

Sent by email

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Rachel Clark Switching Programme Ofgem 9 Millbank London SW1P 3GE switchingprogramme@ofgem.gov.uk

3rd November 2017

Dear Rachel,

Delivering Faster and More Reliable Switching: Proposed New Switching Arrangements

The MRA Executive Committee (MEC) welcomes the opportunity to respond to the above consultation and is supportive of Ofgem's aim to promote positive customer outcomes in the retail energy market by reforming existing switching arrangements.

Reform Package Design

MEC acknowledges that MPAS will continue to play a key role under the proposed Reform Package 2a (RP2a), and welcomes the retention of ECOES and DES¹ in favour of a DCC procured Market Intelligence Service (MIS). This provides industry with the mandate to embrace the opportunity to harness Ofgem's aspirations for a future MIS, building on industry's exiting investment into ECOES and DES. Over the past ten years, MRA parties have invested considerably in maintaining, improving and expanding the service and functions of ECOES in response to market, regulatory and legislative needs. As such, ECOES today plays an integral role at the heart of the retail energy market. It will be important to ensure that wherever possible, making use of previous investment in central systems is fully considered before the establishment of a completely new service. As highlighted in our response to Ofgem's January 2017 Request for Information (RFI), MEC believes the use of existing systems such as ECOES has the potential to deliver earlier benefits and reduce some of the Switching Programme's delivery risk.

MEC notes the proposal to require the DCC to competitively procure the communications network capability for delivering the new switching arrangements. In respect to this, MEC wishes to highlight that the current communications network (i.e. the Data Transfer Network (DTN)) within the electricity retail market is not presently prescribed and therefore not mandated. Rather, market participants are required to communicate through standardised data flows set out in the Data Transfer Catalogue (DTC), governed under the MRA. The fact that there is a DTN is therefore the means to achieve this whilst not ruling out future developments and innovations in

¹ Electricity Central Online Enquiry Services (ECOES), and Data Enquiry Service (DES).





the market. One such development is the implementation of the Application Programming Interface (API) in ECOES. This was introduced on 25th October 2017 in response to the needs of the Price Comparison Websites (PCWs), providing a good platform for its extension to other market participants.

MEC also wishes to highlight the need to ensure that any procured communications network capability is secure and is fully compliant with current and upcoming data protection legislation. MEC notes that under current proposals the DCC would be responsible for the evaluation and negotiation of contracts with the chosen CSS provider and providers of related capabilities. However, MEC does not advocate this evaluation to be delegated to the DCC alone and believes the DCC should be accountable to the prospective users of the CSS for the affirmation of the solution. MEC would welcome engagement on the procurement of the CSS provider.

Governance Framework

As the governing body of the MRA, MEC has been promoting innovation and embracing the need for greater harmonisation of code governance arrangements. This is demonstrated by the MRA sponsoring and evolving in response to demand-led needs for the retail energy market by effectively incorporating new systems, technologies and market functions. The incorporation of ECOES, the Green Deal and the and API solution for PCWs are key examples of this.

MEC welcomes the drive for greater harmonisation and has been working with Ofgem and other code administrators over the years to bring greater cohesion across codes that builds on industry best practice. Over the past year, MEC has also been working with the Green Deal Arrangements Agreement (GDAA) Panel on the incorporation of the GDAA into the MRA. The objective of this work is to bring greater harmonisation and efficiencies to the retail energy market. MEC therefore believes that bringing switching and other retail arrangements under single governance is the right way forward. However, given the level of work that need to be undertaken throughout the Switching Programme, MEC believes existing governance such as the MRA could play a role in the transition to the new governance arrangements by for example providing housing the required transitional requirements. This should de-risk the development of the new, enduring switching arrangements.

MEC would like some further clarity on the timescales for the delivery of the new REC as laid out in the consultation.

Reliability

MEC is supportive of Ofgem's aim to improve the reliability of switching. A special Issue Resolution Expert Group (IREG) is being put in place to explore the issues causing delays in updating of plot addresses and recommend solutions that could be taken forward by industry to prevent delays occurring. This together with the work under the joint electricity and gas working group looking at erroneous transfers², should make improvements to the reliability of the change of supplier process.

MEC has also been supporting the near time improvements workstream looking at potential options for improving the reliability of meter technical details and looks forward to engaging with Ofgem further on any next steps for this work.

² Joint MRA and SPAA Erroneous Transfer Working Group





MEC wishes to note that there is also the potential opportunity to consolidate and cleanse gas and electricity data as part of the MIS development.

If you would like to discuss our response further, please contact myself or the MRA Code Administrator (Gemserv) on 0207 090 1029 or <u>mrahelpdesk@gemserv.com</u>.

Yours sincerely,

Mr Alex Travell

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Chairman, MRASCo Board

