RETAIL ENERGY CODE

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REFERENCE	RECCHIG_25_0306
STATUS	FOR DISCUSSION

I0214 - MULTIPLE SWITCH REQUESTS INCREASING OBJECTION RATE

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1 PURPOSE

The Code Manager wishes to explore a number of potential solution options for I0214 with Change Issues Group members. During an initial discussion during the REC Issues Group (RIG) meeting in August 2024, a number of solution options were broached. The Code Manager has since taken legal advice to confirm the viability of solution options that may impact the Registration process.

As a result of this advice, the Code Manager is now able to present a number of legally viable solution options for consideration. The Code Manager wishes to use the Change Issues Group as a forum to narrow these options down to a single leading option. At this stage, the Code Manager would then look to progress the leading option to the Technical Change Workshop (TCW) for a more detailed solution development approach.

2 BACKGROUND AND SOLUTION

2.1 BACKGROUND

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 arises 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 will 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.

2.2 SOLUTION

The Code Manager is considering changes to Schedule 23 – Registration Services to place a limit on the timeframe in which a switch request be attempted immediately following an Objection. The Code Manager is considering two possible variations of this solution:

1. A time period [x] within which a gaining supplier cannot raise another switch request following an objection; and/or
2. a restriction on a gaining supplier from submitting a switch request until the gaining supplier reasonably considers that the reason for the previous objection has been resolved.

The Code Manager would likely place the new obligation within Section 2: Submitting Switching Request. The Code Manager is looking to the REC Change Issues Group in order inform our approach on the details of the above options.

2.2.1 DISCOUNTED SOLUTION OPTIONS

Following discussion at the Technical Change Workshop, the Code Manager has discounted any solution that involves changes to the Central Switching Service (CSS) architecture. It had been considered at once stage that repeated switch requests following an objection may be prevented by curtailing these requests within the CSS. However, due to the likely resource requirements of such a solution, it is not being progressed.

Additionally, the Code Manager has taken legal advice which has confirmed that no changes can be made to how objections are raised, as this would impact on a Supplier's right to raise an objection as found in the Supply Licence.

3 QUESTIONS FOR THE CHANGE ISSUES GROUP

- Do you have a preference between these solution options?
- In the case of option one, do you have any views on what the "X" value should be for determining the time period between switch requests?
- Do you have any other comments?