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By email only

Dear Rachel,

**Re: Supplier Guaranteed Standards of Performance: Consultation on Switching Compensation**

Thank you for the opportunity to provide our comments on Ofgem's consultation on proposals for new Supplier Guaranteed Standards of Performance for switching compensation. We understand Ofgem intends to move quickly with the introduction of switching compensation for customers and we hope our response is helpful to shape the final arrangements.

Utilita is a smart meter Supplier with a predominantly prepay client base and we have been operating in the market successfully since 2008. Our biggest concerns for prepayment customers is ensuring no loss of supply during a change of Supplier and that any credit is returned promptly.

Utilita has concerns that the proposals for introducing compensation are only tackling the symptoms, and not the root causes, of switching related issues. We strongly encourage Ofgem to consider the overall costs and benefits case of introducing each of the proposed Guaranteed Standards over introducing performance management arrangements. We believe performance management arrangements, under a strict governance regime, would be just as effective in driving better practices and much less costly to the energy system than introducing compensation payments.

Industry is already working on initiatives which should see great improvements to the way Suppliers operate. For example, the introduction of a Market Intelligence Service (MIS) and undertaking data cleansing activities under various codes. A performance assurance regime is also being established under the MRA and SPAA to tackle Erroneous Transfers (ETs). We believe sufficient time should be given to see the outputs of these initiatives before compensation payments are enforced. This will enable industry to learn from which initiatives have proved most successful in improving customer experiences.

We are not opposed to the principle of new Guaranteed Standards however, they must align to the supply licences. We do not believe introducing Guaranteed Standards at a stricter level than that provided for by Licence is reasonable, and therefore it should not be applied. If Ofgem believes 21-day switching should be delivered by all Suppliers, this must be reflected in the Licence. Should the Licence not be amended, compliance with the Licence should be classed as a valid exemption to the Guaranteed Standard, unless the Supplier has chosen to sign up to the Energy Switch Guarantee.

We do not support the Losing and Gaining Supplier both being required to pay compensation under some of the proposed performance standards. We strongly maintain that in a highly competitive market, Suppliers should not be penalised for other Suppliers' poor performance, in processes where they have little or no control over the outcome. We also believe any compensation payments

should be proportionate to the detriment experienced by a customer. This would be consistent with the approach taken for the existing Guaranteed Standards.

We would also like to note that at present, Suppliers may, on occasion, use the erroneous transfer process to transfer customers who are simply unhappy or have changed their mind but who have a valid contract in place. If using the ET process may risk a Supplier having to pay automatic compensation, Suppliers may reject such requests, as there has been no error. Therefore, we believe Ofgem should consider if customer requested returns by the ET process should be a viable exemption for all ET related compensation payments.

Finally, Ofgem must provide Suppliers with sufficient implementation time to deliver the proposed compensation arrangements. We believe these arrangements should allow the same time given to Suppliers as when a change to licence occurs. We also recommend where Ofgem introduce new performance standards, Ofgem should consider operating a shadow log first, for 6-12 months. This would enable Suppliers and Ofgem to understand the true consequences of the arrangements, and where the maximum benefit to consumers is delivered.

We hope these comments have been helpful, and would be happy to discuss any points in more detail.

Yours sincerely,

By email  
Alison Russell  
Director of Policy and Regulatory Affairs

## Appendix A – Utilita’s consultation response

**Question 1: Do you agree that the aims of the Guaranteed Standards are aligned with and complementary to the industry-led operation of the Energy Switch Guarantee? We would be interested to see any proposals that you think would better support a continued combination of voluntary industry action and regulatory incentives to deliver better switching outcomes to consumers.**

We understand that three of the six proposed Guaranteed Standards are currently included within the ten commitments of the voluntary Energy Switch Guarantee. Our concern with this overlap is that this is another step which acts to homogenise the market for customers, particularly within the prepayment sector where the price cap has largely removed any ability for Suppliers to differentiate themselves by tariffs. This may also lessen Suppliers’ incentives to sign up to the Energy Switch Guarantee.

We would also like to highlight that the speed in which a customer moves from one Supplier to another should be up to individual customers. If a Supplier, for example, does not offer switches in 21 days as they would rather de-risk the cooling off period, a customer is currently able to choose alternate Suppliers where they would prefer a shorter switching period. We are concerned that the proposed performance standard (A) limits the options available to customers. For example, customers may be happy to switch to a Supplier in 25 days if they were offered a cheaper rate to do so.

