

Representation

Draft Modification Report

0477 - Supply Point Registration - Facilitation of Faster Switching

Consultation close out date: 10 April 2014

Respond to: enquiries@gasgovernance.co.uk

Organisation: EDF Energy

Representative: Dan Simons

Date of Representation: 10 April 2014

Do you support or oppose implementation?

Support

Please summarise (in one paragraph) the key reason(s) for your support/opposition.

EDF Energy remains fully committed to reducing the time period it takes for customers to switch suppliers. A number of changes to support faster switching have already been approved for implementation in the electricity market and it is essential that equivalent changes are made to the gas arrangements if customers are to benefit from effective and concurrent dual fuel switching.

Are there any new or additional issues that you believe should be recorded in the Modification Report?

Yes. We note that in the "Relevant Objectives" section on page 3 of the Draft Modification Report, there is a statement that says it will take around 10 months for Xoserve to complete the central system changes.

Whilst we appreciate that this was the high level assessment that was made at the point the modification was initially raised, we do not consider that this is an accurate reflection of subsequent discussions that took place within the working group meetings. Throughout the working group development it was repeatedly stated that early Q4 2014 was considered to be an achievable timeframe for implementation of the proposed changes.

This is a key consideration in light of suppliers' commitment to the Government to deliver a faster switching solution.

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

Implementation of this modification will facilitate Relevant Objective: d) Securing of effective competition:

If implemented, this modification will reduce the timeframe for the change of supplier process. It will provide consequential benefits to

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customers who will be able to change gas supplier considerably faster than under the current arrangements. This will allow customers to benefit earlier from lower prices when switching to a cheaper gas tariff.

Furthermore, coupled with faster switching arrangements in the electricity market, implementation of this modification will lead to a quicker, dual fuel change of supplier process. It is also likely to increase consumer confidence and engagement in the energy market, thus increasing competition between suppliers overall.

Impacts and Costs:

What analysis, development and ongoing costs would you face if this modification were implemented?

Whilst EDF Energy fully supports the change based on the benefits detailed above, a number of consequential changes would also be required to our internal systems and processes in addition to the changes that would be required to central systems. Specifically these relate to receipt of the TRF file and the timing of agent appointments, opening meter reading requests and the issuing of correspondence to customers.

Implementation:

What lead-time would you wish to see prior to this modification being implemented, and why?

We consider that there is a clear benefit to the industry in aligning implementation of the gas faster switching changes with the equivalent changes in the electricity market. This will help to minimise implementation costs for suppliers as well as delivering benefits to those customers wishing to switch both fuels concurrently.

As such, we would like to see alignment with the equivalent changes in the electricity market which are due to go live in November 2014.

We would welcome an early decision from Ofgem in order to enable industry to bring these benefits to customers as early as possible.

Legal Text:

Are you satisfied that the legal text and the proposed ACS (see www.gasgovernance.co.uk/proposedACS) will deliver the intent of the modification?

Yes

Is there anything further you wish to be taken into account?

Please provide any additional comments, supporting analysis, or other information that that you believe should be taken into account or you wish to emphasise.

No

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