

Ofgem – Delivering faster and More Reliable Switching: proposed new switching arrangements Consultation

Response from WPD – Tracey Pitcher

CHAPTER: Two

Question 1: Do you agree with our assessment that RP2a provides the best value option to reform the switching arrangements for consumers and with the supporting analysis presented in this consultation and the accompanying IA?

WPD considers the assessment and the choice of RP2a as the solution for future switching arrangements as the most practical solution and the change from instant objections to 1-2 working days a sensible amendment to RP2.

CHAPTER: Three

Question 2: Do you agree that CSS should include an annulment feature which losing suppliers can use to prevent erroneous switches? Please provide evidence alongside your response. If you are a supplier, please support your answer with an estimate of the number of occasions over the past 12 months when you might have used such a feature had it been available. Delivering Faster and More Reliable Switching: proposed new switching arrangements

No Comment

Question 3: Do you agree that CSS should always invite the losing supplier to raise an objection, even where the Change of Occupancy (CoO) indicator had been set by the gaining supplier? If you are a supplier, please support your answer with evidence of the number of times in the past 12 months that you have raised an objection where the Change of Tenancy (CoT) flag had been set.

No Comment

Question 4: Do you agree that use of the annulment and CoO features should be backed by a strong performance assurance regime? Please comment on ways in which such a regime could be made most effective and back up your response with evidence.

No Comment

CHAPTER: Four

Question 5: Do you agree with our proposal to require DCC to competitively procure the communications network capability required to deliver the new switching arrangements?

Yes

CHAPTER: Five

Question 6: Do you agree with our proposal to have a three-month transition window (aiming to protect reliability) during which time suppliers have to meet additional requirements if switching in less than five working days? Please support your answer with evidence.

Yes – but some scope to extend this transition period should be built in, should it be required

Question 7: Do you agree with our proposal to change the requirement on speed of switching to require switches to be completed within five working days of the contract being entered into (subject to appropriate exceptions)? Please support your answer with evidence.

We see this as a supplier issue, as long as there is no impact on MPRS being notified in a timely fashion of the switch to protect other processes such as settlement and Duos Billing

CHAPTER: Eight

Question 8: Do you agree with our proposal to create a dual fuel REC to govern the new switching processes and related energy retail arrangements?

We believe a dual fuel Retail Energy Code (REC) is the preferred option,

Question 9: Do you agree with the proposed initial scope and ownership of the REC to be developed as part of the Switching Programme?

Yes we believe the initial scope – which minimises the scope to processes relating to faster switching only is the preferred option and that the REC should be owned and funded by suppliers

This should be a separate code specifically covering supplier and agent processes for faster switching. Any move to consolidate existing codes with a new REC will be complex and could cause cross code issues. However it should be considered that there are a number of issues that affect DNO management of registration and settlement processes and these should remain either within existing codes or be delivered within the REC:

- Supplier breach, (non-payment of DUoS and SOLR)
- Retrospective Registration amendments (MAP04)
- MAP09 – address maintenance

Question 10: Do you agree with our proposal to modify the DCC's licence, in order to extend its obligation to include the management and support of the DBT and initial live operation of the CSS?

Yes as the DCC already has the obligation to procure, they should have an obligation to Manage & Support the DBT of CSS.

Question 11: Do you agree that there should be regulatory underpinning for the transitional requirements and that this should be contained in the REC?

Yes – Thought should be given to the migration of data from MPRS to CSS and the obligation for robust testing

Question 12: Do you agree that we should pursue an Ofgem-led SCR process in accordance with a revised SCR scope?

Yes

Question 13: Do you have any comments on the indicative timetable for the development of the new governance framework? Delivering Faster and More Reliable Switching: proposed new switching arrangements

We believe the plans are ambitious, as evidence shows projects have extended beyond plans. Industry parties are already under pressure to implement various other projects within similar timescales and the CSS implementation only increases this pressure.

Please see next page for Impact Assessment response

Impact Assessment: CHAPTER 3

Question 1: Do you agree that our assessment of industry and public sector costs, including our approach to managing uncertainty, provides a sound basis for making a decision on a preferred reform package?

Yes

Question 2: Do you agree that we have selected the appropriate policy option around objections, cooling off, meter agent appointment and MCP ID for each reform package?

Yes

Impact Assessment: CHAPTER 4

Question 3: Do you agree that our assessment of the direct benefits of the reforms, including the various assumptions that we have adopted, provides a sound basis for making a decision on a preferred reform package?

There is no valid evidence to dispute the figures at this time

Impact Assessment: CHAPTER 5

Question 4: Do you agree that our illustrative analysis of the indirect benefits provides a reasonable assessment of the potential scale of the savings that could be made by consumers through increased engagement in the market?

No Comment

Impact Assessment: CHAPTER 6

Question 5: Do you agree with our assessment of the wider benefits of our reform proposals?

We have the following concerns

- We note that Ofgem plan to use MPRS as the master system for Meter Technical Details, but what details has not been finalised, we are surprised this will not remain in ECOES as they are data items required for supplier triangulation. In addition there are suggestions that MPRS should validate the metering data, but we are unsure how a DNO & MPRS should perform this validation.
- The changes to address management do not seem to consider the interfaces between the various systems. At present the process indicates that CSS will carry out the address data quality updates, and send updated information to ECOES & DES, but no reference to updating MPRS & UK Link. Meantime MPRS & UK Link require to also send updates to ECOES & DES, which in effect could overwrite or wipe out data from the centralised service.

Impact Assessment: CHAPTER 7

Question 6: Do you agree that our assessment of the net impacts for consumers provides a sound basis for making a decision on a preferred reform package?

Yes