Finally, Utilita would be supportive of a penalty to Suppliers if the requirement for 21-day switching is contained within the supply licence. We do not believe the Guaranteed Standards should contain stricter requirements on Suppliers than what is currently mandated through Licence.

Question 2: Do you agree with our proposed new performance standard for delayed switches?

No, as our response to question 1 outlines, we believe the Guaranteed Standards should not be introducing stricter requirements on Supplier than what is mandated through Licence. If Ofgem intends for compensation payments to be paid under performance standard (A), the licence should also be amended to prevent regulatory misalignment and confusion across Suppliers on what timeframe is acceptable. Should the licence not be amended, compliance with the licence should be a valid exemption to the Guaranteed Standard, unless the Supplier has chosen to sign up to the Energy Switch Guarantee.

We also believe compensation should be proportionate to the experience received by a customer, as we believe to be the approach for the existing Guaranteed Standards. We question how the inconvenience experienced by a customer for a delayed supply start date, can be at all comparable to a customer taking time off work for an engineer appointment to then not have an engineer attend. We believe Suppliers can mitigate customer disruption of a delayed switch by giving informed and regular updates to a customer on their switching status. This prevents the need to introduce a blanket requirement for compensation. Where a customer is still dissatisfied, compensation could be given.

We also do not agree with Ofgem’s suggestion that both the Losing and Gaining Supplier should pay for invalid reasons for a delayed switch. We strongly believe this will hinder the desired effects of introducing compensation for customers and we believe the Gaining Supplier will only be at fault for delayed switch start dates.

We recommend the performance assurance regime for erroneous transfers which is currently being introduced under codes should be implemented, and left to operate, before introducing drastic compensation schemes. If a Supplier has heavily invested in improving their processes to ensure a customer is switched within 21 calendar days, they will still continue to be penalised as a Losing Supplier, at no fault of their own. We believe this could lessen the incentive on Suppliers to improve their processes when they are always at risk of paying for other Suppliers' mistakes. We also question how the principle of both Suppliers being penalised for a delayed switch supports competition in the market.

We recommend where Ofgem intends to implement the proposals, a shadow log be allowed to operate first, to enable Suppliers and Ofgem to understand the full impacts of the arrangements.

Question 3: Beyond the licence definition of "valid switches", do you believe any additional exemptions are necessary to cover scenarios whereby a switch cannot be completed within 21 calendar days?

Utilita agrees with Ofgem's proposals for valid reasons why compensation should not be paid in the case where a switch cannot take place in 21 days. However, only Suppliers who are at fault should be required to compensate customers rather than expecting both Suppliers to pay a penalty. For example, both Suppliers should not be penalised in the case where they have agreed a transfer under the Debt Assignment Protocol, or after an ET. In this case, only the Gaining Supplier will ever be at fault for delayed switches and it is unreasonable to penalise the Losing Supplier for actions they are not responsible for.

It is also worth highlighting that there are situations where a customer may change their mind in continuing with a switch in the case of DAP or even an ET, so we would expect that the Gaining Supplier would not be required to pay compensation if a customer requests to cancel the switch.

Finally, we believe the Guaranteed Standards should be drafted to recognise non-working days. We also suggest in the case where a switching request has come from a third party such as PCWs, the date the Supplier receives full switching data from a third party, should be the start of the switching period.

Question 4: Do you agree with our approach for losing suppliers compensating consumers?

No, we do not agree that the proposed approach is the right way forward for incentivising Suppliers to improve switching experiences for customers. The Losing Supplier cannot mitigate the risk of a Gaining Supplier failing to undertake processes effectively which we believe will lessen Supplier incentives to improve processes for customers when they will be penalised regardless. We also maintain that in a highly competitive market, Suppliers should not be penalised by other Suppliers poor performance.

We also disagree with the Gaining Supplier informing a customer that they are able to claim compensation from the Losing Supplier. This would add complications for customers whilst also leading to increases in Supplier phone calls, adding to costs.

In the case of a Change of Tenancy involving a prepayment customer, we are regularly not informed of tenants moving in or out of a property, which would create issues in knowing who to pay compensation to as a Losing Supplier. Tenants often move into a premise and continue to use the top up card left in the property without having any Supplier contact. We also have situations where

our prepayment customers do not have bank accounts which should also be considered by Ofgem when deciding on timescales allowances for compensating customers.

Question 5: Do you agree with our proposal to revise this performance standard to align to new faster switching requirements in the future?

