

iGT UNC / iGT INC Draft Modification Report

Date	3 rd October 2011
Reference	GPL046
Title	Migration Dates for Non-domestic premise Sites which have an active Ofgem RPC derogation
Proposer	Colette Baldwin E.ON
iGT UNC / Pipeline Operator	iGT INC (GPL)
Modification Proposal Dates	<i>Circulation: 19/08/2011 Response: 12/09/2011 Circulation of DMR: 03/10/2011 Response to DMR: 24/10/2011 DFMR published: 14/11/2011 DFMR considered at Panel: 21/12/2011 FMR sent to authority: dd/mm/yyyy Circulate Authority's determination: dd/mm/yyyy Suggested Implementation date: dd/mm/yyyy</i>
Background	<p>GPL applied for and were granted derogation from the RPC Migration of “Non-domestic premise” Sites for 20 years from original meter installation dates. On a Change of Supply the acquiring Pipeline User has no visibility of the RPC migration date for the Non-domestic premise sites since the new connection meter installation date is not part of the information exchanged on a Change of Supply.</p> <p>Since there will not be a hard cut-over date for all GPL’s Non-domestic premise sites to migrate to RPC, the Pipeline User will need to ensure that they fully understand the basis of transportation charges applicable to the site they are proposing to acquire to ensure that those costs are accurately reflected in any contract offered to the End User, and since Non-domestic premise contracts are often negotiated on fixed periods of supply it is therefore essential to understand the basis of the charges for the duration of the contract period to ensure that the End User’s tariff accurately reflects the costs that will be incurred during the period of the contract.</p>
The Proposal	<p>The Pipeline Operator will be required to provide, on request, the migration date for any site for which derogation from RPC charging arrangements has been granted by the Authority which is in the future.</p>
How will the proposal operate?	<p>The proposing Registered User may send a written request to the Pipeline Operator for the RPC migration date of the Non-domestic supply point (for both large and smaller supply points). The Pipeline Operator’s written response will include the date of the migration of the supply point to RPC charging arrangements. The written response must be provided to the Pipeline User within 2 business days of the request being received by the Pipeline</p>

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Operator. Both the written request and the written response will be made by email, unless there is an email failure when fax may be used.

Suggested timescale for implementation

Since this does not require system development, and we have left the implementation approach to the determination of the Pipeline Operator, we would ask that the Pipeline Operator consider an early implementation date to ensure that any prospective Non-domestic premise contracts can be priced appropriately, accurately reflecting the transportation charges that attract to a site during the period of supply. Notwithstanding this, the latest implementation should be the following release, 4 months from Authority Consent as is consistent with process changes.

Section of the Code Concerned

GPL INC Schedule 1 - new clause 9

Responses to Modification Proposal

4 responses were received to the Modification Proposal and can be viewed [here](#).

Respondee	Response to GPL046
British Gas	Support
Scottish Power Energy Management Limited	Support
GTC	Support

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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.

Summary of Responses to the Modification Proposal

Relevant Objective	Relevant	Not Relevant
a. the efficient and economic operation of the pipe-line system to which this licence relates		
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		
c. so far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence		
d. so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition between relevant shippers and between relevant suppliers	3 parties	
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		
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	2 parties	

Any additional comments:

See individual responses

Proposers View:

By ensuring that there is visibility of the RPC Migration date for non-domestic sites which are under active derogations from RPC Migration, the Pipeline Users can ensure that the correct Transportation Charge information is available to proposed Pipeline Users in the preparation of quotes for their prospective customers both at the contract negotiation and renewal stages. This will provide certainty of transportation charges during the life of the contract, which should ensure more accurate pricing of contracts leading to improved supply point offers for End Users.

In understanding the migration dates for their customers there will be less risk of invoice queries being raised by Pipeline Users resulting in efficient payment arrangements and a reduction in the administration costs incurred in managing invoice queries by the Pipeline Operator.

Likely impact on environment?

None

Implementation issues including impact on systems

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With the agreement of the Pipeline Operator, we have decided not to request a system driven solution, but to exchange the request and provision by individual written request and response, therefore there should be no significant impact on the Pipeline Operator to fulfil this requirement.

Proposed Legal Text

Wherever possible, a proposal should contain proposed draft legal text to reflect how the Network Code would change if the proposal were implemented.

New Clause (for GPL INC) in Schedule 1

9. Where a Non-domestic premise site (both smaller and larger supply points) has an active derogation from migration to RPC charges, the Pipeline Operator will provide the RPC Migration Date at the written request of the proposed or registered Pipeline User. The Pipeline Operator will provide the information to the Pipeline User within 2 Business Days of the request being received by the Pipeline Operator. Both the written request and the written response will be made by email, unless there is an email failure when fax may be used.

Responses to Draft Modification Report

Comments to this DMR are welcomed by 24th October 2011.

In particular, comments are welcomed on:

- How this Modification better facilitates the Relevant Objectives;
- Whether this Modification has any environmental impact;
- Whether this Modification impacts on other Industry Codes or Agreements;
- Whether there are impacts on systems or processes;
- Your view of the proposed implementation timescale; and
- Whether the proposed Legal Text fully reflects the intent of this Modification.

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