

## iGT UNC / iGT INC Consultation Response

<b>Date</b>	7 <sup>th</sup> April 2014
<b>Reference</b>	iGT059 DMR Consultation
<b>Title</b>	Supply Point Registration - Facilitation of Faster Switching
<b>Respondee</b>	Kristian Pilling SSE Supply
<b>Position on the Modification</b>	Support Modification

### Facilitation of the relevant objectives

*How this proposal will, if implemented, better facilitate the “code relevant objectives”, as defined in Standard Condition 9 of the Gas Transporters Licence. For those answered Yes to, please provide a detailed explanation below the table.*

<i>Relevant Objective</i>	<i>Yes/No</i>
a. the efficient and economic operation of the pipe-line system to which this licence relates	-
b. so far as is consistent with sub-paragraph (a), the coordinated, efficient and economic operation of the pipe-line system of one or more other relevant gas transporters	-
c. so far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee’s obligations under this licence	-
d. so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition between relevant shippers and between relevant suppliers	<i>Positive</i>
e. so far as is consistent with sub-paragraphs (a) to (d), the provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards are satisfied as respects the availability of gas to their domestic customers	-
f. so far as is consistent with sub-paragraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code referred to in paragraphs 2 and 5 respectively of this condition	-
g. so far as is consistent with sub-paragraphs (a) to (f), the compliance with the Regulation* and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators	-

\* Regulation 2009/715/EC of the European Parliament and of the Council of 13 July 2009

*Relevant Objectives to be better facilitated:*

#### Relevant objective d)

This modification enables consumers to switch in a shortened timescale, and thus brings

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forward the financial benefits a consumer will realise when switching to a cheaper provider. Consumer engagement through switching is a prerequisite to a truly competitive market.

### **Likely impact on environment?**

*How this proposal will, if implemented, impact on greenhouse gas emissions?*

None identified.

### **Implementation issues including impact on your systems**

This modification is part of a suite of changes covering several codes across the gas and electricity market. Approved electricity change proposals<sup>1</sup> have set an implementation of November 2014, specifically the MRA industry release date. Both IGT UNC 059 and UNC 0477 have targeted an implementation of Quarter 4 2014. It is crucial that the suite of faster switching modifications go live simultaneously. This is to ensure consumers switching their gas and electricity supplies have a single supply start and end dates across the two fuels. If the implementation of modifications across gas and electricity does not match, we risk reputational damage due to the poor customer journey customers will face in the period between the implementation of the electricity and then gas changes.

<sup>1</sup> DTC CP 3402 and MRA CP 0210 were both approved at MDB 12 February 2014.

### **Additional Information and Comments**

We note that a shortened switching period is beneficial for consumers, however it is dependent on industry parties' meeting this period without reducing the accuracy of the transfers. A presentation by IPSOS MORI to the Change of Supplier Expert Group cited research that supported the view that consumers are deterred from engaging with the market when the transfer is not carried out with accuracy. The Business Rules for Igt059 diverge from UNC 0477 in regard to File SLAs. 100% of GT supply points and 85% of iGT supply points are serviced by Transporters that can meet these SLAs that will support an accurate delivery of faster switching. It is therefore disappointing that due to two smaller iGTs being unable to meet these SLAs due to system constraints the SLAs will not be included in this modification.

Completed forms should be returned to the iGT UNC Representative, Gemserv Ltd at [iGT-UNC@gemserv.com](mailto:iGT-UNC@gemserv.com) or faxed to 020 7090 1001