure quick resolution and to reduce errors. There is no mention about not allowing a Dispute while an ET is in progress. Once the ET has been resolved then a Dispute can be Initiated. A Dispute should be resolved within 70 Working Days but there is no mention of this timescale. And like the ET Telephony line, there is a requirement for each Supplier to provide a dedicated Team to assist Suppliers with Disputed Read queries.
- Section 12.1 (C&D) It would be beneficial to align both Gas and Electricity processes, a reduction in the Electricity timescale to 15 WD would seem a sensible approach.
- Section 12.7 This is not included within the current MAP 08 for Disputes. It states that if the Associated Supplier receives a Dispute and our view of consumption is less than the Industry agreed 1200kWh for gas or less than 250kWh for electricity they shall attempt to resolve the Dispute by accepting the proposed Switch Meter Reading, unless they have a contrary

Actual Reading or Customer reading taken during the Window. This is a change to current process.

- Section 12.9 – There appears to be an erroneous reference to Paragraph 5. For this process, Schedule 11 information should be replicated within the REC.
- Section 12.11 - This paragraph is incorrect, if the RMP is a DCC enrolled meter then the reading is not submitted to the NHHDC, it is a Supplier to Supplier D0010 Flow.

Section G: Debt Assignment

- Description of the Problem – Section 26
- 26.2 (a) We believe this should be amended, the wording of this change implies that DAP does not work on a Smart meter. DAP applies to all meters working in Prepayment Mode.
- Resolution Process – Section 28. This section is intended to provide an overview of the process outlined in the subsequent Interface Timetable however, we feel there are some key elements missing and does not cover the whole process. For example, it does not cover:
 - Customer initiates Change of Supplier
 - Notifying the Customer of the Objection to Change of Supplier
 - Notifying the Request for Debt Information
 - Responding to Debt Information Request
 - Processing the Information Regarding Outstanding Charges
 - Declining to Proceed with a Debt Assignment
 - Confirming that the Debt Assignment is accepted – Supplier to Supplier
 - Accepting a Supply Point Confirmation Request
 - Finalising the Debt Assignment
 - The Losing Supplier Invoices the Gaining Supplier
- 28.1 –Does this need to mention that DAP is triggered as the result of the receipt of an upheld debt objection? We believe this also needs to include:
 - Upon receipt of the Request for Debt Information the Losing Supplier will validate the information and respond with either a Request for Debt Information Rejection or the Debt Information indicating where applicable if the debt is Complex Debt and the associated Complex Debt reason.
- 28.2 Should the following information be included?
 - Upon receipt of the Debt Information the Gaining Supplier will validate the details and respond with either a Debt Information Rejection or further assess the information to decide if they wish to progress DAP. Where the Gaining Supplier declines to proceed, they will notify the customer accordingly. Where the Gaining Supplier decides to proceed, they will submit the Confirmation of Customer Debt Transfer outlining the earliest resubmission date that they will register the supply.
- 28.3 Should the following information be included?
 - Upon receipt of the Confirmation of Debt Assigned the Gaining Supplier will validate the details and respond with either Confirmation of Debt Assigned Rejection or Confirmation of Debt Assigned Acceptance. Upon receipt of a Confirmation of Debt Assigned Acceptance the Total Debt Outstanding is transferred from the Losing Supplier to the Gaining Supplier. The Losing Supplier shall ensure that the Gaining Supplier is invoiced based on the details outlined in the Confirmation of Debt Assigned. Upon receipt of the invoice the Gaining Supplier will validate the details and either raise any disputes/queries or settle the invoice accordingly.
- 29.2.1 This needs to include an indication of Complex Debt

- 29.3.5 This should state 5 working days
- 29.6.3 – We feel more distinction is needed:
 - Any invoice dispute/query would be raised within 5WD.
 - The Gaining Supplier will settle the invoice within 28 days

Prepayment Arrangements

- 13 The work completed by the Secure Communications Work group determined that the use of ZIP and password protecting the files should be reviewed as it was determined that this is not a secure way to transfer data. We therefore believe this should be amended.

