

Address Data Quality cross-code report to Ofgem

246/09

12 November 2015
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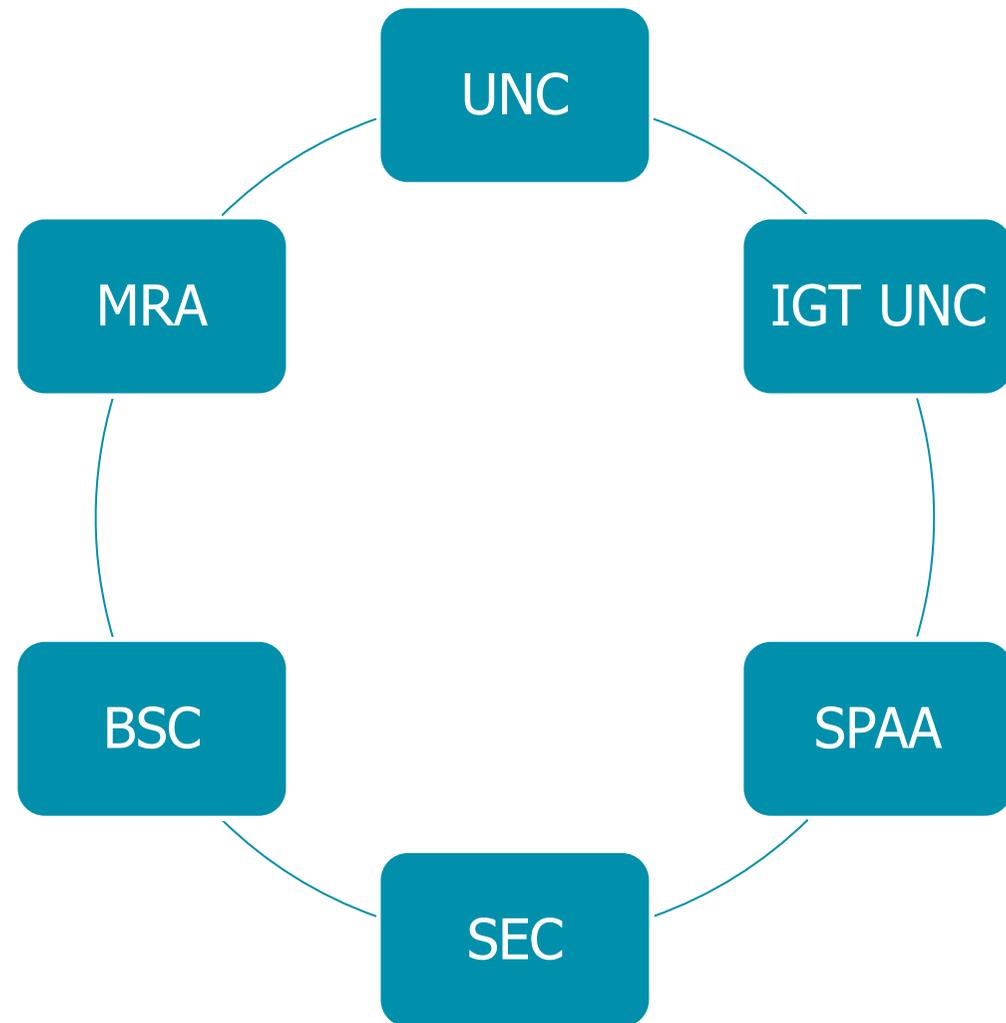
ELEXON

Address Data Quality : Cross-Code Report to Ofgem

This presentation includes the key highlights of the 'Address Data Quality : Gas and Electricity' cross-code report

A version of this presentation will be given to each of these code panels

Code panel feedback will be included in the final report to Ofgem



Address Data Quality : Background

2013

- Ofgem's Change of Supplier Expert Group (COSEG) identified poor industry data quality as a barrier to fast and reliable customer switching

2014

- (June) Ofgem asked electricity and gas codes to deliver a report on data quality, including ownership and governance
- (December) separate gas and electricity Data Quality Reports delivered to Ofgem
- Both reports recommended further consideration of address data quality remedies