We believe the performance standards should always align to the supply licence to prevent confusion by market participants in what switching timescales are acceptable by Ofgem. Ofgem should therefore align performance standards (A) to the intentions of the supply licence or amend the licence in parallel to implementing the Guaranteed Standards.

Question 6: Do you agree with our proposed new performance standard for failure to agree whether a switch is erroneous or not?

We believe Suppliers should be agreeing whether a switch is erroneous or not within 20 Working Days (WDs) of customer contact. We do not however agree that this should result in a new Guaranteed Standard. If compliance with this timescale is an issue, it would be more appropriate to manage compliance under a robust performance management framework. We believe performance management arrangements would be just as effective in driving better practices across Suppliers and at much lower cost. Ofgem must recognise that costs will add to Supplier overheads, especially where the Supplier who is not at fault is required to pay penalties, and this will force costs up for all customers.

We also consider that the Associated Supplier (i.e. the Supplier who has not been contacted by the customer in the first place) should not be penalised if the Initiating Supplier has failed to raise an ET in prescribed timescales under the MRA/SPAA. The Associated Supplier should have the minimum codified amount of time to investigate an ET initiation before being subject to any penalty for failure to agree an ET.

Question 7: Do you agree with our proposed new performance standard to ensure a consumer is not erroneously switched?

We believe compensation payments could be better spent by tackling the root causes of ETs. We believe Ofgem should first enable the ETWG's recommendation of a Performance Assurance Board be implemented, to allow for detailed analysis on the occurrence of ETs and lessons to be learnt across Suppliers. Once the effectiveness of the performance management regime is understood, Ofgem could consider whether further action is required such as introducing ET related compensation payments.

Any compensation payments must be proportionate to the customer's disruption and experience. We agree with the proposed levels of compensation paid for the existing Guaranteed Standards however we are unconvinced requiring compensation for all occurrences of ETs can be as clearly assigned to Suppliers as a result of having poor practices. Particularly where both Suppliers are penalised. We are also concerned customers may feel pressured or put off switches where some Suppliers adopt increased switching validation procedures to mitigate risks of financial penalties i.e. by contacting a customer upon receipt of a loss notification.

Finally, we are unclear how this proposal would work under faster switching speeds when the losing Supplier has very little time to object or annul a switch. This would lead to larger pressures on Suppliers to validate each loss in a very short timescale if at all able to with expected increases in switching rates.

Question 8: Do you agree with our proposed new performance standard for sending the “20 working day letter”, as currently required by the ET Customer Charter?

We agree that Suppliers should be sending a letter to a customer within 20 working days of contact however we do not consider a delay in sending a letter by a day or two seems proportionate to warrant the proposed level of compensation. Especially where Suppliers have communicated with a customer on the status of the ET initiation. Where Suppliers communicate routinely by electronic means with a customer, this would satisfy the performance standard. This would ensure Suppliers are able to communicate with their customer using preferred contact methods.

Finally, if Ofgem do decided that a financial penalty is required to make Suppliers adhere to the licence, rather than performance management or enforcement then we would opt for a sliding scale of penalty. For example, £2 per day up to 10WDs and then £30 for any delay beyond 10WDs. This would introduce a more effective way of introducing the idea of proportionality.

Question 9: Do you agree with our proposed new performance standard for sending final bills?

Although we agree that Suppliers should be complying with their licence and sending final bills to customers within 6 weeks of losing a customer, we believe the use of compensation should be proportionate to the overall outcome experienced by a customer.

We would welcome further understanding from Ofgem on the justification of this performance standard as we believe the principle of applying compensation should be paid based on as result of causing a customer inconvenience rather than a method to try and prevent Supplier non-compliance. Concerns with non-compliance could be effectively managed through other routes such as performance management.

Question 10: Do you believe any explicit exemptions are necessary for scenarios whereby suppliers are unable to issue a final bill within six weeks?

Utilita recommends that delays to sending a final bill should include where a customer has since vacated a property, and has not provided a forwarding of address, despite Supplier attempts to reach a customer.

Question 11: Do you agree with our proposed new performance standard for refund of credit balances? Views would be welcome on whether it is reasonable to consider that a customer deciding to switch supplier should be considered to have requested any outstanding credit balance from their losing supplier, and that refunding that credit balance within two weeks of a final bill would be timely.