Chapter 4 – Retail Code Consolidation: SCR Scope, Process and Proposals

4.1: Do you agree that Ofgem should lead an end-to-end process to develop the code modifications to deliver retail code consolidation?

Yes, we believe this is a sensible approach to ensure the development remains consistent with the strategy of the programme.

4.2: Do you agree with the proposed scope of the Retail Code Consolidation SCR? Do you think any additional areas should be in scope?

Yes, it appears this covers all aspects of what is required however, until we have started to make the changes, there could be a need for subsequent amendments to be made if industry identify that additional scope would be needed.

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

Yes, although having experienced this proposed transfer previously, there would need to be a review of the process to ensure there is not a repeat of the issues which were faced.

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

In principle this seems the most appropriate means for ensuring governance is maintained however how this would work in practice remains to be seen. Financiers and Providers are governed by separate legislation so requesting they accede to additional obligations might not be achieved. To be able to give a view on whether parties should accede, or other governance is maintained, we would need to see the plans on how this would be delivered. Whilst we appreciate costs need to be reduced, it does not seem sensible to have both options being developed. An outline case should be provided to allow the most appropriate option to be developed.

4.7: Do you agree that the requirements currently held in SPAA Schedule 22 and the RGMA Baseline related to gas meter agent appointments and MDD should be mandatory for domestic and non-domestic suppliers? If not, why not?

Yes, industry should be governed by the same rules where it is appropriate for them to be.

4.8: Do you agree with our preferred option for governance of agent appointments and MDD, outlined as option 3 above?

We believe Option 2 should be developed as we believe this would be more beneficial for parties. Whilst we appreciate the intent is to harmonise the governance of the industry, BSC is a well-managed and developed Code, we therefore do not see any benefit of making changes where these are not needed.

4.9: Do you support our proposal for consolidating the metering CoPs into the REC?

We believe this would be a sensible approach, providing a review is completed prior to the CoPs being amalgamated. There is a risk that if the current CoPs are a direct lift and shift, there could be instances where certain standards are duplicated. We would appreciate industry being provided the opportunity to review this change ahead of implementation.

4.10: Do you think MEMs should be parties to the REC?

We do not believe MEMs should be a party to REC, to ensure a consistency from a Settlements perspective we believe that the MEM, DC and DA obligations should be managed together under the BSC. Under BSC we are obligated to complete yearly audits therefore, if the MEM was split, would the audits be completed on behalf of REC? We also need to consider the impact of how escalations will be managed. How would REC also manage changes or issues raised by ELEXON that have an impact on MEMs? We would also like to seek clarity on how PARMs reporting would be managed, would this be owned by REC or BSC? Ofgem need to ensure there is an alignment for all ongoing programmes to ensure that any changes made now, do not need to be amended in REC in the near future.

4.11: Do you think changes to the metering Schedule(s) of the REC should be progressed through the Change Panel only, or should there be an additional MEM Panel?

We believe the changes should be developed through the change panel however, a representative for MEMs should be available when changes are discussed which effect this market participant. All changes should be assessed ahead of the meeting, if it is deemed a MEM is required, the invite should be extended to the representative. If the overall task of REC is to become more consumer focused, the additional cost of separate panel meetings should not be considered.

4.12: Which of the requirements within SMICoP, if any, should extend beyond the initial installation of the smart metering system?

Before considering whether some of the consumer protections in SMICoP should be extended to meter replacement of a Smart Metering System, we believe this would need to be carefully assessed to ensure that:

- Relevant provisions are not replicating those set out in existing Licence and metering Codes of Practice;
- It considers previous Smart installation interactions that may be with the same consumer and doesn't lead to consumer dissatisfaction where activities are repeated. For example, it would seem reasonable and proportionate to consider a condensed set of principles of what to expect at the replacement installation visit, such as:
 - Setting a clear expectation for the Customer (and installing Parties) of what will happen at a visit; both in communications leading up to the visit and after, especially if anything doesn't go to plan and to clearly explain what will happen next;
 - Considers any specific needs they may have at the time of the visit;
 - To offer a demonstration of the smart metering system.
- It is balanced in terms of providing consumer protection whilst considering the potential impacts of extending the duration of the replacement installation and associated implications to consumers and costs this could cause across Industry;
- Any consequential compliance monitoring reflects any potential variance or optionality on the basis of the visit and previous interactions with the consumer;
- The timing of introducing any potential requirements beyond the initial installation considers the potential post-2020 obligations and Smart rollout volumes.

