**Schedule 15**

**Domestic**

**Customer Switching**

**Retailer Code of Practice for**

**Dealing with Libra Pay As You Go Customers**

**wishing to Switch Supplier**

Version date: 22 September 2016

 Contents

 1 Background and Definitions 3

 2 Purpose 4

 3 Scope 4

 4 Procedures 5

 5 Appendices 7 - 16

**1.0 Background and Definitions**

This Code of Practice aims to provide a consistent transparent and non-discriminatory framework to facilitate customers with Libra Pay As You Go meters to switch supplier.

In this Code of Practice, unless the context otherwise requires the following capitalised words and phrases have the following meaning:

**"Change of Supplier"** or **"COS"** means the application by a customer to obtain a supply of gas from a Proposing Supplier in relation to his premises;

**"Volume Credit"** means the monetary value of gas remaining on the Libra Pay As You Go Meter on the SMP Registration Date.

**"Proposing User"** means a supplier requested by the customer to supply gas to his premises in substitution for the Withdrawing User;

**"Libra Pay As You Go Meter"** means a meter by which gas can be paid for in advance.

**"PayPoint"** means the organisation that manages and operates Pay As You Go transactions on behalf of gas suppliers in the United Kingdom;

**"Withdrawing User"** means the supplier who is supplying gas to a customer at a particular premise;

**2.0 Purpose**

This document is intended to:

* describe standards of good practice and service in dealing with the transfer of customers with Libra Pay As You Go Meters;
* promote the disclosure of information, between relevant gas suppliers, on switching customers that are supplied through a Libra Pay As You Go Meter;
* promote informed and effective relationships between suppliers and their customers;
* achieve a smooth and seamless supply point and supplier transfer process for customers who are supplied through a Libra Pay As You Go Meter

The document outlines the procedures required to facilitate switching suppliers for Libra Pay As You Go Customers.

**3.0 Scope**

The scope of this document is limited to domestic Supply Meter Points being supplied through a Libra Pay As You Go Meter and gas suppliers who are licenced to supply within Northern Ireland (i.e. the Greater Belfast Licensed Area and/or the Ten Towns Licensed Area) who have acceded to the Supply Meter Point Agreement.

This process is only applicable if both the Existing Registered User and the Proposing User have entered a contract with PayPoint to operate Libra Pay As You Go Meters.

Where a Proposing User has not entered into a contract with PayPoint they shall not be entitled to supply customers through a Libra Pay As You Go Meter.

**4.0 Procedures**

**4.1 COS Command Messages**

The Proposing User shall ensure that the Change of Supplier Command is sent to PayPoint confirming the outlet(s) where the messages are to be sent and the period of time that the messages are to remain on the terminals.

1. The Proposing User may specify up to a maximum of 10 PayPoint outlets.
2. Change of Supplier Command messages may be held on the PayPoint terminals for up to a maximum of 30 days.

**4.2 Required Customer Actions**

The Proposing User shall ensure that the customer is advised of the actions required to complete the COS process (Appendix 1) to include:

* 1. The dates that they must pick up the COS message from the PayPoint outlet(s)
	2. The identity of the PayPoint outlet(s) where the COS message is to be picked up.
	3. Top up amount when picking up the CoS message must be greater than £5 but less than or equal to £20
	4. All meter cards must pick up the COS message so they continue to be accepted by the meter.
	5. How to transfer the COS message to the meter.
	6. The reverse side of the letter is Supplier specific and should include reference to the Consumer Council NI as an independent resource for help and advice must be made.

**4.3 Transfer of Credit**

The value of any volume of gas that remains on a Libra Pay as You Go meter on the SMP Registration Date must be transferred from the Existing Registered User to the Proposing User.

Appendix 2 outlines this procedure

**4.4 Energy Factor Files**

Suppliers shall provide PayPoint with a weekly Energy Factor File using the agreed calculation (Appendix 3). The calculation requires Suppliers to have access to the Mean Daily Temperature for gas day (D) at D+1 (as per the Met Office for Aldergrove).The Network Operator(s) will provide Suppliers, on a best endeavour basis, with the additional data required to complete the calculation to include:

1. Calorific Value (CV) at D+1
2. Calorific Value (CV) at D+7

**4.5 Troubleshooting**

Appendix 4 should be utilised by gas suppliers to confirm that they and their new customers have followed correct PAYG switching procedures to facilitate switches (e.g. gas supplier has sent a correct CoS Message to PayPoint, customer has shopped at a correct outlet, customer has updated their meter etc).

