











Workgroup Report	At what stage is this document in the process?
<h2>iGT095VV:</h2> <h3>Provision of access to Domestic Consumer data for Price Comparison Websites and Third Party Intermediaries</h3>	<div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 5px; margin-bottom: 5px; width: 100%;">01 Modification</div> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 5px; margin-bottom: 5px; width: 100%; background-color: #007bff; color: white;">02 Workgroup Report</div> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 5px; margin-bottom: 5px; width: 100%; background-color: #e9ecef;">03 Draft Modification Report</div> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 5px; width: 100%; background-color: #ffc107;">04 Final Modification Report</div> </div>
<p><b>Purpose of Modification:</b></p> <p>This is an enabling modification, which seeks to create the necessary permissions in the IGT UNC to permit the release of domestic consumer data to Price Comparison Websites (PCWs) to satisfy the CMA Energy Market requirements. The release of data is subject to validations undertaken by the Transporter and would be pursuant to data protection principles.</p>	
	<p>The Workgroup recommends that this modification should:</p> <ul style="list-style-type: none"> <li>• proceed to Consultation</li> </ul> <p>The Panel will consider this Workgroup Report on 19<sup>th</sup> July 2017. The Panel will consider the recommendations and determine the appropriate next steps.</p>
	<p>High Impact: N/A</p>
	<p>Medium Impact: N/A</p>
	<p>Low Impact: CDSP</p>

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Timetable			Other: Paul Orsler
<p><b>This timetable reflects the proposers view of the timings for the varied modification, recognising that the original modification is currently being held by the Authority awaiting their decision.</b></p>			
<b>Modification timetable:</b>			
Initial consideration by Workgroup	22 June 2017		
Workgroup Report presented to Panel	19 July 2017		
Draft Modification Report issued for consultation	19 July 2017		
Consultation Close-out for representations	09 August 2017		
Final Modification Report available for Panel	09 August 2017		
Modification Panel decision	16 August 2017		
			 <a href="mailto:paul.orsler@xoserve.com">paul.orsler@xoserve.com</a>
			 0121 623 2060

## Update from the workgroup held on the 4<sup>th</sup> July 2017

## Update from the workgroup held on the 22<sup>nd</sup> June 2017

The Workgroup viewed the UNC variation request which had been raised in response to the CMA publishing their amended investigation report, which now gives a wider scope for Xoserve to deliver an API solution. The variation request has removed references to SPAA section 23 and references to TPIs as it was deemed by the Workgroup that the meaning of TPIs was included in the definition of PCWs (including that only access should be given to internet based TPIs). The Workgroup suggested that the legal text should be reviewed by external lawyers to ensure that all relevant terms were defined and reference correctly according to the UNC. A suggestion was also made to remove sections of the

solution, which was not reflected in the legal text and move this into the 'Why change' section. It was agreed by the proposer to finalise all suggested amendments to the modification solution and the legal text and to bring this back to a further Workgroup on 4th July 2017.

## Summary

### What

This is an enabling modification seeking to grant permission to release domestic consumer data to Price Comparison Websites (PCWs) including internet based Third Party Intermediaries in order to facilitate the switching process. It is a further variation to the original modification following discussions at a number of Workgroups.

### Reason for Variation

On 01 March 2017, Ofgem sent back the Final Modification Report to address concerns raised in the original consultation. On 16 March 2017, Panel referred the report to Workgroup 0593 to consider the points raised in Ofgem's letter.

On 12 June, the CMA has published a letter advising that an API solution, with an interim telephone service, would achieve the intent of the Order originally issued in December 2016. Therefore, modification 0593 has been amended to reflect this view.

### Nature of Variation

An amended Solution and the corresponding legal text has been provided, as well as further clarity being added in the form of the below amendments.

**In consideration of the extent of the changes to the Solution, the Proposer recommends that Panel should consider this to be a material Variation Request requiring further consultation.**

### Why

The Competition and Market Authority (CMA) Energy Markets Investigation proposed a requirement for CDSP and Gas Transporters to provide PCWs access to data for the purpose of allowing them to check or obtain MPRNs for consumers seeking to switch supplier, and to check other information provided by these consumers against the data held by the Transporter. The release of this data is strictly limited for these purposes only.

