MAJOR SWITCHING INCIDENT – SWITCHING OPERATOR BEST PRACTICE DOCUMENT

PURPOSE OF THIS DOCUMENT

This document establishes out the roles and responsibilities of the Switching Operator during and after a Major Switching Incident, to help reduce the impacts, and ensure an appropriate good practice and solution are applied.

This document acts as guidance for the Switching Operator, and other REC and Non-REC Parties, unless an obligation to follow the document is referenced in a REC Schedule.

DOCUMENT CLASSIFICATION

This is a REC Category 3 Document owned by the Code Manager.

This document can be amended through the REC Category 3 Change Proposal process.

1 WHAT IS A MAJOR SWITCHING INCIDENT

The term Major Switching Incident (MSI)[1] means a high impact Switching Incident which results in significant disruption to the Switching Arrangements.

For a Switching Incident to be deemed a Major Switching Incident, it must be assigned a priority ranking of 1, or 2, by the Switching Operator based on its impacts on the Switching Arrangements and/or one or more Market Participant(s).

As per REC Schedule 26 – Switching Service Management paragraph 2.12, "Where an issue is classified as a Major Switching Incident by the Major Incident Manager (MIM), the Switching Operator shall notify all Market Participants, the Code Manager, the Switching Service Providers and all other interested parties as soon as reasonably practicable, via a Switching Portal bulletin".

A Major Switching Incident may be referred to as a P1 or P2, Major Switching Incident reflecting the priority it has been assigned by the Switching Operator. Market Participants and Switching Data Service Providers can also-sign up to push notification to alert them to the occurrence of a Major Switching Incident.

For further information on Major Switching Incidents, and how the Switching Operator, and the Switching Data Service Providers, should respond, please see paragraphs 2.1-2.22 of Schedule 26 – Switching Service Management.

1.1 PROCESS MAPS *(TBC and included by the Code Manager during Solution Development)*

[1] The meaning defined in the REC shall take precedence if there is a discrepancy.

1.2 IMPACTS

A Major Switching Incident can impact both fuels (electricity and gas) and both Domestic and non-Domestic end-Consumers and industry participants delivering services. Impacts may include:

- Ability to switch on time, with Consumers effectively left stuck until the switch can be processed
- Poor switching experience leading to reduced Consumer confusion and/or confidence
- Supplier's inability to meet Licence Conditions
- Disputed reads leading to billing errors
- Erroneous transfers not being identified, nor being resolved on time
- Limited non-Domestic product offerings.
- Cost to industry participants

The impacts that may be experienced may be dependent upon the current volume of switches and the time of year that such an incident occurs.

A future incident runs the risk of more significant impacts to both industry and end Consumers. To reduce the risks, the methods of best practice noted in this document should be followed by the Switching Operator at all available opportunities to support industry and reduce the impact on end Consumers.

2 METHODS OF BEST PRACTICE

2.1 SWITCHING PARTIES COMMUNICATION

The Switching Operator should establish and publicise a dedicated group for Switching Parties which meets frequently, in cases where active industry engagement would support the resolution of an MSI. The Group should include:

- Updates on issue resolution progress from the Switching Operator
- Opportunity for CSS User to input into the impacts on systems and Consumers

This group could be an existing group, such as the Switching Operator Forum (SOF), and the initial mailing list should be established in advance and include relevant contacts, this could be the contact list from SOF.

2.2 ROOT CAUSE COMMUNICATION

Identifying and sharing the root cause of a MSI is critical step in resolving an incident.

The Switching Operator has a responsibility to ensure that the root cause communication offsets the risk of uncertainty and limited information, and ensures Switching Parties (including Suppliers, Third Party Intermediaries and Networks) have the right information to:

- Enable meaningful engagement
- Assist end-Consumers
- Ensure Market Participants can proactively manage incident impacts
- Support appropriate plans in response to the incident and resolution.

The Switching Operator is expected to:

- Share the root cause analysis with the REC Code Manager as soon as reasonably practicable.
- Within Day +1 of the root cause analysis being shared with the REC Code Manager, share the root cause analysis with Switching Parties.

Getting to the root cause of a complex issue may not be an easy exercise. If a MSI passes the deadline for resolution and the root cause is not, at the time, identifiable, the Switching Operator should:

- Set an expectation of when the root cause analysis is expected to complete
- Give due consideration whether a group, as set out in section 2.1, should be established

2.3 SWITCHING OPERATOR END-CONSUMER COMMUNICATION

Consumer impacting MSIs require rapid and consistent messaging across Switching Parties, and other possible industry participants, including but not limited to, Third Party Intermediaries (TPIs), to reduce the risk of inaccurate and confusing messaging.