We agree with the proposed timeframe and performance standard for Suppliers to refund any credit within 2 weeks of issuing a final bill and believe this should be done as soon as possible to prevent financial detriment to vulnerable customers. For prepayment customers however, Utilita tried to resolve this issue via raising Change Proposals under the MRA<sup>1</sup> and SPAA<sup>2</sup> to introduce a Balance Agreement and Transfer (BATS) process which would enable a customer’s credit to remain on a

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<sup>1</sup> Master Registration Agreement (MRA) Change Proposal (CP) 0251; Data Transfer Catalogue (DTC) Change Proposal (CP) 3521; and MRA Agreed Procedure (MAP) CP 0293 - Balance Agreement and Transfer for Smart (BATS)

<sup>2</sup> Supply Point Administration Agreement Change Proposal (CP) – 17 / 410 - Balance Agreement and Transfer for Smart (BATS)

SMETS1 or SMETS2 meter during a change of supplier event. We believe such a process would have better customer outcomes, particularly for vulnerable customers, where a customer has their topped-up credit available on their meter following a switch taking place. We therefore strongly encourage Ofgem to revisit the idea of credit transfers for prepayment customers to drive better customer experiences. Imposing the new performance standard would still mean vulnerable customers in financial determine could wait for up to 2 weeks to receive owned credit from the Losing Supplier.

We also believe Ofgem's proposals for a customer having to request owed credit is a poor customer experience. Suppliers should know when credit is required to be returned to a customer. We would however expect customers to confirm their preferred payment route before the two-week timeframe for refunds begins to prevent lost credit returns.

We welcome Ofgem consider whether all credit values should be required to be returned. For example, if a credit value is less than £5 is may cost a Supplier more money to execute the refund. We also believe requiring a Supplier to pay compensation of a credit return under £5 is disproportionate and suggest Suppliers could instead be penalised the costs of the credit value.

Question 12: Do you believe we should add any other new performance standards?

No, we believe further changes can be made if needed in the future subject to careful analysis into the customer outcomes driven by the implementation of this round of proposals.

It is worth highlighting that with the number of proposals being made for switching related compensation payments, customers could receive up to £240 per switch which seem exceptionally high and somewhat disproportionate to the issues being considered and in comparison, to the existing Guaranteed Standards which can result in customer's taking unnecessary time of work to be let down by a Supplier.

Question 13: Do you agree with our approach to dual fuel switches?

We agree with the approach put forward by Ofgem, i.e. one compensation payment being required for dual fuel switches. In our experience, the issue(s) which would cause a Supplier to compensate a customer usually would occur to a customer's account, impacting both fuel switches. Most customers also view switching energy Supplier as a dual fuel activity, therefore we believe one compensation payment is a sensible approach to prevent confusion. This approach also helps to future proof the proposals to the intentions of the Ofgem switching programme, which is looking to harmonise switching processes across fuels.

We believe Suppliers should be conscious of the potential of some customers gaming the dual fuel switching arrangements by undertaking two single switches as a way of increasing the likelihood of receiving compensation payments.

Question 14: Do you agree that where both gaining and losing suppliers are involved in the process covered by a guaranteed standard then both should pay compensation where the standard is breached?

No, we disagree with the statement in section 2.52 which states that it is often difficult to be sure which Supplier is responsible for delaying a switch from happening or causing an ET. All Suppliers should maintain an audit trail of the switching process, from initial customer contact during a sign up, to timeframes in which industry data flows/files are sent in the case of a registration request,

DAP or the ET process. As long as there are clear and defined situations and exceptions for when compensation should and should not be paid, payments can be automated without following the principle of both Suppliers paying compensation when only one Supplier is at fault.

Suppliers with efficient processes that comply with the supply licences and codes, should not be penalised for others' actions in a competitive market.

A consequence of this performance standard could see Suppliers rejecting requests to use the ET process for customer returns, due to the added risk of paying ET related compensation. Ofgem should consider the consequences of this for customers as part of any cost and benefits analysis.

Question 15: Do you believe additional safeguards are needed to ensure suppliers are not liable for payments if consumers have acted in bad faith?

We are comfortable with applying the current exceptions and limitations under Regulation 9 however we would not discourage Ofgem to further consider additional safeguards i.e. in relation to serial switches which is more likely with faster switching arrangements.

Question 16: Do you agree with the proposed two-thirds to one-third ratio of compensation payments between gaining and losing supplier in the cases of Guaranteed Standards A and C, and an equal share in the case of Guaranteed Standard B? Please provide any evidence you have to support your views.