Appendix 5 is for information only. Gas suppliers should contact PayPoint if explanations for unsuccessful PAYG switches are not identified (appropriate contact information is provided in the flowchart). This flowchart outlines the processes PayPoint will follow when they are notified of unsuccessful PAYG switches (i.e. after unsatisfactory completion of flowchart outlined in appendix 4)

**Appendix 1: Customer Required Actions Letter**

Dear (insert customer name)

Thank you for choosing (insert supplier name) as your natural gas supplier.

To complete your switch to (insert supplier name) you must follow the steps below:

1. Between --/--/---- and --/--/---- please take **all** of your meter cards to one of the following PayPoint outlets:

(List of PayPoint outlets)

1. Purchase a top up of at least £5.00, but no more than £20 on your meter card.
2. Any additional meter cards should be given to the PayPoint operator so they can be updated and continue to work in your meter. You are not required to buy a top up on your additional cards.
3. Please check your receipt(s) to confirm that you have picked up your change of supplier message. The receipt should show, ‘Supplier change complete. Update all payment cards’. If this does not appear please contact (insert new suppliers name) as soon as possible.
4. Insert your card into the meter. Your top up and new tariff will be transferred onto your meter.

It is important that you follow the steps above within the dates and in the correct order. This will ensure that your switch to (insert suppliers’ name) is updated on your meter and that any gas you purchase will be on your new tariff rate.

If you would like any further advice or assistance regarding the above please do not hesitate to contact us on (insert telephone number).

Yours sincerely

(Insert name)

**Appendix 2: Calculation of Volume Credit**

When a consumer with a PAYG gas meter switches supplier, there may be an amount of gas left on the meter at the time of the switch date. This gas (net of 15m3 defaulted to the meter at time of manufacture) will have been purchased from the outgoing supplier but must be supplied by the incoming supplier.

This procedure will calculate the volume of gas on the switch date, convert the volume to kWh and value the gas. It will produce a money amount to be claimed by the new suppler from the old supplier.

Calculation of Volume

The calculation can be performed after the first prepayment record (‘zero vend’) is received by the new supplier for the newly switched customer.

In the encrypted portion of this record there are three fields which will be used:

‘Time/Date’ is when the card was last inserted in the meter (DL)

‘Module Reading’ is the meter reading (in cubic metres) at this time (RL)

 ‘Volume Credit’ is the amount of gas (in cubic metres) which was on the meter at this time (VL)

The reading is taken up to two days before or two days after the planned Switch Date (DS) giving a second reading (RA). The Actual Reading Date (DA) may be different from the Switch Date.

The problem is to calculate the estimated remaining Volume Credit on the Switch Date (VS).

Note: 15m3 is subsequently deducted from the calculated remaining Volume Credit on the Switch Date (VS) to account for the 15m3 of reserve gas defaulted to the meter at time of manufacture and available from time of installation. This is the final volume credit (VF)

Calculation 1:

The volume used in the period from DL to DA is RA – RL

So the average daily usage in the period DL to DA is (RA – RL) / (DA – DL)

And the amount used in the period from DL to DS is (DS – DL)\* (RA – RL) / (DA – DL)

So the amount left (VS) from the original volume is VL – ((DS – DL) \* (RA – RL) / (DA – DL))

The final volume credit (VF) is therefore VS-15

Example 1: Switch Date after Actual Date

 Date Reading Volume

Last Reading on: 02/09/11 (DL) 12000 (RL) 260

Actual Reading on: 08/09/11 (DA) 12120 (RA)

Switch Date: 10/09/11 (DS)

VS = 260 – ((10/09/11 – 02/09/11) \* (12120 – 12000) / (08/09/11 – 02/09/11)) = 260 – (8 \* 120 / 6) = 100

VF = VS-15

VF = 100 – 15 = 85

Example 2: Switch Date before Actual Date

 Date Reading Volume

Last Reading on: 02/09/11 (DL) 12000 (RL) 260

Actual Reading on: 10/09/11 (DA) 12120 (RA)

