

iGT UNC Consultation Response

Date	25 April 2014
Reference	iGT053 - DMR Consultation
Title	Introduction of annual updates to the AQ values within the CSEP NExA table
Respondee	Trevor Peacock - Fulcrum Pipelines
Position on the Modification	Do not support Modification

Facilitation of the relevant objectives

How this proposal will, if implemented, better facilitate the "code relevant objectives", as defined in Standard Condition 9 of the Gas Transporters Licence. For those answered Yes to, please provide a detailed explanation below the table.

Relevant Objective	Yes/No
a. the efficient and economic operation of the pipe-line system to which this licence relates	No
b. so far as is consistent with sub-paragraph (a), the coordinated, efficient and economic operation of the pipe-line system of one or more other relevant gas transporters	No
c. so far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence	No
d. so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition between relevant shippers and between relevant suppliers	No
e. so far as is consistent with sub-paragraphs (a) to (d), the provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards are satisfied as respects the availability of gas to their domestic customers	No
f. so far as is consistent with sub-paragraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code referred to in paragraphs 2 and 5 respectively of this condition	No
g. so far as is consistent with sub-paragraphs (a) to (f), the compliance with the Regulation* and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators	No

* Regulation 2009/715/EC of the European Parliament and of the Council of 13 July 2009

Relevant Objectives to be better facilitated:

(a) the efficient and economic operation of the pipe-line system to which this licence relates

As the AQ Review results are dependent upon the meter readings submitted; using one years set of

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results to determine the AQ's quoted in the CSEP NExA table could be detrimental to the pipeline planning and as such could affect the integrity of the pipeline networks in the future. For example, if the country experienced an extremely mild winter, the meter readings are likely to reflect lower gas consumptions. If these then indicated that the AQ values were less than the previous year and the CSEP NExA table was consequently amended, there is a possibility that pipelines could be designed & constructed using smaller diameter pipework's which could result in poor pressures during normal or more severe winters. Thus, having the potential to affect the consumer.

Before amending any figures in the CSEP NExA Table, the AQ values established from the AQ review data collation exercise for the two previous years, (preferably three) should be considered / assessed before making any decisions as to whether a modification should be raised to amend the AQ values associated with the CSEP NExA table.

b. so far as is consistent with sub-paragraph (a), the coordinated, efficient and economic operation of the pipe-line system of one or more other relevant gas transporters

See response to (a) above.

Likely impact on environment?

How this proposal will, if implemented, impact on greenhouse gas emissions?

Implementation issues including impact on your systems

Additional Information and Comments

Even if it is deemed that this modification should be implemented, Fulcrum Pipelines do not feel that the implementation of revised CSEP NExA Tables is something that should be classified as Self Governance and as such Fulcrum Pipelines believe that the business rules should be amended to reflect the following:

Step 1

Within 5 Business Days of the collation, by the iGTs, of the results of the iGT AQ review as in Section 9 above, the Pipeline Operators will arrange and thereafter request the Code Administrator to notify Pipeline Users ~~of the date of an AQ Review Work Group. This meeting will be scheduled to take place within the first fifteen (15) Business Days of that an AQ Review workshop will be part of the December iGT / Shipper workgroup meeting. December~~

At the meeting the Pipeline Operators will present the outputs of the AQ review data collation exercise including the ~~latest Proposed AQ review data collation exercise details CSEP NExA Table and the results from the AQ review data collation exercise for the previous two years.~~

Papers and presentations to be discussed at the meeting should be submitted to the Code Administrator at least seven (7) Business Days ahead of the meeting in order to allow attendees sufficient time to review and consider proposals prior to the meeting.

Comment - (If the AQ Review workshop is not undertaken as part of the December iGT / Shipper workgroup meeting and a separate meeting is required then this is likely to be chargeable by the Code Administrator and these costs should be borne by the Pipeline Users).

Step 2

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At the AQ Review ~~Work Group~~workshop in the December iGT / Shipper workgroup meeting the outputs of the AQ review data collation exercise including the ~~latest Proposed AQ review data collation exercise details CSEP NExA Table and the results from the AQ review data collation exercise for the previous two years.~~ will be reviewed and considered.

~~At the meeting,~~ Pipeline Operators and Pipeline Users will be afforded the opportunity to present any evidence or data which ~~challenges/validates the data from the latest~~the AQ review data collation exercise ~~details Proposed CSEP NExA Table and the results from the proposed CSEP NExA tables for the previous two years.~~

For the avoidance of doubt, any Party who wishes to ~~have a proposed change to the existing CSEP NExA table considered, needs to produce a proposed CSEP NExA Table based on average figures from the latest AQ review data collation exercise details and the results from the AQ review data collation exercise for the previous two years and raise a valid challenge/justify the validity to of~~ the Proposed CSEP NExA Table ~~must provide by providing~~ sufficient evidence to do so and must state how this evidence has been produced.

Step 3

~~If, following the AQ Review workshop, a Proposed CSEP NExA table is agreed to be processed, the Pipeline Operators/Code Administrator~~ will produce a Work Group report for the following January iGT UNC Modification Panel. The report will include the views of the Work Group on ~~the validity of the Proposed CSEP NExA table,~~ whether or not ~~to automatically update the current CSEP NExA Table with the values contained in the Proposed CSEP NExA Table and will include details of any were deemed~~ valid ~~challenges that were raised and whether any challenges were raised such challenges were withdrawn~~ during the meeting.

