

Consultation Response

iGT078: Ancillary Document for New Connections Process

Responses invited by: 14 January 2016

Respondent Details

Name: Laura Cahill

Organisation: SSE Energy Supply Limited

- | | |
|------------------------|---------------------------------------|
| Support Implementation | ☐ |
| Qualified Support | ☒ X |
| Neutral | ☐ |
| Do Not Support | ☐ |

Please briefly summarise the key reason(s) for your support / opposition

Our support for this Modification is qualified. This is because it is our belief that, whilst there are undoubtedly benefits to automation of the process, concerns remain about potential threats to metering competition and the promotion of a 'level playing field' amongst market participants. With the acceleration of the Smart metering exchange programme, this area will certainly be subject to increased scrutiny and we are keen to ensure fairness to all market participants.

With respect to the proposed solution, SSE's concerns were raised by our representative at Panel that the suggestions raised during the course of the workgroup development had not been incorporated into the final solution. Specifically, this refers to the ability of a Shipper to overwrite a MAM ID via the PS2, rather than rejecting a PS1 outright. It is apparent that IGTs could be conferred an advantage, via this approach. If they pre-populate their name in the 'MAM' field and an alternative is preferred, this requires rejection of the PSR, which in turn causes delays within the connections process.

The Ancillary Document is causing us some concerns, as it is not explicit enough in its intent. It is our experience that when Ancillary Documents are implemented, they can be open to divergent interpretations. In our view, if implemented, the IGTs should be required to prove that the customer has made a positive request (evidence based), e.g. a logged telephone call so that where the field was pre-populated they would be able to provide that evidence, if/ when requested to do so by the supplier/ shipper.

SSE supports the purpose of the modification, but believes that the proposed solution should go further to ensure and prevent the proformas being used in a way that confers an advantage on any MAM, by making the connection process faster when using the IGT MAM. Alternatively IGTs should be prepared to evidence the direct approach by the customer to fit a meter, to prove no misuse. Under RGMA if a customer approaches a MAM to fit a meter, the customer would normally be entering into a contract with the MAM and not the supplier. It is of paramount importance to us that the process be remedied to remove our concern regarding IGT pre-population of the MAM.

Self-Governance Statement

Do you agree with the Modification Panel's determination with respect to whether or not this should be a self-governance modification?

In further analysing this Modification, we have identified a potential competition concern.

In our analysis, SSE has identified a metering competition concern, which was raised at workgroup, but has not been fully addressed by this Modification. We therefore do not now agree with the Modification Panel's determination that this falls within the self-governance criteria.

Please state any new or additional issues that you believe should be considered

The process does not support a level playing field for all Meter Asset Managers. It is apparent that IGTs can be conferred an advantage, which runs counter to the principle of treating all MAMs in an equitable manner. If an IGT pre-populates their name in the 'MAM' field and an alternative is preferred, this requires rejection of the PSR, which in turn causes delays within the connections process. Furthermore to select any IGT other than the one in the pre-populated field requires rejection and subsequent re-entry of an alternative MAM. Failure to do so potentially confers a preferred status on the pre-populated MAM, which is not in the interests of the consumer. At this stage of the process, the identification of the MAM is not required by the Transporter, and we therefore question the rationale for pre-population within the MAM field.

Our preferred solution would be for the 'MAM' field to be left blank, so as to offer full freedom of choice.

Relevant Objectives

How would implementation of this modification impact the relevant objectives?

It is our belief that this process has a potentially negative impact on competition in metering, which could neutralise the positive impact. It does, however, improve efficiency. Whilst we agree with the assertions of Panel in its aspirations to (D) secure effective competition and (F) promote efficiency in the administration and operation of the Code, we can foresee potential negative impacts on metering competition, which might neutralise or negate the potentially positive impact(s) suggested.

Impacts and Costs

What development and ongoing costs would you face if this modification was implemented?

This will be an automated, rather than manual process and is likely to involve some systems costs/ time etc., which would in turn be passed on to the customer. These have not been fully impact assessed at this time, but will require at least 6 months to deliver.

Implementation

What lead time would you wish to see prior to this modification being implemented, and why?

We would wish to see a minimum of six months lead time from the decision date, prior to this Modification being implemented, due to the required systems changes required by the Modification.

Legal Text

Are you satisfied that the legal text will deliver the intent of the modification?

The Ancillary Document is causing us some concerns, as it is not explicit enough in its intent. It is our experience that when Ancillary Documents are implemented, they can be open to divergent interpretations. In our view, if implemented, the IGTs should be required to prove that the customer has made a positive request (evidence based), e.g. a logged telephone call, so that where the field was pre-populated, they would be able to provide that evidence, if/ when requested to do so by the supplier/ shipper.

It is of paramount importance to us that the process be remedied to remove our concern regarding IGT pre-population of the MAM.

Further Comments

Is there anything further you wish to be taken into account?

no

Responses should be submitted by email to IGTUNC@gemserv.com