The Switching Operator has a responsibility to ensure that each Switching User has a uniform set of communication message(s) in order to:

- Reduce the risk of inconsistencies between market participants
- Support end-Consumers impacted by the incident
- Reduce the risk of independent action from CSS Users

In all cases where an MSI impacts end Consumers, the Switching Operator should give consideration to providing industry-wide communications[2]. The Switching Operator will need to give consideration to (but not limited to) the following if it decides not to provide communications:

- Number of Consumers impacted
- Number of CSS Users impacted
- Length of impact

The Switching Operator should provide clear rationale why it decided not to provide industry communications if the MSI impacts Consumers.

The Switching Operator is expected to provide Consumer facing communications which may include (but not limited to):

- A non-technical description of the incident
- Which Consumers will be impacted
- When the incident is expected to conclude
- Who to contact for more information

The Switching Operator is expected to deliver communications to Switching Parties at the first point of:

- Within 1 Working Day of the root cause being shared with Switching Parties
- Within 1 Working Day of when the full set of impacted Consumers is known
- 5 Working Days after the end of the Incident Resolution Window

[2] Industry-wide communications mean communication not only to Switching Parties, but to include other industry participants including, but not limited to, Code Administrators and Third-Party Intermediaries.

2.4 SWITCHING OPERATOR IMPACT ASSESSMENT

The Switching Operator has a responsibility to consider the cost and impact of a MSI to industry in order to:

- Provide CSS Users with costs of rectification of the MSI
- Provide assurance to Switching Parties that all resolution possibilities are considered, and a robust solution decision is made.
- The impacts of the MSI against the REC obligations is fully understood.

The Switching Operator is expected to create an incident Impact Assessment for each MSI which exceeds the resolution deadline, to include:

- Impacts against REC defined processes,
- REC Systems,
- RECCo owned Data,
- REC Services.
- Determine the impact on compliance with the REC end-to-end Switching Arrangements.

The Switching Operator should provide this information through the resolution phase of the MSI and after the incident solution is implemented. CSS Users can expect the details of this impact assessment to adjust as the impact is better understood, solutions are better defined, and execution of the solution is complete.

The Switching Operator should consider the most effective means of communication and may wish to use the group, set out in 2.1, as a means of circulating impact assessment versions.

2.5 BROADER INDUSTRY IMPACT ASSESSMENT

A MSI may have a broader impact than solely on REC parties, CSS Users and REC obligation. The Switching Operator should engage with organisations outside of the REC environment to make a fair judgement of the possible impact repercussions of the MSI.

This impact assessment should be detailed enough to indicate likely risks to Switching Parties outside of REC obligations. These could include (but not be limited to):

- Metering exchange issues
- Retrospective settlement activity

- Other code compliance (such as BSC, DCUSA, UNC and iGTUNC)

The Switching Operator should produce a broader industry impact assessment as soon as reasonably practical when required into MSI. The Switching Operator may identify no impacts outside of the REC and should maintain robust evidence of how this conclusion was reached. A broader industry impact assessment is expected to include:

- Collaboration with Ofgem, RECCo, the Code Manager and the Code Administrators for the BSC, UNC, iGTUNC, and DCUSA to identify the cross-code impacts and/or impacts on other Codes when managing an incident and developing a solution; and
- Evidence that the solution for industry is of the least negative impact to end-Consumers.

2.6 REFRESH AND TESTING OF SWITCHING OPERATOR'S INCIDENT RELATED POLICIES, PROCESSES AND PROCEDURES

In support of 2.2, and ensuring the right communication is provided, it is expected that the Switching Operator periodically review, reissue, maintain, evaluate, and test (as appropriate) its following:

- Switching Incident Management Policy, processes and procedures: including defined roles and responsibilities, a RACI to assist rapid incident resolution, and a major switch response process with a scheduled annual test
- Switching Service Management Policies and Procedures
- Incident Communications Strategy: including the channels that are to be used and cadence of incident meetings separate to established forums and communications[3], for example the Switching Operator may consider providing an update, and opportunity for discussion, to the REC Change Issues Group.
- Procedure for the review and update of contact lists for CSS Users, SDSP's and other interested parties.
- Methodology and criteria to assess the priority of incident resolution hierarchy.

2.7 SUPPORTING DOCUMENTS AND ADDITIONAL INFORMATION

- Schedule 25 – Central Switching Service
- Schedule 26 – Switching Service Management

[3] The Switching Operator may, however, still continue to raise awareness through established Switching Communications.

- RECCo Review Report Summary (July 2023 P1 Major Switching Incident)
- RECCo Review Report Detailed Appendix (July 2023 P1 Major Switching Incident)