### How

In order to allow PCWs to be permitted access to domestic consumer data, the necessary permission and any restrictions or requirements on PCWs needs to be created within the Independent Gas Transporter Uniform Network Code (IGT UNC).

## Governance

### Justification for Urgency, Authority Direction or Self-Governance

This modification does not qualify for self-governance. Although it is simply allowing the release of data (subject to pre-defined conditions) to PCWs, a subsequent increase in consumers seeking to switch Supplier could have a material impact on parties to the IGT UNC, consumers and competition.

## Work Group Comments

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## Requested Next Steps

This modification should:

- be assessed by a Workgroup

## Why Change?

The CMA issued its Energy Market investigation final report in June 2016 (the Report). The Report sets out reasoning for erroneous transfers and failed switches, and concludes that there is a requirement for PCWs to be granted access to data pertinent to the switching process. This will allow them to check or obtain MPRNs for consumers seeking to switch supplier and to check other information provided by these consumers. This should help to reduce the number of erroneous transfers and failed switches. Use of the data by PCWs is strictly limited to these purposes only.

The CMA has placed an Order on CSDP and the Gas Transporters to grant data access to PCWs upon request, subject to reasonable access conditions, to assist consumers seeking to switch. The data to be included is: Supply Meter Point Reference Number, supply point address, Meter Post Code, supplier, meter mechanism, network operator, meter capacity, meter serial number, Annual Quantity, Local Distribution Zone

This modification would, with sufficient controls in place, grant permissions to the above data, for PCWs.

The confidentiality and service agreements are not to be included in the IGT UNC solution itself; however, in order to ensure compliance of the data in accordance with the Data Protection Act, PCWs will be subject to, but not limited to, the following principles which will be solidified in a forthcoming service build:

- Legitimate justification will be required by PCWs for accessing this information. This will be subject to confidentiality agreements between PCWs and the Gas Transporters, and a contract with the CSDP for the provision of the service.
- PCWs access to data will be subject to organisational validations and conditions, as set out in legal contracts between PCWs and the CSDP. The relevant section of the UNC will be amended to include the definition of PCWs.
- PCWs are recommended to be part of the Ofgem Confidence Code for faster processing of organisational validations.
- The data provided is confidential information and is therefore only permitted to be accessed by PCWs (subject to organisational validations) where consent has been obtained from the relevant consumer, through a clear statement of consent on the PCWs website, which will be required to be actively triggered by a consumer.
- Consumer consent and data accessed by PCWs will be securely held by PCWs for no longer than reasonably required to comply with relevant legislation.
- The CSDP has the right to audit PCWs, without notice, to ensure data is being used solely, with consumer consent, for the purposes of facilitating change of supplier activity.
- The CSDP has the right to request PCWs to produce evidence of the following information, but are not limited to only this information: consumer consent, data obtained, time periods data was obtained for, switching evidence (if switch took place), and data retention policies.

- Where any suspected misuse comes to the attention of the CSDP, including via a third party or an audit or security investigation, then the CSDP has the right (after appropriate investigation) to cancel provisions of access to data to the PCW.
- If any of the evidence requested by the CSDP, as specified within the UNC and legal contracts, is not provided within a reasonable timeframe, then the CSDP has the right to immediately cancel provisions of access to data to the PCW.

The requirement to provide suitable data is set out within the CMA order and is supported by Ofgem. Gas Transporters are actively supporting these requirements.

The proposer believes that this modification should be considered as 'enabling' since the change would mainly be of benefit to PCWs and Suppliers, which are not Code parties and therefore, of indirect benefit to IGT UNC parties.

## Code Specific Matters

### Reference Documents

Please find the link for: CMA Energy Market Investigation – Final Report here;

<https://assets.publishing.service.gov.uk/media/5773de34e5274a0da3000113/final-report-energy-market-investigation.pdf>

Some of the relevant paragraphs are as below:

13.324 We agree with suppliers that the terms on which PCWs are provided with access to the ECOES and SCOGES databases should allow for them to check or obtain MPAN and MPRN numbers for customers seeking to switch supplier and to check other information provided by these customers against that held in the database and should be strictly limited to these purposes. We would expect that the conditions for accessing the ECOES and SCOGES databases to include conditions that strictly limit the use of data for these purposes.

