

Date	22 February 08
Reference	iGT001VV
Title	Standards of Service Variation 2
Respondee	Colette Baldwin E.ON UK
Position on the Modification	Support Modification

Facilitation of the relevant objectives

How this proposal will, if implemented, better facilitate the “code relevant objectives”, as defined in Condition 9 of the Gas Transporters Licence.

This procedure will better facilitate the relevant code objectives, by creating processes and service standards for query management which will ensure effective competition between parties and deliver efficient administration of the network code by securing a standard that is applicable equally to all iGTs. The reporting of performance will highlight areas that may be deficient in the code and ensure that there is a co-ordinated and efficient approach to resolving any issues that are identified.

Additional Information and Comments

E.ON UK appreciate that it is unusual to respond to a DFMR but felt it important to make some further comments following receipt of the DFMR.

The “view of the affected Operators” should reflect the concerns of the entire Operator community as this is a modification to the iGT UNC and is therefore applicable to all Operators under that Code. The Operators views appear to be almost a “lift and shift” of the comments of IPL/QPL alone and do not reference SSE Pipelines support for this modification other than in the table of respondent’s views. As the other Operators have failed to respond formally to this modification either at the proposal or the DMR stage we do not have transparency on why the remaining affected Operators do not support this modification, since the two responding iGTs are split on their views.

The modification was progressed via a Review Group where representatives of both iGTs and Shippers participated; therefore E.ON find it strange to suggest that the Operators would have:

“preferred to discuss standards of service with the shippers more fitted to the specific iGT market and the issues therein, rather than adopt an amended format developed by the GDNs and Shippers”.



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The UNC modification was only used as a platform to start the development of Standards of Service for iGTs in the Gas Forum iGT Workgroup, and shippers and iGTs together created a Code of Practice document that was the precursor to this modification. Additionally, the iGTs fully participated in the development of this proposal in the review workgroup (specifically IPL, GTC and ES Pipelines attended) and whilst all parties do not necessarily have the end result they would have liked (Suppliers and iGTs alike), there is real benefit in what has been achieved for the customer. The modification Review Group shaped the standards to reflect specific concerns from the iGTs involved and the final result is appreciably different from what is in place for the larger GTs, that said it is not unreasonable to have the same principal areas in Standards of Service for iGTs and larger GTs as they are involved in similar activities, albeit on a different scale.

On the specific point raised by IPL in the DMR which is captured in the DFMR regarding the timing of receipt of enquiries, this point was well debated in the Review Group and the timescale agreed by the group before the group concluded it's development of the proposal.

Ofgem have previously indicated that customer's experience of their gas supply should be the same irrespective of whether the site is connected to an iGT or large GT and so it is reasonable to require the Standards of Service they can expect to receive are based on the same principles.

In drawing up the DFMR, the Operators have failed to demonstrate how this modification does not facilitate the relevant objectives and as such would underpin their stated position of rejecting the modification. In fact the report draws out how the modification does meet the relevant objectives which would suggest surely that it should be supported.

Finally, if the Operators views have been canvassed by other means, there is no transparency either for Shippers or Ofgem in how the Operators have arrived at the decision not to support this modification.

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

