

Modification proposal:	Independent Gas Transporter (iGT) Uniform Network Code (UNC): 'Portfolio extract' (iGT UNC 002vv)		
Decision:	The Authority ¹ directs that this proposal be made		
Target audience:	Gemserv, Parties to the iGT UNC and other interested parties		
Date of publication:	28 February 2008	Implementation Date:	To be confirmed by the Representative of the iGT UNC

Background to the modification proposal

At present, the iGTs use a variety of file formats for transferring suppliers portfolio data, providing a varying degree of information and often on an ad hoc rather than formalised basis. This disparity of data has often led to problems with the transfer of customers between suppliers, or their attempts to reconcile bills etc. This led to formation of an iGT file formats sub-group under the Gas Forum, which subsequently developed a standardised portfolio extract file.

The modification proposal

This modification seeks to introduce the standard portfolio extract format and mandate its use under the iGT UNC, with key mandatory data fields to ensure that information is harmonised across the iGT community. The proposer considers that the receipt of timely and meaningful portfolio data from all iGTs will allow shippers and suppliers to conduct regular data reconciliations. The proposer considers this will highlight data issues or errors, and allow them to be rectified in a timely manner, which in turn will result in better billing and data quality. The proposer notes that this proposal is intended to provide a new source of data rather than replace any of the existing data transfers.

iGT UNC Panel² recommendation

At its meeting of 16 January 2008 the iGT UNC Panel unanimously recommended implementation of iGT UNC 002vv.

The Authority's decision

The Authority has considered the issues raised by the modification proposal and the Final Modification Report. The Authority has considered and taken into account the responses to the Representatives consultation on the modification proposal, which are attached to the FMR³.

The Authority has concluded that implementation of the modification proposal will better facilitate the achievement of the relevant objectives of the iGT UNC⁴.

¹ The terms 'the Authority', 'Ofgem' and 'we' are used interchangeably in this document. Ofgem is the Office of the Gas and Electricity Markets Authority.

² The iGT UNC Panel is established and constituted from time to time pursuant to and in accordance with the iGT UNC Modification Rules.

³ iGT UNC modification proposals, modification reports and representations can be viewed on the iGT UNC website at <http://www.igt-unc.co.uk/>

⁴ As set out in Standard Special Condition A11(1) of the Gas Transporters Licence, see: http://epr.ofgem.gov.uk/document_fetch.php?documentid=6547

Reasons for the Authority's decision

We note that five of the six respondents to the consultation supported the implementation of this proposal. The respondent who was opposed to the proposal raised concerns during the first consultation stage at the mandatory status of two specific data fields, namely items 32 and 33 ('xoserve nominated maximum CSEP AQ' and 'iGT CSEP maximum total AQ in kWh' respectively), which are not currently held on the respondents' database. They were therefore concerned that mandating these data items within an automated process would significantly increase the implementation costs, though these costs were not provided. We note that the proposal was subsequently varied to make these data items conditional, i.e. the fields will be populated where the data is available, but its absence will not cause the file to be rejected. The variation also provided further clarity on the timing of the transfer of the portfolio extract between Parties.

We note that the iGTs themselves considered that the portfolio extract itself would be better as an ancillary document than an appendix to section G, however the concept of an ancillary document was not at that time provided for under the iGT UNC, being introduced by iGT UNC 008, which was accepted by the Authority on 13 February 2008. Now that an ancillary document does exist, we would agree that the inclusion of the portfolio extract within that document may offer a more flexible form of governance, as it would allow changes to be made simply with the agreement of the iGT UNC Panel rather than requiring a modification and subsequent acceptance by the Authority. We consider this would be appropriate considering the technical, operational nature of the portfolio extract.

The majority of respondents who commented considered that the implementation of this proposal would improve data quality as it will be easier for shippers and suppliers to formalise validation and reconciliation of iGT provided information. They suggested that this would lead to improvements across several processes, but most notably customer transfers and billing.

We are aware from discussions at various review groups and the CSEP Nexa meetings that many of the issues currently being encountered in the iGT sector stem from problems with the handling or quality of data, which is compounded by differing process and file formats etc. Therefore, for the reasons set out above, we agree with the recommendation of the iGT UNC Panel recommendation that the implementation of this proposal will better facilitate the achievement of relevant objective (d) *the securing of effective competition between relevant shippers and relevant suppliers*.

Decision notice

In accordance with Standard Condition 9 of the Gas Transporters Licence, the Authority, hereby directs that iGT UNC modification proposal 002vv: '*Portfolio extract*' be made.



Mark Feather

Director of Industry Codes and Licensing, Corporate Affairs

Signed on behalf of the Authority and authorised for that purpose.