13.325 We also agree that the number of erroneous and failed transfers avoided might be small. However, we consider that a small number of erroneous and failed transfers could be expected to have a wide impact on customer perceptions (see paragraph 13.352) and disproportionate impact on domestic customers' confidence in the use of PCWs and perception about the ease of switching more generally.

13.330 Ofgem said it strongly agreed with implementing the remedy through an order and suggested that to improve the prospect of timely implementation the CMA should specify a timescale in the order. Ofgem also said the scope of the data that PCWs should be able to access should be clarified to assist speedy implementation.

13.343 The aim of this remedy is to reduce actual and perceived barriers to switching resulting from erroneous transfers and failed switches, and we consider, based on responses to our provisional decision on remedies 265, that access to the ECOES and SCOGES databases will also benefit other TPIs providing similar services to PCWs.

13.344 In light of the above, this remedy will require (through a CMA order) the code administrator or governing body with authority to grant access to the ECOES database to grant access to the database to PCWs (and other TPIs providing similar services). This remedy will also require (through a CMA order) Gas Transporters to grant access to the SCOGES database to PCWs (and other TPIs providing similar services) on reasonable terms. We understand that amendments to the relevant industry codes may be

required. Therefore, this remedy will also require Gas Transporters to make any necessary amendments to both the Uniform Network Code (UNC) and Independent Gas Transporter Uniform Network Code.

13.345 This remedy will enable PCWs (and other TPIs providing similar services) to check or obtain MPAN and MPRN numbers for customers seeking to switch supplier and to check other information provided by these customers against that held on the databases. Use of the data by PCWs (and other TPIs providing similar services) should be strictly limited to these purposes. Any charge for access to the data should be based on the incremental cost to the database administrators of providing this access.

Please find the link to a further letter from the CMA regarding acceptable access solutions here:

<https://www.gov.uk/cma-cases/energy-market-investigation>

The CMA Draft Energy Market Investigation (ECOES/DES) Order 2016 has been published and can be accessed via the following link;

<https://assets.publishing.service.gov.uk/media/5805df8e40f0b64fc1000004/energy-market-ECOES-DES-order-for-consultation.pdf>

## Solution

The original proposal was returned to Panel by Ofgem on 01 March 2017, and Panel subsequently requested that the workgroup consider the issues raised in the Ofgem letter.

On 12 June 2017, the CMA published a follow-up letter stating that "... the provision of an interim telephone service by July 2017, and an Application Programme Interface (API) solution which is expected to launch at the latest in October 2017, subject to the relevant Uniform Network Code permissions being in place. These proposed steps would achieve compliance of the Order." Based on this, the proposer has amended this modification to reflect these solutions.

This enabling modification is proposing to grant the relevant permissions to allow PCWs access to domestic consumer data through amending IGT UNC Part K to include a requirement on the PCWs to enter into a confidentiality and service agreements with the Transporters on terms no less onerous than those of section K 24.3, but including clauses detailing the data and permitted purpose, and clauses to include enforcement of the confidentiality agreement.

The data to be included is: Supply Meter Point Reference Number, supply point address, Meter Post Code, supplier, meter mechanism, network operator, meter capacity, meter serial number, Annual Quantity, Local Distribution Zone, and is to be obtained specifically for the purpose of enabling a change of supplier event in response to a specific request from a consumer.

In order to provide the industry with transparency of the use of this data, an annual report will be provided detailing the PCW market participants who are permitted to access this data.

This modification, once implemented, will grant the necessary permissions for the creation of a commercial service which will provide access to domestic consumer data only for the sole purpose of aiding in faster supplier switching.

**Impacts & Other Considerations**

**Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?**

This requirement may be transitional until the SCR is implemented where PCWs may be able to access the data from the new Central Registration Service (CRS).

**Workgroup Impact Assessment**

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**Consumer Impacts**

When investigating the possibility of changing Shipper or Supplier, consumers very often utilise the services of PCWs. In order to offer the most efficient service, and to facilitate a more effective switch, the PCWs would benefit from access to data held by the Transporters.

PCWs are an important means by which consumer engagement can improve, and effective competition can develop in the domestic retail markets. Domestic consumers will be better engaged to fully understand and choose between the range of options available to them through PCWs services offered both online and by telephone.

