

Nova Energy submission: Switch process review issues paper

Submitter	Amy Kinmont, Nova Energy
-----------	--------------------------

Please answer the general questions once (Q1 and Q2).

For each individual issue you will be responding to, please answer questions Q3 to Q5. The template below has been started with the first two issues.

Question	Response
<i>General questions</i>	
Q1. Which, if any, of the 22 issues raised in this paper do you consider should not be investigated further? Please give reasons.	NA
Q2. Are there any issues not raised in this paper that you consider should be investigated? Please identify these other issues and give reasons why they should be investigated.	Though not a switching issue: it would be beneficial to have the data from the following field of the registry added to the end of the LIS and EDA reporting i.e. C&I TOU, AMI Comm and AMI Non Comm, as this will help the Traders identify TOU and Non communicating sites more readily.
<i>Issue #1</i>	
Q3. How material is this issue?	In most instances a switch is not completed on the requested date due to the losing Trader having an existing agreement with the customer, or to allow the losing Trader to gain correct reads. Due to the timeframes for completing switches in place for compliance there is minimal impact for customers and Traders.
Q4. Is this issue getting worse?	No

Question	Response
Q5. Why do you think this issue is occurring?	
<i>Issue #2</i>	
<p>Q3. How material is this issue?</p> <p>Q4. Is this issue getting worse?</p> <p>Q5. Why do you think this issue is occurring?</p>	<p>This could be a major material issue to the Losing Trader. When considering that the meter may be changed or modified for a date before the switch event date, this would mean the losing Trader will be left responsible for any consumption on the new meter setup between change and switch event and the Losing Trader has no option to stop this or visibility at the time it happens.</p> <p>Rules and regulations would have to be looked at in far more depth on this one to cover all parties, otherwise this will cause different and maybe further issues than are currently being experienced</p> <p>No</p> <p>Delay in notification or updating of registry metering details by MEPs. This can also be caused by Traders internal process or identifying of metering changes that have occurred.</p>
<i>Issue #3</i>	

Question	Response
<p>Q3. How material is this issue?</p> <p>Q4. Is this issue getting worse?</p> <p>Q5. Why do you think this issue is occurring?</p>	<p>For reconciliation and billing purposes, resolution on this issue is very material to both Traders and customers. There is often confusion/delays on whether MEPs are allowed to provide midnight reads to gaining retailers or whether this is counted as commercially sensitive information and can only be provided to the Trader responsible for the ICP on the Registry for the date in questions, despite the Code stating both Traders must use the same reading.</p> <p>No, as more Traders are using AMI reads there are less estimates being used. However, this will continue to be an issue while Traders are trying to balance completing switches within compliance timeframes with gaining reads from MEPs and inserting those reads into the switching files/billing systems.</p> <p>There can be delays in receiving the actual reads from MEPs for Smart Meters, and rather than delay the switching process estimates are instead used. The way the code is written currently you cannot change the effective date to one earlier than requested, so the losing Trader cannot change to their last actual read date.</p>
<i>Issue #4</i>	
<p>Q3. How material is this issue?</p> <p>Q4. Is this issue getting worse?</p> <p>Q5. Why do you think this issue is occurring?</p>	<p>Not highly material, as volumes of ICPs with only unmetered load is small. However, the Code would need to reflect the withdrawal process and timeframes for this with the switching process changed.</p> <p>No</p> <p>NA</p>

Question	Response
<i>Issue #5</i>	
<p>Q3. How material is this issue?</p> <p>Q4. Is this issue getting worse?</p> <p>Q5. Why do you think this issue is occurring?</p>	<p>Moderately material, it needs to be noted that gaining AMI reads as a norm can take up to 5 business days to obtain, though this is not always the case and some AMI reads are not supplied until the following month after the switch has been completed and all parties notified and even at 5 business days, this causes definite issues for the gaining Trader needing to revise the switch event meter reading (it would be suggested that the time frames are reversed here: I.E: 5:4.30(b) changed from 10 business days to 5 business days maximum and 5:4.32(b) changed from 5 business days to 10 business days)</p>
<i>Issue #6</i>	
<p>Q3. How material is this issue?</p> <p>Q4. Is this issue getting worse?</p>	<p>For reconciliation and invoice purposes this is highly material. As HHR becomes more prevalent having switch reads that do not line up with the switch effective time of midnight (00:00) causes issues in what to do with the consumption between the gaining read time and midnight. Losing retailers are then reluctant to amend the gaining read to the midnight read when there is minimal usage.</p> <p>Yes, due to industry movement towards HHR and billing offers/opportunities that HHR provides.</p>

Question	Response
Q5. Why do you think this issue is occurring?	Multiple factors including; <ul style="list-style-type: none"> • Traders wanting to use customer gained reads for invoicing which are not likely to be midnight reads • Traders not wanting to keep consumption that they cannot invoice for • System limitations are a possibility
<i>Issue #7</i>	
Q3. How material is this issue? Q4. Is this issue getting worse? Q5. Why do you think this issue is occurring?	For Trader's purposes, invoicing, reconciling energy, tracking sales and churn, this has very little relevance. This is more related to the statistics and pattern tracking of switching ICPs and Traders in the country. While this information is useful for government agencies it doesn't hold much value for Traders or customers. There are other more impactful issues in the code that could be prioritised above these changes. No As the current Code and Registry isn't designed to capture this information.
<i>Issue #8</i>	