No, we do not believe the Losing Supplier should be penalised if the Gaining Supplier does not switch a customer within 21 days as proposed under (A). We struggle to understand how the Losing Supplier can speed up the switch when it is out of its control and the Losing Supplier is very unlikely to know the date on which the contract was entered into.

We believe that the £15 compensation payment required by the Losing Supplier should be removed. It does not seem proportionate to provide £45 in compensation for the occurrence of an ET or where a switch has been delayed. Particularly in comparison to the existing Guaranteed Standards where a missed or unreasonably cancelled appointment stands at £30 in compensation.

As stated throughout our consultation response, we believe proposals would be much more effective in improving customer experiences if only the Suppliers who were at fault were penalised. Customers can choose Suppliers with lower rates of ETs and generally better switching statistics if performance data was made transparent. We believe this would be much more of an effective incentive to Suppliers to improve processes than financial penalties on both Suppliers.

Question 17: Do you agree that compensation payments where both suppliers are involved should be £30 or £15 in the cases of Guaranteed Standards A and C, and £30 for both suppliers in the case of Guaranteed Standard B?

Firstly, we do not believe a compensation payment of £30 by the Gaining Supplier seems proportionate to current Guaranteed Standard scenarios where a customer is inconvenienced by a missed appointment. We recommend, where the proposals were to be introduced, the Gaining Supplier should pay a maximum of £15 and the Losing Supplier should not be penalised for the arguments made previously in our response.

We believe only the Supplier at fault should be required to pay compensation to a customer under performance standard c. For example, we believe this is straightforward to track based on when the



D0301 and RET Data Flows are sent over the Data Transfer Network (DTN). If the contacted Supplier has sent an ET initiation within code timescales, the Associated Supplier could be penalised if their delayed response has caused the 20 Working Day deadline to pass, this will drive better practices rather than a one fail all fail approach.

Question 18: Do you agree with our proposals that all other proposed Guaranteed Standards (D), (E) and (F) should be subject to compensation payments of £30, in line with existing guaranteed standards?

No, rather than applying a blanket compensation rate of £30 we believe the availability of compensation should be proportionate to the impact on a customer. Ofgem should consider taking a principles-based approach to enable a Supplier to compensate a customer on a case by case basis, reflecting customer detriment, which Ofgem could monitor to ensure Suppliers are treating customers fairly.

The Guaranteed Standards should not be used to penalise Suppliers for areas of non-compliance, but instead performance assurance arrangements should be introduced. Guaranteed Standards should be the focus on areas of true customer concerns and inconvenience. We are unconvinced whether performance standard (E) can be considered proportionate in comparison to the existing Guaranteed Standards.

Finally, we often find customers move out without giving us prior notice or without providing a forwarding address which would severely impact our ability to send bills within specified timescales. Ofgem should designate these scenarios as allowable exemptions to requiring payment of compensation.

Question 19: Do you agree suppliers should be required to make all payments in 10 working days?

We agree payments should be sent within 10 working days which aligns to the other Guaranteed Standard payments.

In the case of an ET we would need to make sure we are in receipt of customers' details which may not always be the case for a prepayment customer, who is a new tenant and has not previously informed us of moving into the property.

We would expect Suppliers to use all reasonable endeavours to contact a customer to confirm payment details, however if a customer is uncontactable a Supplier should keep an audit trail to prevent any further actions against them being taken.

Question 20: Do you agree with our proposals to require additional payments to be made for failure to compensate consumers promptly?

No, we believe a better method to ensure Suppliers' timeliness of payments would be to require suppliers to report on their performance under a performance assurance regime.

If this proposal was introduced we believe the overall costs of the new Guaranteed Standards would spiral. We do not believe a Supplier should be penalised for example if they are trying to confirm payment details with a customer but are not receiving any contact. We would expect timeframes for compensation payments to begin once a Supplier has had successful contact with a customer they did not have any previous account details for.

Question 21: Do you agree with our proposals to require additional payments to be made by suppliers if they fail to resolve problem?

We believe any additional payments must be proportionate to the issue and disruption it causes for a customer. For example, we agree that customers should receive compensation payments from networks for every additional 12 hours a customer's electricity supply is not restored, as this can severely impact a customer's ability to live comfortably within their home. We do not however believe this principle is proportionate to all cases of the proposed performance standards. Instead, we would recommend Ofgem provide a clear rationale as to the overall benefits of these proposals, over and above introducing a performance management regime, which industry is already progressing in the case of ETs.