Switch Date: 08/09/11 (DS)

VS = 260 – ((08/09/11 – 02/09/11) \* (12100 – 12000) / (10/09/11 – 02/09/11)) = 260 – (6 \* 120 / 8) = 170

VF = VS-15

VF = 170 – 15 = 155

Example 3: Switch Date on Actual Date

 Date Reading Volume

Last Reading on: 02/09/11 (DL) 12000 (RL) 260

Actual Reading on: 08/09/11 (DA) 12120 (RA)

Switch Date: 08/09/11 (DS)

VS = 260 – ((08/09/11 – 02/09/11) \* (12100 – 12000) / (08/09/11 – 02/09/11)) = 260 – (6 \* 120 / 6) = 140

VF = VS-15

VF = 140 – 15 = 125

Once the VF has been calculated this should be converted from m³ into kWh using the energy factor on the date of switch.

Actual Reading Date on Last Reading Date

In the other examples there have been two separate dates (DA and DL) to give a period over which to calculate an average. If DA equals DL then there is no way to calculate an average usage (in the formula DA - DL is zero). In this case the new supplier should wait until the next vend to obtain a reading (reading RN on date DN) to calculate the average.

The volume used in the period from DA to DN is RN - RA

So the average daily usage in the period DA to DN is (RN - RA) / (DN - DA)

And the amount used in the period from DA to DS is (DS - DA)\* (RN - RA) / (DN - DA)

So the amount left (VS) from the original volume is VL – ((DS – DA) \* (RN – RA) / (DN – DA))

The final volume credit (VF) is therefore VS-15

Calculation 2:

A 2nd calculation is to be used in the case where DL > DA, however, DN-DS must not exceed 28 days. For the avoidance of doubt, if DN-DS exceeds 28 days the ability to transfer credit is terminated.

Instead of forward calculating from the previous unused balance, the formula back-calculates from the next unused balance:

RN Next Reading DA Date of Actual Reading

DN Date of Next Reading RA Actual Reading

VN Unused Volume at Next Reading DS Date of Switch

The volume used in the period from DA to DL is RN - RA

So the average daily usage in the period DA to DL is (RN - RA) / (DN - DA)

Amount used from DS to DN (DN – DS) \* (RN - RA) / (DN - DA)

Unused volume on DN VN + ((DN – DS) \* (RN - RA) / (DN - DA))

For clarity it should be stated that when the next reading occurs on the switch date, the unused balance is available, so there is no need to calculate it. The date of the actual reading is not needed, so it doesn’t matter if the actual date is before, on or after the switch date.

Mathematically this can be expressed as: when DS = DN then VS = VN and applies where DA > DS or DA < DS or DA = DS.

Multiple Cards

The above calculation works for a single card but there instances where a customer with more than one card will switch. The number of cards to transfer is entered and held as part of the switching process in order to control and monitor the number of cards switched.

In a multi-card switch it is therefore possible to wait until all cards are switched and all ‘zero vends’ are received. At this stage the record with the most recent date of last card insertion (DL) will be used in the above calculation.

Identification of Outgoing Supplier

The new supplier is required to create a Change of Supplier Command in the proposed PayPoint Switching System. The old supplier will be requested from the customer or, if not available, obtained from the PNG SMP Confirmation System. The claim for the unused credit will be made to this supplier.

Valuation of Volume Credit

Assuming that the calculation of the volume of credit has been agreed, the gas must then be valued.

Under existing procedures if a customer has a prepaid meter exchanged then the supplier currently reimburses the customer for any gas left unused on the meter, net of 15m3 defaulted to the meter at time of manufacture and available from time of installation. Therefore, it is not unreasonable for the customer to assume that he/she could claim back the unused gas from the old supplier.

A customer who changes supplier should therefore get a full refund for any gas on the meter. Since the gas remains on the meter, the customer would be obliged to purchase it from the new supplier net of 15m3 defaulted to the meter at time of manufacture and available from time of installation. Assuming that the customer switched to avail of a cheaper price from the new supplier, then the customer would be due a saving.