Question	Response
<p>Q3. How material is this issue?</p> <p>Q4. Is this issue getting worse?</p> <p>Q5. Why do you think this issue is occurring?</p>	<p>Identifying the transfer or sale of customers and embedded generator accounts between Traders is moderately material. As this is not currently identifiable on the Registry there is no way of distinguishing changes requested by the customer. Also, if there are issues with metering etc. or of time slice switching, it is not immediately identifiable who to contact and who is able to resolve the issue. There is the issue of which switch type to use as neither MI nor TR are accurate. More often MI is used to allow for a fixed date and less impact to customers billing cycles. This also impacts the tracking of customer movements and whether those were customer choices or not as raised in issue 7</p> <p>There have been a number of customers sold or transferred between Traders within the last 24 months. This is likely to remain a fixture of the industry.</p> <p>NA</p>
<i>Issue #9</i>	
<p>Q3. How material is this issue?</p> <p>Q4. Is this issue getting worse?</p>	<p>As most Traders have developed their systems in order to ensure their 'AN' response codes contain accurate information this is material to Traders. The 'AN' response codes also signify information that if used by the gaining Trader, could identify that an incorrect ICP is being gained, or that a switch is likely to be withdrawn. More relevant is reviewing the discrepancies in switching processes across the different switch types to create more uniformity in the processes.</p> <p>The AN Response will also let the Gaining Trader know if there has been a change to the Proposed Switch Date.</p> <p>NA</p>

Question	Response
Q5. Why do you think this issue is occurring?	NA
<i>Issue #10</i>	
<p>Q3. How material is this issue?</p> <p>Q4. Is this issue getting worse?</p> <p>Q5. Why do you think this issue is occurring?</p>	<p>The differing timeframes for similar switching processes causes confusion and restricts automation of processes. It can result in incorrect understanding of obligations and timeframes which can mean incorrect expectations are set with customers. It limits systems abilities to generate the correct files at the correct points as there are contradictory rules for switching ICPs.</p> <p>As the industry diversifies and welcomes new Traders, this causes avoidable breaches and more inefficient practices.</p>
<i>Issue #11</i>	
<p>Q3. How material is this issue?</p> <p>Q4. Is this issue getting worse?</p>	<p>As the timeframe is taken from the switch effective date, not when the switch was completed on the Registry, backdated switch requests can often fail as non-compliant. If both Traders agree, there should not be a restriction on the withdrawal timeframes, but if there is going to be a compliance requirement on timeframes then it should apply from when the switch was completed on the Registry, not the switch effective date.</p> <p>NA</p>

Question	Response
Q5. Why do you think this issue is occurring?	Multiple factors are causing noncompliance; <ul style="list-style-type: none"> • Two months being taken from switch effective date • Historic mixed metering being discovered • Customers unaware that their ICP has switched until after the 2 month window has ended. (NWUA or NWWP)
<i>Issue #12</i>	
Q3. How material is this issue? Q4. Is this issue getting worse? Q5. Why do you think this issue is occurring?	May cause issues with Reconciliation, dependant on Trader systems for the Recording of reads and the Read Times
<i>Issue #13</i>	
Q3. How material is this issue? Q4. Is this issue getting worse? Q5. Why do you think this issue is occurring?	Due to the infrequency of circumstances resulting in a validated meter reading or a permanent estimate being unable to be gained, this issue is not very relative. The Code needs to be updated to reflect to ensure when these extenuating circumstances arise, it does not result in a breach for the Responsible Trader. No, it is still rare.

Question	Response
<i>Issue #14</i>	
<p>Q3. How material is this issue?</p> <p>Q4. Is this issue getting worse?</p> <p>Q5. Why do you think this issue is occurring?</p>	<p>As this impacts both Traders compliance and can impact the customer this is highly material; it can result in delays having the customer's power reconnected as faults process may be followed to the point of having an electrician visit the premise. It can mean that the ICP completes the switch with incorrect metering information and result in a breach for either or both Traders.</p> <p>There has been an observed increase in customers who are without power when this is not reflected on the Registry and neither Trader can update the Registry until the Switch has completed.</p> <p>This is caused by unfortunate timing of work being completed and switches being initiated on the Registry. Withdrawing switches to correctly update the Registry is not a positive resolution as this causes further inefficiencies to the Switching process and delays to the customers.</p>
<i>Issue #15</i>	
<p>Q3. How material is this issue?</p>	<p>As the gaining Trader in most instances will not have a read to complete a switch for a Category 3 – 5 this will most definitely delay the process.</p> <p>Options would be to either:</p> <ul style="list-style-type: none"> • Make it so reads are not required • Make to so the Losing trade is to complete the switch <p>Note: most instances of this type of switch are for the 1st of the new month.</p>

Question	Response
<i>Issue #17</i>	
<p>Q3. How material is this issue?</p> <p>Q4. Is this issue getting worse?</p> <p>Q5. Why do you think this issue is occurring?</p>	<p>As this impacts both Traders compliance and can impact the customer this is highly material; it can result in delays having the customer's power connected. It can mean that the ICP completes the switch with no metering information; however metering may have already been installed or temporarily installed onsite; however the losing Trader has not populated the registry due to switch in progress, therefore causes further delay with the gaining Trader to confirm when the metering was installed so that the event date can reflect this which results in a breach for either or both Trader</p> <p>No, it this is rare in occurrence</p> <p>This is caused by timing of work completed and switches being initiated in the registry. In addition this can also be dependent on a Trader's internal process in how they manage new connections.</p>