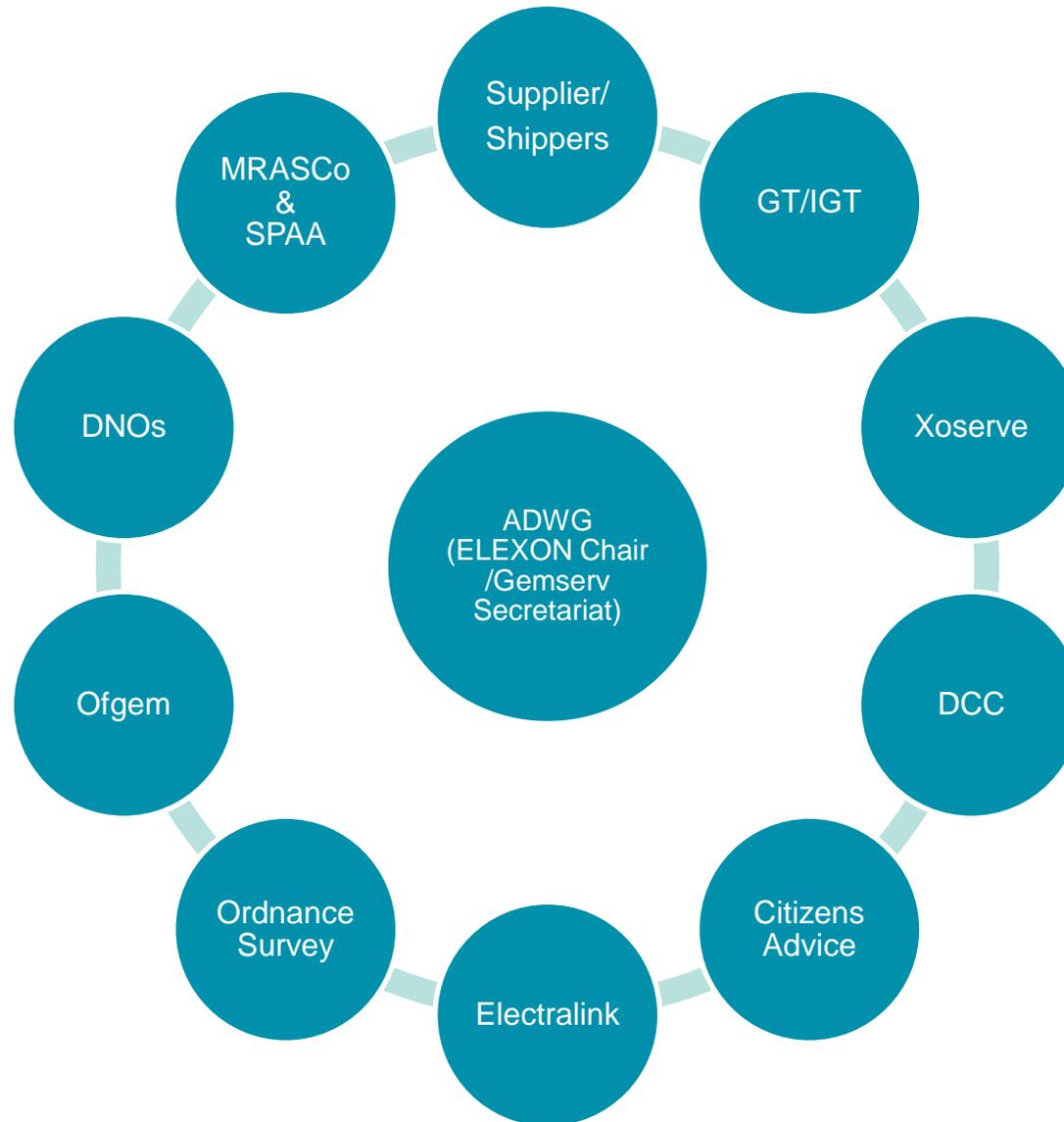
2015

- (February) Ofgem published decision to lead programme of work to introduce reliable next-day switching by 2019. Data & Communications Company (DCC) to procure and run a Centralised Registration Service (CRS)
- (June) Ofgem published open letter asking for a cross-code review of options to improve address data quality

