

## iGT UNC / iGT INC Consultation Response

<b>Date</b>	12 <sup>th</sup> November 2011
<b>Reference</b>	iGT040 Modification Proposal DMR Consultation
<b>Title</b>	Amendment to AQ Values present within the CSEP NExA Table
<b>Respondee</b>	Jenny Rawlinson GTC
<b>Position on the Modification</b>	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.*

<i>Relevant Objective</i>	<i>Yes/No</i>
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	
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	

We believe that this modification proposal in its current form, and given the misalignment of the iGT UNC and UNC modification proposals, does not better facilitate the relevant objectives.

### Likely impact on environment?

None.

### Implementation issues including impact on your systems

We believe that this proposal is not clear on when the new AQ values would be applied

**iGT UNC / iGT INC Consultation Response**

from, in terms of existing developer quotations/contracts where the connection has not yet been made, and we feel that this lacuna could lead to an inconsistent approach by iGTs.

**Additional Information and Comments**

GTC was of the understanding that the work carried out by the iGT030 workgroup was to undertake a review of the AQ table to establish if AQ values remain representative of the average consumption of the majority of customers. In doing this the workgroup noted that the data collated using the current AQ review methodology was itself subject to review. The output of the group was to agree revised reporting criteria which could be used for subsequent AQ Reviews to calculate revised AQ values. The earliest this could be done was following the 2010/2011 AQ Review. The new AQ values within this proposed NExA table modification were calculated using data resulting from the 2009/2010 AQ Review.

Notwithstanding the above, GTC agrees that the NExA table AQ values should be reviewed to reflect more accurate consumption. However, we believe that IGT040 is premature. We are aware that an equivalent modification under the GDN UNC (UNC 0392) proposes to amend the table within the NDM NExA. This modification has been sent to a UNC workgroup because DNs have concerns around the proposed values; some parties also felt that the table itself may require review. As a consequence UNC 0392 could be varied. We are concerned that under the current timetable any variations to UNC 0392 could occur following the submission of iGT 040 to the Authority for decision. This could produce a disparity between the AQ table within the iGT UNC and that which is in the UNC and NExA. GTC is of the view that the timescales for this modification and UNC 0392 be aligned to prevent such an occurrence.

The efficient way to treat changes to the AQ values would be for the concurrent submission of modifications UNC 0392 and IGT UNC040 to the Authority so as to ensure so far as is reasonably practicable, consistency of data.

In view of the misalignment between the two modification proposals and the lack of clarity around implementation we believe that the modification proposal should be withdrawn and re-issued when these concerns have been addressed, at which point more up-to-date AQ values will be available using the revised reporting parameters agreed by the iGT030 workgroup. We believe that this course of action would also have an impact on the progress of UNC 0392.

**Additional comments to Final Modification Report**

GTC would like to make the following further comments to iGT040V following the Final Modification Report.

This change represents a significant one to GTC. It touches upon our systems relating to areas such as:

1. Quoting/tendering.
2. Data transmission.
3. Billing.

## iGT UNC / iGT INC Consultation Response

Consequently, GTC would require a minimum of 9 months to implement.

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