

Meeting notes & actions

Meeting aims

- A focussed session to specifically discuss any challenges associated with Auto-Switching.
- Main purpose to identify any process implications associated with the transition to a five day / next day switch.
- An opportunity to identify wider Auto-Switching process concerns and observations (not linked to a switch occurring faster in the future).

The Chair advised that the agenda was originally expected to include a case study presentation from Citizens Advice (CA), however unfortunately, due to current market circumstances and work prioritisation CA are unable to provide this at this time.

Action: *The Chair to engage with CA to ascertain potential for providing their insights on Auto-Switching at a future date.*

The Chair noted the difficulties associated with identifying and contacting the correct contacts within Auto-Switching companies, though it is encouraging that some have joined this session.

Action: *The Chair to consider how best to prepare a simple guide for those that are not directly engaging in the forum/switching programme, outlining key implications of FMRS to the existing switching arrangements.*

TPIs in the Retail Energy Market

The Chair reminded the group of the BEIS Call for Evidence issued on 16 August, which includes specific reference to Auto-Switching and Auto-Recommendation services, and provided a high level overview of the related content for information.

Feedback from Forum members

In preparation for the session, Forum members were asked to provide views on the following questions:

1. *What are the specific issues and concerns that are currently being encountered by parties engaged in Auto-Switching activities that need to be considered?*
2. *Any initial views of how these issues might be specifically impacted by the introduction of faster switching arrangements?*

3. *What is your view of the materiality (size/volume) of Auto-Switching in comparison with overall switching activity?*
4. *Any other relevant concerns or observations?*

The Chair fed the comments received back to the group. Refer to slides 10-14 within the slide pack.

Current Auto-Switching process examples

The Chair provided a high level overview of information obtained from a variety of Auto-Switching sites, detailing how the process/journey is initially explained to the consumer. Refer to slide 15 of the slide pack for the detail.

Existing process and initial consideration of faster switching impacts

Discussion. Key comments captured:

- The assumption that the Supply Start Date (SSD) will be provided to the consumer by the new Supplier (as is the case with the PCW process) was agreed. An Auto-Switching (AS) member added that the SSD is also provided to them by the Supplier and is confirmed by them to the consumer.
- The need to review cool-off messaging was noted but not seen by those attending the session as having much impact. An AS member advised that they require confirmation from their customers before progressing a switch.
- Consent to bill in cool-off. It was noted that individual parties would need to seek legal advice on whether this consent could be obtained once by AS providers or would also need to be obtained for every subsequent switch.
- An observation was made that consumers who have been allocated a Supplier, rather than choosing one for themselves, might be more likely than most to exercise their cool-off rights.
- Some Supplier members indicated that it is easy to identify when a Change of Supply (CoS) request has come from an AS provider. It is noted that this is different from other feedback that was received ahead of the meeting and is clearly dependent upon the individual processes in place. When identified, some Suppliers conduct additional verification e.g. customer name, before progressing the switch.
- A Supplier noted that commission-driven AS providers might significantly increase the number of switches when Faster & More Reliable Switching (FMRS) is live. This could introduce risks to the consumer experience, meter readings, billing & settlement etc.

- Large switching volumes in short timescales could create difficulties in hedging strategies for Suppliers. Normally Suppliers can control acquisition channels to mitigate this but, this is not true of non-commission AS providers who are effectively unidentifiable and a blindspot.
- It was noted that the choice of data transfer technology has no issues that are specific to Auto-Switching.
- A question was raised - who will ask consumers what is their preferred frequency of data collection from smart meters? This is something that has not been covered during the main forum discussions, the assumption is that it will always be by the Supplier at CoS.
- Objections. These are triggered early in the process and parties present were not concerned about any specific implications. One party noted that an automated message is sent to alert consumers that 'there is a problem with your switch'. A Supplier noted that in future, outstanding debt will become the only reason to object; other reasons (such as related meters) will trigger rejections earlier in the process.
- Feedback loops are regarded as being effective between Suppliers and AS providers, although this will be specific to individual relationships.
- Change of Tenancy (CoT). A Supplier identifying an AS-driven switch will normally check for this as part of their validation. In addition, some AS providers regularly ask their customers (generally ahead of the switch) to advise if anything has changed. However, it was noted that a CoT notification to an AS provider may not be high on a consumers list of things to do when moving property.
- Retail Energy Location. There is an assumption that AS providers can hold this information on their records but cannot use it on a public-facing website, without an appropriate OS Licence being in place.
- In the current market volatility, it was remarked that AS providers may need guidance or to exercise caution over customer movements and risk of SOLR allocations.
- Unhappy paths. Since AS providers have and want an ongoing relationship with consumers, they can be expected to have a great interest in maintaining communication with the consumer within unhappy path journeys. As discussed previously, accuracy and consistency of consumer messaging is essential.