RETAIL ENERGY CODE

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01	Proposal Plan
02	Impact Assessment
03	Consultation
04	Final Recommendation

CHANGE REPORT

I0214 – MULTIPLE SWITCH REQUESTS INCREASING OBJECTION RATE

DOCUMENT VERSION	V1.0
PROPOSED IMPLEMENTATION DATE	TBD
IMPLEMENTATION APPROACH	TBD

RESPONSIBLE COMMITTEE	Change Panel[1]	CHANGE PATH	Self-Governance
PRIORITY STATUS	Medium	URGENCY	Standard
IMPACTED STAKEHOLDERS	Suppliers, Consumers (Primarily Non-Domestic, Limited Domestic)		

LEAD ANALYST (SOLUTION LEAD)	TECHNICAL/ ASSURANCE LEAD	SUBJECT MATTER EXPERT
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OVERVIEW

Non-Domestic Suppliers, when in receipt of a valid contract from a prospective Consumer, may attempt to register for their supply in an automated manner. If the existing Supplier objects, this may triggers communications to the Consumer, and prompts the prospective Supplier to attempt again, causing a feedback loop of R egistration attempts. This Issue seeks to address this problem.

[1] Interim Responsible Committee

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BACKGROUND

1 SUMMARY

It has emerged that a Registration attempt against a single MPxN may trigger a cascading cycle of Registration attempts and Objections, following an Objection against the initial Registration attempt. Initially identified primarily in a non-domestic context, this Issue appears to arise from automation found in the Registration systems of prospective gaining Suppliers. Where a non-domestic Consumer instructs a Supplier to take on their MPxN (following the agreement of a new contract), the Supplier will then take all reasonable steps to take on the supply.

However, if the existing Supplier has an Objection placed against the MPxN, the initial Registration attempt will fail. However, due to the aforementioned automation, the prospective gaining Supplier may continue to make Registration attempts, as in their system there is now a valid contract. However, as the Objection still stands, these automated Registration attempts fail, triggering a new Objection, which in turn means that the prospective gaining Supplier can now attempt Registration again (as the previous attempt has closed), repeating the cycle.

This creates a poor Consumer experience; the Consumer may be subject to multiple, high frequency Objection communications, resulting in a poor Switch experience. Additionally, this creates unnecessary 'noise' in terms of Market Message traffic relating to Objections. This in turn may result in inaccurate representations of Objection rates when viewed in a Performance Assurance context.

2 PROBLEM STATEMENT

Non-Domestic Consumers are having their Switch experience affected by multiple Objection attempts following a single initial attempt to register for their supply by a prospective gaining Supplier. This results in Consumer detriment, as multiple Objections result in repeated rounds of communications to the Supplier. This results from automated Registration systems employed by Non-Domestic Suppliers.

3 IMPACTS

CONSUMERS
Non-Domestic Consumers
Domestic Consumers (Partially)

REC PARTIES AND SERVICE USERS
Non-Domestic Suppliers
Domestic Suppliers (Partially)
Third Party Intermediaries (Indirect)

REC DOCUMENTS / PRODUCTS
TBD – Likely Schedule 23 – Registration Services

REC SERVICE PROVIDERS
Central Switching Service

MHHS DESIGN	MHHS DATA SPECIFICATION	MHHS CODE DRAFTING
-	-	-

This Issue primarily affects Non-Domestic Suppliers and Consumers, as the issue appears to results from automation in the Registration process, which appears to be primarily found in the Non-Domestic space. However, it has been identified that this Issue also affects Consumers who are moving from a Non-Domestic contract to a Domestic one, or vice versa.

The Code Manager expects that there may be an impact on the Central Switching Service (CSS) depending on the nature of the solution that is developed. Some provisional solution options being considered suggest changes to how CSS process Switches, whilst some do not. As a result, the Code Manager is capturing a possible impact here, and will confirm as the Issue develops.

4 CROSS CODE IMPACTS

The Code Manager does not anticipate any cross-code impact.

5 PROPOSAL PLAN

Milestone	Activity	From	To
Definition		**17-Dec-24**	**31-Mar-25**
	Solution Development	December	March
	Legal Review	March	March
	Impact Assessment	March	March
	Solution Refinement	March	March

6 STAKEHOLDER ENGAGEMENT

The Code Manager plans to work closely with Suppliers to ensure that their views and operational requirements are represented and acknowledged during solution development. Additionally, the Code Manager plans to engage more widely with industry during the progression of this Issue, at forums including, but not limited to the Change Issues Group and/or the REC Issues Group.

7 PRIORITY STATUS AND URGENCY

PRIORITISATION MATRIX

Category	Significance / Resource impacts / Urgency	Further selection / breakdown	Score (0-3)	Weighting	Weighted Score
Impacts	Consumer Impact	Direct	2	27	53
	Retail Markets Impact	Innovation and Market Arrangements	1	17	17
	RECCo / REC Party / REC Service Provider Impact	Operational Effectiveness and Efficiencies	2	7	13
		Legal and Regulatory Compliance	1	14	14
Resource	Complexity / Effort / Duration		2	9	18
Strategic Alignment	Contribution to/ Alignment with the objectives of the REC		2	17	17
	Contribution to/ Alignment with RECCo's Forward Work Plan		1		8
Urgency *(The need to progress a change to meet a targeted date)*		Other Planned Activity	0	10	0
				Overall Priority Score (rounded)	141

Priority Score	Priority Status
171 and above	Critical
151 to 170	High
101 to 150	Medium
0 to 100	Low

Priority Status	MEDIUM
Change Proposal Type	STANDARD

Urgent Change Proposals meet the Criteria for Urgency as set out by Ofgem

This Issue has a priority status of medium, based on a score of 141. This score has been calculated as follows:

- Direct Consumer Impact has a score of two, indicating moderate impact. This is reflective of the negative non-domestic Consumers experience as a result of repeated Objection communications, and impact on the Switch process. However, the score is tempered by the fact that, as a problem affecting primarily non-domestic Consumers, this Issue is localised to a smaller cohort relative to the overall market.
- Operational Effectiveness & Efficiency for REC Parties & Service Providers has been given a score of two, indicating moderate impact. This is because of the potential for system changes that a technical solution for this Issue is likely to present.
- Complexity/Effort/Duration has been given a score of two, indicating moderate complexity. This is because this Issue involves critical REC Party and Service Provider systems relevant to Switching and MPRN registrations.
- Contribution to Alignment with REC Objectives has been given a score of two, indicating moderate impact. This is because this Issue aims to ensure that Consumer interests (i.e., the success of the Switch experience) are protected, and to ensure that REC operations relative to Switching are improved.

All other scores have been ranked at zero or one, as appropriate.

8 APPENDIX

CHANGE PROPOSAL	Link
REC ISSUES GROUP NOTES	Link

9 GLOSSARY

TERM	DEFINITION
CSS	means the Systems and processes provided or procured by the CSS Provider for the purpose of providing the Address Management Service and the Registration Service.
MPAN	means the unique reference number used to identify electricity Metering Points.
Non-Domestic Consumer	has the meaning given to 'Non-Domestic Customer' in the Energy Supply Licences.
Non-Domestic Supplier	means an Energy Supplier which is not authorised by its Energy Supply Licence to supply Domestic Premises.
Objection	means a request from the Losing Supplier to block a Switch Request for reasons permitted under the relevant Energy Supply Licence.
Registration	means the record in the Central Switching Service for each RMP identifying each Energy Supplier which is registered in respect of that RMP, and the Registration Status of each such registration.
Switch	means a change to the Registered Supplier for an RMP.