

## Response to Ofcom's Consultation on Quick, easy and reliable switching

Shell Energy Retail Limited (SERL) welcomes the opportunity to comment on this consultation. SERL have been in the business of providing fast, reliable broadband to thousands of customers across Britain for many years. Our priority is to help our customers access cleaner, convenient and competitive home services; and to provide solutions that will help them to reduce emissions.

We recently welcomed nearly half a million more broadband and telephony customers from Post Office and recognise the need to take an active role in facilitating the implementation of the European Electronic Communications Code and new switching process.

Overall, we are supportive of Ofcom's proposed approach for improving the switching process for consumers as it creates a cross-platform environment to take account of new FTTP providers. We agree with Ofcom that people should be able to switch their telecoms provider easily in order to take advantage of the range of services available.

In designing a solution and setting implementation deadlines, it is important that Ofcom take into account the different supply chains that exist within the market. As a large reseller of telecoms services, we believe it is vital that Ofcom appreciate the complex nature of the operational systems that exist between the different parts of the supply chain. Whereas wholesale providers can work in tandem with their retail divisions to design, build and implement a solution, resellers do not have the same integration to influence the wholesale build. In particular, when setting deadlines for the implementation of new regulations Ofcom need to consider the reliance the downstream supplier has on the wholesaler in meeting any deadlines. The role and position of resellers also needs to be recognised and fully taken account of in any test phase.

### The "One Touch Switch" approach

We support the concept of a new "One Touch Switch" process for all residential customers who switch landline and broadband services, regardless of who their provider is or the technology or network their provider uses. In contrast to the "Code to Switch" method, which requires the customer to contact the losing provider, the "One Touch Switch" method means the customer only needs to contact their new provider in order to switch their service. We believe that the requirement for a customer to obtain a key from their losing provider would introduce a large element of friction in the switching process.

Ofcom's proposed method could potentially reduce the switching time and reduce the risk of loss of service during a switch which is clearly beneficial for consumers. It would also help ensure customers are provided with the right information before consenting to a switch and include protections against them being switched without their consent.

## Timeline

As Ofcom notes in the consultation, the new switching rules come into effect on 19 December 2022 and currently, industry does not have a clear route towards being able to comply with these rules. Ofcom also acknowledges that there is a risk of confusion and without clarity on the work needed to implement a new process (including robust testing in sufficient time to address any issues raised for direct providers as well as resellers), providers will be unable to plan and allocate resources efficiently which may result in unnecessary costs. As noted, this is particularly key in relation to resellers who depend on their wholesale provider to design and implement a solution that they can then build a customer facing platform around. SERL is concerned that there is no control on the time allocated to resellers to build their customer facing systems accordingly as the focus of the proposals is currently on the network.

Ofcom makes it clear that they will be able to take enforcement action against any provider that is not complying with the rules however it is not clear where the responsibilities lie in relation to the implementation of a One Stop Shop solution. Leaving industry to comply with the new switching rules without any further guidance or clarity on roles and responsibilities makes it challenging for resellers to influence the implementation timescales at a wholesale level. More importantly there is a risk to consumers that smaller providers might not be part of the new process.

## Costs

Although Ofcom have received high level indicative costs from industry, they note that these estimates do not necessarily reflect the costs that would ultimately be passed through to consumers. It also does not reflect the costs that would be passed through to resellers such as SERL. It is important that in making a decision, Ofcom explore the costs more thoroughly through the supply chain to understand the impact on competition as well as consumers.

Ofcom have expressed an intention to have discussions with providers about plans for the implementation phase, and about establishing an industry forum to support implementation, in February and March 2021. SERL have not yet been involved in these discussions but would like to participate.