4.13: Which of the requirements within SMICoP, if any, should apply to installation of non-smart metering systems and other site visits required to carry out metering related work?

Many of the points that we set out in our response to question 4.12 applies to the installation of non-smart metering systems where the customer requests one (paragraph 4.82). For example, it would seem reasonable and proportionate to consider a condensed set of principles of what to expect at the non-smart installation visit, such as:

- Setting a clear expectation for the Customer (and installing Parties) of what will happen at a visit; both in communications leading up to the visit and after, especially if anything doesn't go to plan and to clearly explain what will happen next;
- Considers any specific needs they may have at the time of the visit.

Regarding other site visits required to carry out metering related work, we believe this would be limited to the two bullet points set out above. This would need to be assessed as to the benefit and applicability against the many reasons for requiring a site visit.

4.15: What are your views on our proposals for the governance and assurance of the SMICoP provisions once migrated to the REC?

As with our answers to previous governance questions, having an alignment of parties' obligations would be beneficial however they would need to be clearly defined to ensure they are appropriate.

4.16: Do you agree with our proposal for incorporating PSR provisions in the REC?

Yes, it seems sensible to incorporate these provisions to REC as detailed in previous questions.

Chapter 5 - Licence Condition Changes

5.1: Do you agree that Appendix 4 accurately describes all of the changes that should be made to licences to support the effective operation of the new switching arrangements?

At this stage we believe the relevant changes have been identified however, depending on the outcome of the consultation, there could be further changes identified. At present, we are comfortable with the identified amendments.

5.2: Do you agree that Appendix 4 accurately describes all of the changes that should be made to licences to support Retail Code Consolidation?

Yes, as with question 5.1, at this stage we believe the relevant changes have been identified to support the Code Consolidation.

5.3: Are there any changes to licences that, if not made prior to the switching arrangements going live, would inhibit the delivery of the Switching Programme?

We have not identified any additional licences that should be changed or any that will impact the switching arrangements if not completed before go-live.

5.4: Do you think that we should remove licence obligations on GTs described in SLC 31 and DNOs in SLC 18 to provide one or more of the following services: Enquiry services; Maintenance of a register of data associated with a metering point/supply point; and Customer enquiry service?

We agree with Ofgem's logic of removing these licence obligations however, we would like assurance that there will be no interruption on changeover to RECCo. As these services are vital for the everyday operation of the switching service, we believe there should be a transitional arrangement to ensure the obligation only falls away once the service from RECCo is up and running.

We do not have comments to make on the Licences and have not completed the appendix.

Consequential Changes

As we have alluded to in our response, providing these are managed effectively we do not foresee any issues with the changes being proposed. We would like to note the following:

SPAA

Registered – Either remove 'a' before Supply Points or remove 'S'



Schedule 42 – This is currently in scope for CSS Go-Live however, with the recent SPAA approved SCP 443 (currently awaiting Authority consent) will this need to be revisited to ensure it is still relevant for CSS Go-Live?

MRA

14.17 – Remove the additional ‘Prior to’

IGT UNC

We echo the concerns raised by other Industry participants that the consultation lacks detail to be able to properly assess whether changes will be required to current IGT UNC modification rules.

UNC

Again, we note comments have been made on:

- SOLR – Clarification is needed how SOLR will be addressed in REC.
- Transition document – Data rules need to be added to this document to ensure the initial data set is provided.
- CDSP rejection of CSS Supply point in circumstances such as Siteworks outstanding are not permitted under REC processes, so need to be considered.
- Shared Supply Meter Points registration and deregistration processes need to be further considered.

As BSC, SEC and DCUSA have not provided legal drafting, the suggested amendments required appear to intend to deliver what is required however, once legal drafting is provided a further review will be required.