Following the production of the report a challenge can be withdrawn prior to the consideration of the Work Group report by the Panel, by notice to the Code Administrator.

~~Comment: (It would not be appropriate to ask for the report to be produced by Pipeline Operators as this could burden an individual(s). The report would need to be produced by the Code Administrator and any costs deemed chargeable by the Code Administrator in the production of this report should be borne by the Pipeline Users.)~~

Step 4

At the January Panel, the Panel will review the AQ Review Work Group report together with any ~~outstanding~~ challenges that ~~have been were~~ raised and not withdrawn. The Panel will consider whether the AQ review ~~reports/Reports,~~ produced by the ~~Pipeline Operators/Code Administrator~~ in accordance with Section 9, ~~demonstrates that there are no significant errors and~~ whether the data is largely accurate and reflective of annual consumption patterns.

Following such discussion the Panel will be asked to vote on whether ~~there are sufficient concerns for the Proposed CSEP NExA Table not to be implemented is deemed valid.~~

Subject to Step 8, unless there is a Panel Majority ~~against supporting~~ implementation, the Proposed CSEP NExA table will ~~not be implemented, supported and Step 5 would come into effect.-.~~

~~If implementation is supported, the Proposed CSEP NExA table will be submitted to the Authority for a decision as to whether the Proposed CSEP NExA table can be implemented in the following June/November release of the iGT UNC, and the Panel will instruct the Code Administrator to circulate an implementation notice to each iGT UNC Operator, each Pipeline User, each Member, each Third Party Participant, each Affected Person (if any) and the Authority within five (5) Business Days of the Panel decision. Such This implementation notices submission~~ will include a copy of the Proposed CSEP NExA Table.

Step 5

(Explanatory Note - Steps 5, 6 and 7 will only need to be followed where the January Panel cannot agree ~~to support~~ implementation.)

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Where the January Panel does not agree to implement the Proposed NExA, the concerns raised by the Panel will be documented by the Code Administrator within two (-2) Business Days and the Panel will request that the Proposed CSEP NExA Table shall proceed to Consultation in accordance with Clause 23.1 of Part L of the iGT UNC, ~~on the basis that the Proposed CSEP NExA Table will be considered to be a Self-Governance Modification Proposal where the Panel has agreed that Legal text does not need to be provided.~~

Comments regarding Step 5

~~As Fulcrum Pipelines do not believe that the changing of the the CSEP NExA Tables is something that could be classified as Self Governance we believe that any reference to Self Governance is inappropriate.~~

Step 6

~~The normal procedures for a Self-Governance Modification Proposal as per the iGT UNC Modification Rules Clause 23 will be applied and~~Following the consultation period, the resulting Final Modification Report will be considered by the March iGT UNC Panel. Subject to Step 8, where there is a Panel Majority for implementation, the Proposed CSEP NExA table will be submitted to the Authority for a decision as to whether the Proposed CSEP NExA table can be implemented in the following November release of the iGT UNC and the Panel will instruct the Code Administrator to circulate an implementation notice to each iGT UNC Operator, each Pipeline User, each Member, each Third Party Participant, each Affected Person (if any) and the Authority within three (3) Business Days of the Panel decision. Such implementation notice will include a copy of the Proposed CSEP NExA Table.

Comments regarding Step 6

~~As Fulcrum Pipelines do not believe that the changing of the the CSEP NExA Tables is something that could be classified as Self Governance we believe that any reference to Self Governance is inappropriate.~~

Step 7

Subject to Step 8, where the Panel is unable to reach a decision at the March Panel to implement the Proposed CSEP NExA Table, the Table would not be updated for that year and the Panel will instruct the Code Administrator to circulate a non-implementation notice to each iGT UNC Operator, each Pipeline User, each Member, each Third Party Participant, each Affected Person (if any) and the Authority within three (3) Business Days of the Panel decision.

Step 8 (Appeal Procedures)

~~Any decision taken by the Panel with regard to the implementation or non-implementation of the Proposed CSEP NExA Table will be subject to Clause 30 of Part L of the iGT UNC (Self-Governance Appeal Procedures). For the purposes of the said iGT053 Draft Modification Report Day Month Year Version 1.0 Page 10 of 10 © 2014 all rights reserved~~

~~paragraph 30, the Proposed CSEP NExA Table will be considered in an exact same manner as though it were a Self-Governance Modification Proposal and the Self-Governance Modification Proposal Determination Date will be the date of the Panel meeting at which the implementation or non-implementation of the Proposed CSEP NExA Table was agreed~~

Comments regarding Step 8

~~As Fulcrum Pipelines do not believe that the changing of the the CSEP NExA Tables is something that could be classified as Self Governance we cannot agree to this element-~~



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PART M - DEFINITIONS

Add:

"AQ Review Work Group" shall have the meaning as set out in Section 10 of the iGT UNC Ancillary Document entitled the iGT AQ Review Procedures;

"Proposed CSEP NExA Table" shall have the meaning as set out in Section 9 of the iGT UNC Ancillary Document entitled the iGT AQ Review Procedures;

Completed forms should be returned to the iGT UNC Representative, Gemserv Ltd at iGT-UNC@gemserv.com or faxed to 020 7090 1001

Commented [TAP1]: The latest version of the "iGT AQ Review Procedures" is Ver 1.3 and this does not contain Section 10

Commented [TAP2]: There is no reference to a "Proposed CSEP NExA Table" in Section 9 of the iGT AQ Review Procedures