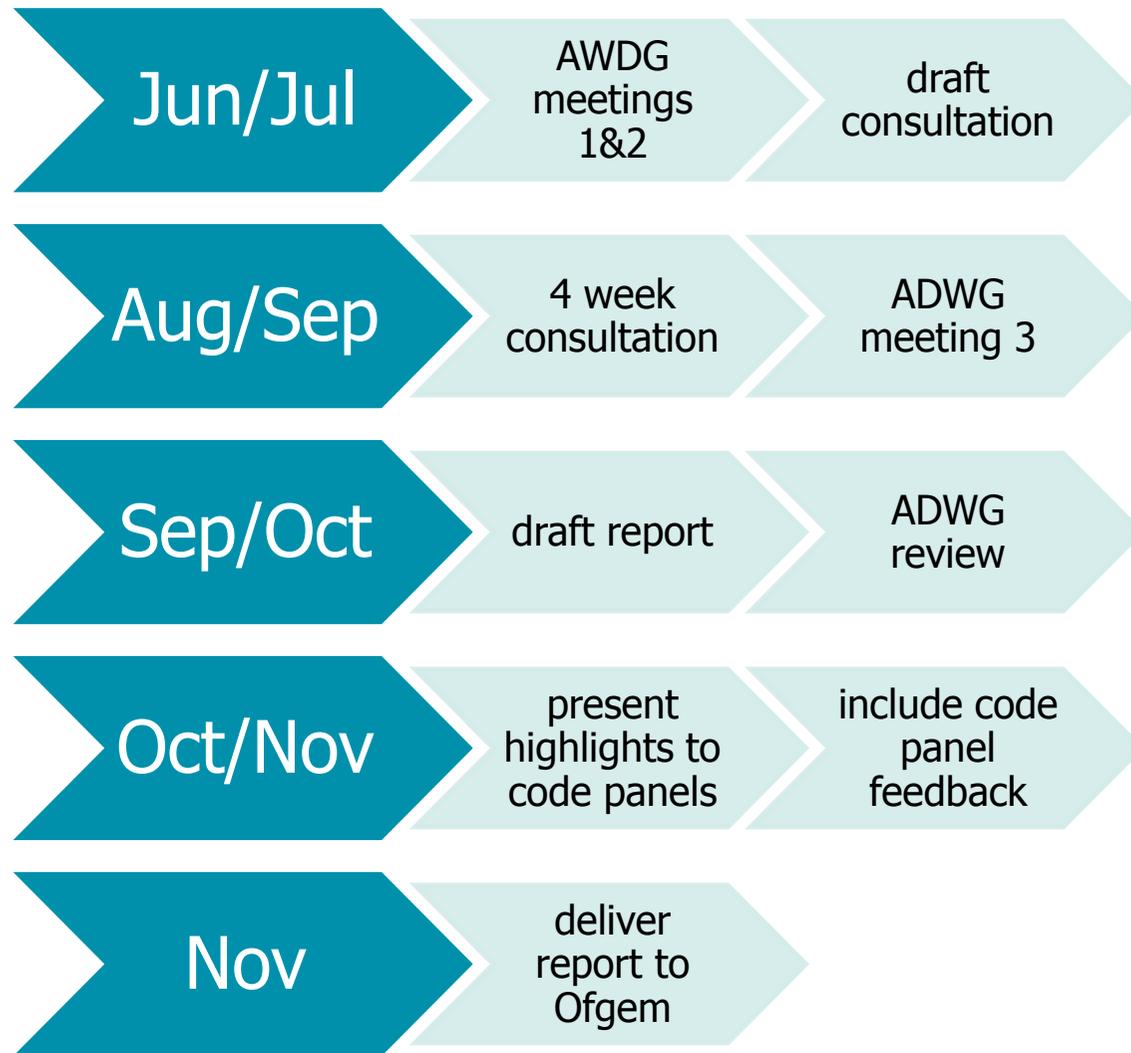
Address Data Quality : Report Objectives

- To consider the introduction of potential address data quality remedies to support the aspiration of faster and more reliable consumer switching
- In particular:
 - The harmonisation of electricity and gas address formats
 - Options for adopting the Unique Property Reference Number (UPRN)
 - Potential benefits of address harmonisation and/or UPRNs in supporting the CRS and Ofgem's 'Moving to Reliable Next-Day Switching' programme

Address Data Quality : Address Data Working Group (ADWG)



Address Data Quality : report timeline



Address Data Quality : Consultation Responses

Respondent Type	Responses
Dual fuel Suppliers / gas shippers	10
Gas Transporters (GT) Independent GTs (IGT) & Xoserve Ltd	8 *
Distribution Businesses (including IDNOs)	7 *
Price comparison websites / switching services	5
Others (service providers, Supplier Agent, academic)	4
Total	33
* Includes one organisation performing both IGT and IDNO roles	

Address Data Quality : issues and impacts

Issues	More Issues
Plot-to-postal issues	Inconsistent gas & electricity address contents
Historical churn and timing of updates	Inconsistent gas & electricity formats
Crossed Meters	Incomplete address data
Poor quality data provided by customer, switching site or sales agent	Supplier address updates
Ambiguous address data	Multiple Meter Points
Use of multiple addresses	