**Workgroup Impact Assessment**

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**Cross Code Impacts**

The requirements as set out by the Report, also apply to electricity. Therefore, code administrative changes will also be made to the Master Registration Agreement (MRA).

**EU Code Impacts**

None.

**Central Systems Impacts**

None.

**Relevant Objectives**

Impact of the modification on the Relevant Objectives:	
Relevant Objective	Identified impact
(A) Efficient and economic operation of the pipe-line system	None
(B) Co-ordinated, efficient and economic operation of (i) the combined pipe-line system; and/or (ii) the pipe-line system of one or more other relevant gas transporters	None
(C) Efficient discharge of the licensee’s obligations	None
(D) Securing of effective competition:	Positive impact on



<ul style="list-style-type: none"> <li>(i) between relevant shippers;</li> <li>(ii) between relevant suppliers; and/or</li> <li>(iii) between DN operators (who have entered into transportation agreements with other relevant gas transporters) and relevant shippers</li> </ul>	<p>competition between Gas Suppliers.</p>
<p>(E) 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</p>	<p>None</p>
<p>(F) Promotion of efficiency in the implementation and administration of the Code</p>	<p>None</p>
<p>(G) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators</p>	<p>None</p>

Making switching suppliers easier for domestic consumers is likely to increase the number of consumers who engage in the competitive market. Ensuring that core data items are able to be validated at an early stage will increase confidence that switching will be successful and providing access to the parties that are involved in the earliest stages of switching will improve the services that they provide. Increased confidence and activity in the energy markets will make it a more competitive environment for suppliers.

### Workgroup View

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## Implementation

It is proposed that implementation of this permissions modification be as soon as reasonably practicable after Authority consent is received.

### Workgroup View

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## Legal Text

### Text Commentary

The legal text introduces a new permission for the release of protected data. Paragraph 24.3 (j) describes the person to whom the data can be released (PCWs and TPIs as defined in IGT UNC Part M Definitions), the circumstances of the release (they have permission from the domestic consumer and have entered into appropriate terms) and specifies the data items allowed to be shared.

24.3(j)(i) A also obligates the CDSP to publish an annual list of persons who have entered into confidentiality and service agreements for this data.

The definitions in IGT UNC Part M are consistent with those in the Competition and Markets Authority draft Order on Transporters and CDSP to create these permissions and a corresponding service.



## **Text**

Add new paragraph, (j) as follows to section K of the IGT UNC paragraph 24.3.

## **Provision of domestic premise data to Price Comparison Websites and internet-based Third Party Intermediaries**

j) The CDSP are authorised to disclose the following data items: Supply Meter Point Reference Number, supply point address, Meter Post Code, supplier, meter mechanism, network operator, meter capacity, meter serial number, Annual Quantity, Local Distribution Zone to a Price Comparison Website where the Price Comparison Website has received consent from the domestic consumer associated with the Supply Point and where they have entered into confidentiality and service agreements (on terms no less onerous than those in paragraph 23) and reasonable access conditions.

(i) The CDSP shall, by 31 March each year, produce a report to identify the service recipients who have signed up to the confidentiality and service agreements;

(ii) "Price Comparison Website" (PCW) shall mean an internet-based price comparison service or other internet based TPI that provides comparisons between, and/or access to, personalized quotes for retail energy to domestic customers, and may carry out, on behalf of the domestic customer an instruction to change the domestic customer's retail energy supplier, tariff or both;

(iii) "Third Party Intermediary" (TPI) shall mean an organisation or individual acting as a third party intermediary between a domestic customer and a retail energy supplier.

## **Part M Definitions**

"Local Distribution Zone" shall have the meaning ascribed thereto in the UNC;

"Price Comparison Website" shall have the meaning in Part K 24.3(j);

"Third Party Intermediary" shall have the meaning in Part K 24.3(j);

## **Work Group Comments**

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## **Recommendations**

### **Workgroup's Recommendation to Panel**

The Workgroup asks Panel to agree that:

- This [self-governance] modification should proceed to consultation.
- This proposal requires further assessment and should be returned to Workgroup.

*The Code Administrator may set alternative subheadings appropriate to the specific Code.*

**Insert subheading here**

Insert text here