

Modification proposal:	Supply Point Administration Agreement (SPAA) Change Proposal (CP) 08/119 (CP08/119): SPAA Schedule 10. Follow up of the Erroneous Transfer Initial Response within 5 days		
Decision:	The Authority ¹ directs that this proposal be made ²		
Target audience:	SPAA Parties and other interested parties		
Date of publication:	14 January 2009	Implementation Date:	June 2009 scheduled release

Background to the change proposal

SPAA schedule 10 (“The Procedure for Resolution of Erroneous Transfers”) sets out the procedure to be followed if a customer feels that their supply service has been incorrectly transferred to a new supplier. Once aware of the situation the old or new supplier (depending on who becomes aware of the problem) is required to send out an ‘Initial Request’ to start the Erroneous Transfer Procedure. Currently, if the Initiating Supplier does not receive a response from the Associated Supplier within a set time period they are required to send a follow up request five working days after the response is due as set out in schedule 10. The proposer feels that this may cause unnecessary delays in resolving erroneous transfers.

The modification proposal

This change proposal seeks to amend SPAA Schedule 10 to allow the Initiating Supplier to send a follow up request *within* 5 working days of the response dead-line. The amendment inserts the word ‘within’ into the relevant paragraph in Section 2.3 of Schedule 10 ‘Phase Two – Response from Associated Supplier to discuss course of action for ET resolution’. The proposer feels that relevant objective (a) ‘the development, maintenance and operation of an efficient, coordinated and economical change of supplier process’ of the SPAA will be facilitated by the implementation of CP08/119. The proposer also feels that the change would bring SPAA in line with the Electricity MAP 10 process which is the equivalent process followed after an erroneous transfer occurs in electricity.

The Authority’s decision

The Authority has considered the issues raised by the change proposal and has taken into account responses to the SPAA consultation, as set out in the Change Report (CR), and the views of the subsequent SPAA Change Board held 20 November 2008. The Authority has concluded that:

1. implementation of the change proposal will better facilitate the achievement of the relevant objectives of the SPAA³; and,

¹ The terms ‘the Authority’, ‘Ofgem’ and ‘we’ are used interchangeably in this document. Ofgem is the Office of the Gas and Electricity Markets Authority.

² This document is notice of the reasons for this decision as required by section 38A of the Gas Act 1986.

³ As set out in Standard Condition 30 of the Gas Suppliers Licence, see:

http://epr.ofgem.gov.uk/document_fetch.php?documentid=13010

2. directing that the change proposal be made is consistent with the Authority's principal objective and statutory duties⁴.

Reasons for the Authority's decision

A couple of comments were received, one raising the concern that the amendment would not provide any benefit and would result in changes to systems. However, after further consideration the party felt that they would support the change proposal as it would be unlikely to require system changes and parties would still be able to send a follow up email on the 5th day after a response was due if none was received. The change would simply allow for parties who wish to send a response sooner to be able to do so. Another party felt that a more specific time scale for the follow up email to be sent was needed and therefore they would not support the proposal. The proposal was supported by majority at the SPAA Change Board.

Having taken into account these comments we feel that the concerns raised do not outweigh the benefits of the proposal. We feel that the implementation of this change could lead to Erroneous Transfer errors being resolved faster and more efficiently. We agree that the change proposal would facilitate relevant objective a) of the SPAA 'the development, maintenance and operation of an efficient, coordinated and economical change of supplier process'.

Decision notice

In accordance with Standard Condition 30 of the Gas Suppliers Licence, the Authority, hereby directs that change proposal CP08/119: '*SPAA Schedule 10. Follow up of the Erroneous Transfer initial response within 5 days*' be made.



Mark Feather
Director, Industry Codes and Licensing

Signed on behalf of the Authority and authorised for that purpose.

⁴ The Authority's statutory duties are wider than the relevant objectives and are detailed mainly in the Gas Act 1986.