For instance:

 Calculated Final Volume of gas (VF) 1000 kWh

 Old Supplier’s price (on the date of switch) 5p per kWh (incl. VAT)

 Value of gas on meter at Old Supplier’s price £50

 Rebate from Old Supplier £50

 New Supplier’s price (on the date of switch) 4p per kWh (incl. VAT)

 Value of gas on meter at New Supplier’s price £40

 Purchase from New Supplier £40

 Balance paid to customer £10

The new supplier would claim the £40 from the old supplier and the old supplier would repay the £10 to the customer.

If the customer switches to a supplier with a higher tariff, the customer would not be required to pay the difference in price to the new supplier.

All prices used to determine the valuation of volume credit are the supplier’s prices as applicable in the relevant licensed area.

Claims Procedure

Each supplier would draw up claims on another supplier on a monthly basis. The report would show all customers who had a ‘zero vend’ in the month. For a multiple-card switch, the supplier must ensure that all cards are switched before making a claim. This is to ensure that the most recent pre-switch volume credit has been received.

Disputed claims should be raised within one month of receiving the claims, and the undisputed amount paid within one month.

Supplier-to-customer claims involve individual processing and cheque costs, so minor claims would not be economical. Only supplier-to-customer claims equal to or greater than £10.00 will be paid. Customer should be paid by cheque. Customer claims will be automatically generated by the suppler.

There will be no lower limit for individual supplier-to-supplier claims at the meter or customer level but the batch total of claims from one supplier to another must have a minimum value of £10.00 per month.

**Appendix 3: Energy Factor Calculation**

|  |  |  |  |
| --- | --- | --- | --- |
| **Energy Factor Calculation** |  |  |  |
|  |  |  |  |  |  |
| Date | Provisional City Gates CV mj/m3 | Met Office Mean Average temp (deg C) | Correction temperature (deg C) | Temperature Correction Factor | Temperature Corrected City Gates CV mj/m3 |
|   |   |   |   |   |   |
|   | Insert Provisional CV as published on D+1 | Insert mean daily temperature as published by the Met Office on D+1 | 15 | #VALUE! | #VALUE! |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| Calculation: |  |  |  |  |
| EF = Provisional City Gates CV \* (15 + 273) / (Met Office Mean Average Temperature + 273) |
|  |  |  |  |  |  |
| **Sample Data - June 2011** |  |  |  |  |
|  |  |  |  |  |  |
| Date | Provisional City Gates CV mj/m3 | Met Office Mean Average temp (deg C) | Correction temperature (deg C) | Temperature Correction Factor | Temperature Corrected City Gates CV mj/m3 |
|   |   |   |   |   |   |
| 01-Jun-11 | 39.4 | 15.0 | 15 | 1.000 | 39.4 |
| 02-Jun-11 | 39.4 | 17.7 | 15 | 0.991 | 39.0 |
| 03-Jun-11 | 39.5 | 16.8 | 15 | 0.994 | 39.3 |
| 04-Jun-11 | 39.5 | 13.9 | 15 | 1.004 | 39.7 |
| 05-Jun-11 | 39.6 | 9.9 | 15 | 1.018 | 40.3 |
| 06-Jun-11 | 39.6 | 10.1 | 15 | 1.017 | 40.3 |
| 07-Jun-11 | 39.6 | 11.5 | 15 | 1.012 | 40.1 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |

The Energy factor must be provided on a Thursday (D) for use in the week commencing the following Monday (D + 4).  The EF is averaged over the period from the preceding week from Wednesday (D – 8) to Tuesday (D – 2).

**Appendix 4:**

**PAYG**

**Troubleshooting Flowchart**

**(Gas Suppliers)**

**PAYG Switching Troubleshooting Flowchart (Gas Suppliers)**

Utilise Network Operators Siteworks Procedures to request a meter exchange

Utilise Network Operators Siteworks Procedures to request a meter exchange

Inform the customer that they can facilitate the switch by purchasing gas using the additional card at relevant PayPoint outlets until the expiry date

End

Confirm relevant switching information with the customer (eg preferred outlets etc). Send a new CoS message request to PayPoint. Provide the customer with updated switch information (eg expiry date etc).

