

UNC Workgroup 0477 Minutes
Supply Point Registration - Facilitation of Faster Switching
Wednesday 26 February 2014
Consort House, 6 Homer Road, Solihull, B91 3QQ

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Amie Charalambous	(AC)	RWE npower
Andy Simpson	(AS)	Xoserve
Anne Jackson	(AJ)	SSE
Colette Baldwin	(CB)	E.ON UK
Dan Simons	(DS)	EDF Energy
Darren Lond	(DL)	National Grid NTS
David Mitchell	(DM)	Scotia Gas Networks
Graham Wood	(GW)	British Gas
Hilary Chapman	(HCh)	Xoserve
Jon Dixon*	(JD)	Ofgem
Lorna Lewin	(LL)	DONG Energy
Luke Murphy	(LM)	Frist Utility
Marie Clark*	(MC)	Scottish Power
Raymond Adams*	(RA)	SSE
Steve Nunnington	(SN)	Xoserve
Steve Mulinganie*	(SM)	Gazprom

* via teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/0477/260214

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 April 2014.

1.0 Review of Minutes and Actions**1.1 Minutes**

The minutes of the previous meeting were accepted.

1.2 Actions

0101: Xoserve to provide an assessment of potential system impacts.

Update: SN confirmed that the Detailed Cost Analysis (DCA) is expected to be completed in the middle of March. SM asked about the duplicate file production, replication of D-7 and about the high level indication of costs. SN explained that extending the read window would extend the implementation lead-time. SN explained that Xoserve had been asked to develop the changes in parallel to the Workgroup to meet a quicker development and implementation timetable. He indicated what could be done in the timescales and any change to the modification now would result in the solution not being available until the end of the year. The Workgroup recognised the need for a pragmatic approach to make the solution available in a relatively short period. It was agreed to close this action as it could not be completed in time for the production of the Workgroup Report but the DCA may be available for consultation. **Closed.**

0102: Xoserve to provide a timeline and timing of file runs.

Update: Item deferred until 06 March. **Carried Forward.**

0103: Xoserve to consider the extension of the D+10 read window.

Update: SN explained that this had been discussed at the previous meeting. It was believed the Workgroup had concluded this was out of the modification's scope. Changing the D+10 read window would skew the window in favour of the new supplier at the expense of the outgoing supplier. SM asked for the minutes to record that this action had been closed as there was limited time to consider alternative changes/solutions as had been requested.

Closed.

0105: Xoserve to consider the 2 business day processing and interim SLAs

Update: AS explained that Xoserve would normally process files within the hour. However, as Xoserve needed contingency arrangements for the AQ Review and system outages it was suggested that SLA remains at 2 business days for processing. Some concern was expressed on the impact of not processing files. AS confirmed Xoserve would reconsider the action with a view to developing a two stage SLA ie providing a percentage of files within 'x' hours. It was agreed to amend the action for Xoserve to provide an amended SLA(s).

Carried Forward.

0107: Shippers to consider commercial contract implications.

Update: SN confirmed Gazprom were discussing the implications with meter reading agents. GW explained organisations would be undertaking many considerations for the changes required. It was agreed that this action could be closed. **Closed.**

2.0 Business Rules

GW summarised the modification amendments and that the business rules had been produced following a meeting with Xoserve.

SN explained each business rule and its intent. AS clarified there may be some Gemini impacts that need to be considered.

Further clarification was requested for business rule 3 relating to the reduction from 8 to 4 business days and the back office file process.

It was suggested that business rule 15 might also need to be reworded to clarify if the 5th day should refer to 5th business day.

AJ enquired about the transfer day count starting on Saturday/Sunday for the calculation of Supplier Start Date (SSD). She questioned if with the flexing objection window the process could be eased. AJ highlighted the potential number of non-working days that could occur within the cooling off period impacting the process. It was acknowledged that a high proportion on non-working days and bank holidays could affect the switch. However, it was recognised that if a lesser switching period of 15 days could not be achieved, as long as sites switched within 21 days, no licence obligation would be breached.

JD asked about the benefit assumptions and if the benefit case could be widened, for example if the cost benefit of the number of customers saving money switching to a lower tariff could be considered. He also asked if the Workgroup could consider the benefit of implementing the modification sooner rather than waiting for Project Nexus.

GW welcomed views from other parties on any other additional financial consumer benefits. AJ enquired about the cost benefit analysis and the annual savings for switchers by bringing the number of days to switch forward. It should also be noted that not all

switchers get lower prices as they may switch for different reasons such as the end of a fixed price arrangement or consideration of customer service.

JD confirmed he would also consider the behaviours set out and discuss the benefits with Andrew Wallace.

3.0 Legal Text

The Workgroup considered the requirement for legal text pre and post Project Nexus implementation. They also considered the alternative options of raising a further modification to manage the post Project Nexus arrangements. GW agreed to amend the modification to clarify that this was an enduring solution and it is expected to be replicated post Project Nexus.

CB believed it would be more efficient to produce transitional and post Project Nexus text, rather than raising a new modification that replicates the arrangements post Project Nexus. However, it was accepted that an additional modification might be required to meet the constrained timetable if the post Project Nexus legal text could not be prepared in time.

JD enquired what the intention would be if Ofgem rejected this modification (albeit unlikely). It was agreed the change could still be processed as part of Project Nexus though this would require a new modification and amendments to the BRDs.

The Workgroup reviewed the Legal Text. It was agreed some further amendments would be required to the Legal Text in addition to considering post Project Nexus legal text.

4.0 Workgroup Report

It was agreed that the Workgroup would need to recommend to Panel to either shorten the consultation period closing the consultation on the 07 April or requesting the Panel accept the Final Modification Report at short notice for the April meeting.

BF summarised the following actions, which need to be undertaken to conclude the Workgroup Report:

- Proposer to amend the modification, User Pays and consider the Project Nexus impacts;
- Xoserve to provide proposed interim SLAs for processing files;
- Scotia Gas Networks to amend the legal text and consider post Project Nexus Legal Text;
- Workgroup to reconsider the benefit case, relevant objectives and User Pays apportionment.

Further consideration of the Workgroup Report was deferred until 06 March. The Workgroup agreed to consider any papers provided at short notice

5.0 Any Other Business

None.

6.0 Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/Diary

The next meeting will take place on:

Thursday 06 March 2014 at 10:30, 31 Homer Road, Solihull, B91 3LT

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0101	23/01/14	2.0	Xoserve to provide an assessment of potential system impacts.	Xoserve (SN)	Closed
0102	23/01/14	2.0	Xoserve to provide a timeline and timing of file runs.	Xoserve (SN)	Carried Forward
0103	23/01/14	2.0	Xoserve to consider the extension of the D+10 read window.	Xoserve (SN)	Closed
0105	23/01/14	2.0	Xoserve to consider the 2 business day processing.	Xoserve (SN)	Carried Forward
0107	23/01/14	2.0	Shippers to consider commercial contract implications.	All Shippers	Closed