Finally, with having two Suppliers responsible for paying compensation under (A) and (B) what would happen if one Supplier pays compensation and the other does not. Would both Suppliers be penalised or just the defaulting Supplier? If the latter, how would either Supplier know if compensation has been paid by the other Supplier?

Question 22: Do you agree that the new Guaranteed Standards should be introduced for domestic suppliers only?

We are unclear why the new Guaranteed Standards are only being proposed for domestic Suppliers. If Ofgem believes switching problems occur across market sectors, then appropriate compensation arrangements should be in place for all customers.

This issue of which Suppliers should be subject to performance assurance arrangements in relation to ETs was discussed by the ETWG when I&C Suppliers are not currently mandated to follow the ET process under SPAA Schedule 10. This meant any recommendations for action from the Working Group could only apply to domestic Suppliers. We therefore recommend Ofgem considers what issues are being encountered by customers in regard to the proposed Guaranteed Standards to make an informed decision on what compensation should be made available to customers.

Question 23: Do you agree that no changes are needed to requirements regarding the provision of information to consumers?

We agree the current requirements around Suppliers being responsible to notify a customer of applicable Guaranteed Standards remains sufficient and we support the view that all Suppliers websites should contain information of any new Guaranteed Standards.

Question 24: Do you agree that we should expressly require suppliers to keep accurate records of their Guaranteed Standards performance?

We believe it is sensible for Suppliers to be required to keep a record of the number of claims for compensation that have been made, including:

- claims turned down,
- the number of compensation payments made,
- timeliness of payments and;
- the total value of compensation paid out.

Question 25: Do you agree that Ofgem should have the power to request an audit of individual suppliers' Guaranteed Standards performance?

We consider Ofgem already has sufficient powers to monitor performance and we do not see the need for an additional audit power.

Question 26: Do you agree that we should mandate quarterly Guaranteed Standards performance reporting from all suppliers?

We support Ofgem's proposal to mandate quarterly Guaranteed Standards performance reporting, this is simply an extension of what we are already reporting on for the current Guaranteed Standards.

Question 27: Do you agree with our plans to publish individual supplier Guaranteed Standard performance?

Although we would hope publishing individual Supplier's performance would help drive better Supplier behaviour, we believe Ofgem should consider the appropriate level of information to be made available to not put off customer's from engaging with the market through fear of bad practices happening. Our main concern is with the proposals for both the Losing Supplier and Gaining Supplier to be penalised for ETs and delayed switches which may make it more difficult to identify better performing Suppliers. We believe some Suppliers performance could even be unfairly presented i.e. if they are subject to receiving high numbers of losses from poor performing Suppliers who may have cheaper tariffs.

We strongly recommend Ofgem only reports on Suppliers' performance who are at fault, rather than including Losing Supplier penalties. It is inequitable to hold out the Losing Supplier as an example, when it has limited control over the outcome of a customer switch.

Question 28: Do you agree with our proposal to retain the existing dispute resolution procedure within the Regulations?

Yes, we agree with the proposal for retaining the existing dispute and resolution procedure and have no immediate comments following review of the appropriate Regulations.

Question 29: Do you support the option of higher compensation payments for switches that go wrong where the supplier has attempted to switch the customer faster than five working days during the Switching Programme transitional phase?

Yes, however only if the higher compensation payments are only to be required from the Gaining Supplier and not the Losing Supplier.

Suppliers should be completely confident they are able to handle faster switching periods before looking to gain a competitive edge in the market by offering even faster switching arrangements during the transitional phase. It is worth highlighting this may have the unintended consequence of putting Suppliers off from offering this to customers to prevent further possibilities of paying compensation.

Question 30: Do you agree with our proposal to allow suppliers and other bodies a two-month implementation period to make necessary adjustments to comply with the new Guaranteed Standards after we publish our decision?

No, we believe two-months is far too short for Suppliers to effectively prepare their businesses for the introduction of the proposals. Suppliers should be given timeframes comparable to those associated with consulting and giving notice of Licence amendments as a minimum. Without sufficient notice, Suppliers who have not signed up to the Energy Switch Guarantee will be unfairly penalised from day one of arrangements despite being compliant with the supply licences.

We have particular concerns with the extremely short timescales being proposed when considering the implementation of 21 day switching periods. This is significantly different to what the supply licences currently permit and will result in some Suppliers incurring system and process changes, which industry is usually granted 6 months to efficiently implement in order to prevent customer detriment.