Is the message due to expire within 24 hours?

Was the card accepted by the meter?

Is the CoS Message still active?

Request that the customer inserts the card into their meter

Is the customer still in possession of the card?

Follow remedial instructions provided by PayPoint

Send a corrected CoS Message request to PayPoint. Provide the customer with updated swith information (eg expiry date etc)

Ask the customer to buy credit at any PayPoint outlet using the card carrying the message

Was a ‘Payment Transaction’ received?

Was the outlet the customer bough gas from accepted?

Was a corrected CoS Message request sent?

Send a corrected CoS Message request to PayPoint. Provide the customer with updated switch information (eg expiry date etc)

Send a CoS Message request to PayPoint. Provide the customer with updated switch information (eg expiry date etc)

Request that the customer purchases and marries a new card to their meter

Does the customer have an additional card?

Has the card carrying the message been inserted into the meter?

Have PayPoint identified an issue?

Request that PayPoint investigate

**Tel: 01707 600338**

**itops@paypoint.co.uk**

Has a ‘Null Transaction’ been received?

Was the CoS Message request Partially Accepted by PayPoint?

Was the CoS Message request Rejected by PayPoint?

Was the information in the CoS Message request correct?

Was a CoS Message request sent to PayPoint?

Review the Network Operators SMP Confirmation System to confirm:

1. The SMP has been switched

2. The meter module number

3. The identity of the old supplier

Obtain the following information from the customer:

1. Meter module number

2.PayPoint outlet(s) used

3. Date(s) gas was purchased

No

Confirm the customer has bought gas during the live period and request copies of their receipts

Has the customer picked up the CoS Message.ie ‘Supplier Change Complete’ message on PayPoint receipt?

Yes

No

Yes

No

No

Yes

Yes

Yes

No

No

No

No

No

Yes

Yes

No

Yes

No

No

No

Yes

Yes

No

Yes

Yes

No

No

Yes

Yes

Yes

Customer contacts Gas Supplier

**Appendix 5:**

**PAYG Switching**

**Troubleshooting Flowchart**

**(PayPoint)**

Terminal

**PAYG Switching Troubleshooting Flowchart (PayPoint)**

Make sure customer has sent the files and have been placed in the required folders

GIS to fix the issue

Check with GIS for any problem?

Check if the file is in received folder

Check if the file is in processed folder

There could be a problem with the application (PPCS Receiver).

Check for any errors in the OMR queue and event manager to see there are any errors

Make sure the outcome report is sent to the customer (DTS package) and the file is sent back with correction

Check if the file is in rejected folder

PPCS Receiver Running?

Any commands on Agentdb?

Check for the following

1. PPService user has permissions to start the service

2. Correct Data source (database server name) is provided in the config file.

If all the above are fine then there could be a problem with the application (PPCS Extract)

Is PPCS Extract running?

Message in Normal\_Message\_Q

Make sure Agent Db update launcher is up and running, also check event viewer for any errors

Check if the Scheme Server Download Handler is running and also check if there are any errors in the OMR Q

Yes

Yes

No

No

No

No

No

Yes

Yes

No

Yes

No

No

Yes

Yes

Yes

No

Yes

Yes

No

No

Download requests pending?

Is W\_POLL\_SCHEME\_STATUS=0?

No

Yes

No

No

Yes

No

No

Yes

No

Yes

Yes

The message already deleted/expired but the customer has not updated one or all of the cards. New supplier might have to re-send the add message

Card already updated therefore credit will be bought for the new supplier

Let the customer know about the sites that will have the change of supplier message (OR) New supplier to send an add message for this site

Check with the support staff about reasons for the site being non operational

Is the message expired?

Is message deleted?

Is the card already updated?

Successful Transaction

Is it one of the targeted sites?

Is the site terminated?

Is change of supplier done?

This troubleshooting flow chart does not consider issues with updating the meters. This should be dealt with by a separate process.

Messages in Poll\_Scheme\_input\_Q?

Make sure polling engine is running and there are no errors in the OMR queue or event viewer

Check if there are any errors in OMR queue for polling engine, also check event log for additional information on the errors