- Impacts include Erroneous Transfers, delayed switching, correspondence failures, non-receipt of invoices (and non-payment), failed appointments (fault repairs, meter exchanges), investigation costs (including site visits)

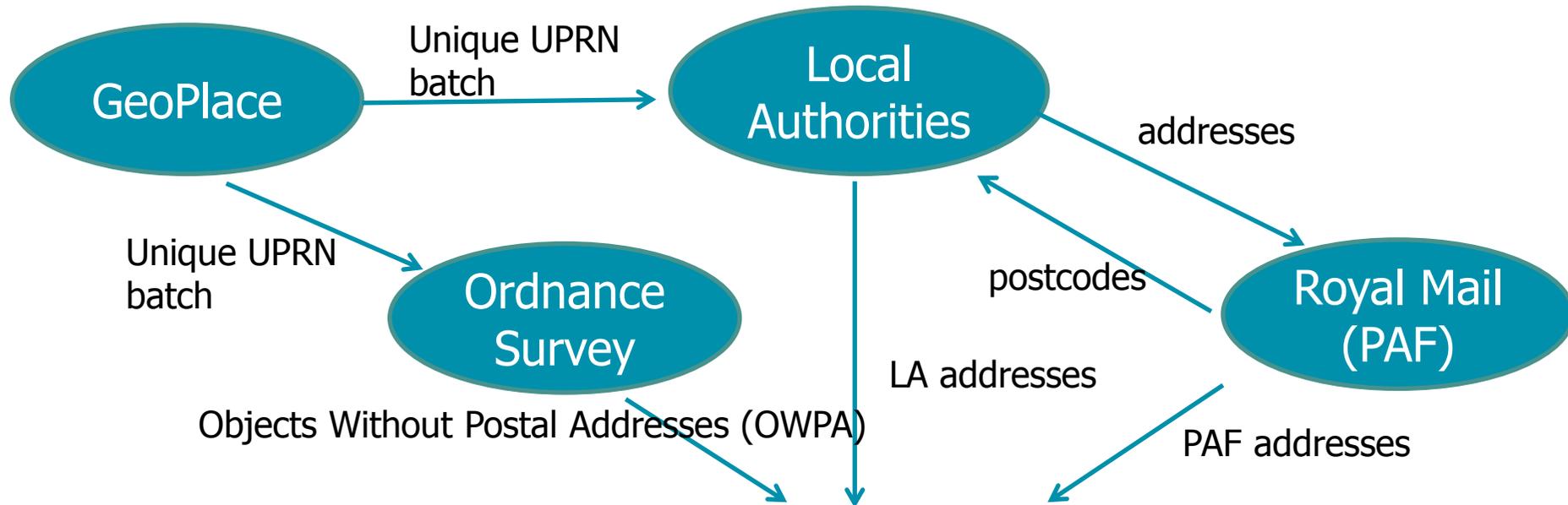
Address Data Quality : address harmonisation

Question	Should gas and electricity address formats be standardised?
Background	Gas registration uses a minor variant on the Royal Mail Postcode Address File (PAF) format. Electricity registration uses Standard Address Format (SAF), which varies further from PAF
Issues	Challenges to machine-to-machine address matching, but most applications present complete address to users. Automatic population across systems with different formats can lead to inconsistencies
ADWG conclusion	Scale of issues wouldn't justify upheaval of changing existing gas or electricity addresses. If CRS uses a single gas/electricity address (not a given), Ofgem will need to revisit
Recommendation	No harmonisation of gas & electricity address formats at this time, as no tangible improvements in address data quality.

Address Data Quality : UPRN

- UPRN is a unique identifier for every addressable location in Great Britain. A persistent key
- Lifecycle and address details in Ordnance Survey's AddressBase product
- AddressBase Premium Licence is £189,370 per year (national, 101+ users)
- UNC Modification 0468 / IGT UNC Mod 056 in progress in gas (mandate UPRN for GT/IGT data cleansing purposes only – i.e. not shared)
- In electricity, Distribution Businesses are using UPRNs/AddressBase to varying degrees in a majority of distribution areas

Address Data Quality : UPRN



AddressBase

UPRN – Local Authority address – PAF address – alternative address – historical address – national grid co-ordinates – property classification – OWPA – lifecycle details – provisional/pre-build properties

Address Data Quality : UPRN Options

Ref	Option	Conclusion
A	Cross-fuel mandate for Distribution Businesses & (I)GTs (IGT) UNC Mods 0468 & 0056 + MRA Change Proposal)	See following slides
B1	As Option A, but distribute UPRN to Suppliers/Shippers and ECOES/DES	Single licences for ECOES/DES, but costs for Supplier/Shippers to receive & process UPRN (even without AddressBase). Uncertainty about CRS design. Ofgem may need to revisit
B2	Cross-industry use of UPRN and AddressBase	Licensing costs alone > £30m pa. Unlikely to be a cost-benefit without reduction in licence fees
B3	Further extend to include UPRN in the switching process itself	No better than MPAN/MPRN, customer confusion, no check digit, little appetite

Address Data Quality : UPRN pros and cons

Benefits	Costs and Risks
<ul style="list-style-type: none">• Electricity/gas address match (if both derived correctly from same UPRN) so dual fuel benefit• Better life-cycle management (plot-to-postal, merging/splitting, street renumbering/renaming)• More accurate mapping of units of occupation to parent sites• Better information on sites without postal addresses• Allocation of UPRNs forces data cleansing• Reduced number of address data queries (+ asset/network management benefits)	<ul style="list-style-type: none">• Disproportionate licence costs for IDNOs and IGTs• High (manual) costs of cleansing last 10-15% of MPAN/MPRNs which cannot be matched automatically• Resolution of plot-to-postal issues only effective if local authorities assign UPRNs early enough in process• UPRN less suitable as a key for complex sites, geographically distinct gas & electricity supplies• Risk that new 'key' introduces confusion• Ordnance Survey's monopoly provision of UPRN/AddressBase

Address Data Quality : UPRN recommendations

- No cross-fuel mandate of UPRN at this time, given lack of evidence of improvements in address data quality
- Await clarity on whether CRS includes UPRN and whether it needs to be pre-populated in current registration systems
- Ofgem monitors the benefits of voluntary uptake in electricity and implementation of UNC Mod 0468/IGT UNC Mod 0056 (if approved)
- Ofgem assesses the arguments for and against mandating the UPRN in Significant Code Review for next day switching and CRS design.

Address Data Quality : other remedial actions

- No one-size-fits-all solution to address issues
- Improvements could be derived from:
 - Continuing existing UPRN initiatives
 - Promoting the use of the MPRN/MPAN in the switching process
 - A review of switching site access to ECOES/DES data
 - A review of the new connections process.

Address Data Quality : use of MPAN/MPRN

- Even well-maintained data can be ambiguous
- The MPRN/MPAN represents a more robust way of triggering a Change of Supplier
- The ADWG recommends that Ofgem carries out a review of the benefits and implications of promoting MPRN/MPAN in the switching process

Fell View Hall, Moor Farm (electricity only)
Fell View Hall (electricity & gas)
Moor Farm House (electricity & gas)
Moor Farm Cottage (electricity & gas)
Moor Lodge (electricity & gas)
Moor Lodge Cottage (electricity only)
Lodge Cottage (gas only)
Tithe Barn, Moor Farm (electricity only)
Tithe Barn (gas only)
Small Tithe Barn, Moor Farm Barns (no supply points)

Address Data Quality : access to ECOES/DES

- Royal Mail makes 4 – 6k address changes per day
- Databases need to:
 - keep pace with address life-cycle changes (property reconfigurations, building/street renaming/renumbering)
 - synchronise with multiple other databases across a distributed system architecture
- Customers who change Supplier are often moving into new properties - the same properties where the address is likely to be 'fluid' or not updated in all databases
- ADWG recommends that Ofgem reviews how data is made available to switching sites (via PAF and third party intermediaries) and the potential for switching sites to access ECOES and DES, subject to meeting data protection requirements.

Address Data Quality : new connections process

- UPRN/AddressBase will go some way to resolving plot-to-postal issues
- Local authorities should issue UPRN when foundation laid (i.e. before gas/electricity connection), but concerns about inconsistent local authority performance
- Recommend that Ofgem sponsors a review of the new connections process, including:
 - Timing of issuing MPAN/MPRNs
 - Promoting timely plot-to-postal mappings from local authorities
- If CRS holds a single property address (rather than separate electricity & gas addresses), a cross-code new connections process will be needed

Address Data Quality : feedback

- The ADWG welcomes your feedback on the report highlights
- Please provide any comments on the complete report to design.authority@elexon.co.uk by 26 November 2015

