

iGT UNC / iGT INC Modification Proposal

Date	06/12/2011
Urgency	Non-urgent
Reference	iGT043
Status	For Consultation
Title	Consolidation and Alignment of IGT Invoicing
Proposer	Andrew Margan, British Gas
iGT UNC / Pipeline Operator	iGT UNC, Section G, Pipeline and Transportation Charges, Appendix G-1 RPC Invoice Template
Modification Proposal Dates	<i>Circulation: 23/12/2011</i> <i>Response: 18/01/2011</i> <i>Circulation of DMR: 08/02/2012</i> <i>Response to DMR: 29/02/2012</i> <i>DFMR published: 21/03/2012</i> <i>DFMR considered at Panel: 18/04/2012</i> <i>FMR sent to authority: dd/mm/yyyy</i> <i>Circulate Authority's determination: dd/mm/yyyy</i> <i>Suggested Implementation date: dd/mm/yyyy</i>

Non-Urgent

Overview

The iGT Gas Transportation invoicing methodology Relative Price Control (RPC) has been in place since 2004. This modification proposal seeks to align all IGT RPC and I&C invoicing backing data into a single template and common format. This impacts iGT UNC Appendix G-1 RPC Invoicing. This modification will remove the Appendix G-1 from the IGT UNC and replace it as an ancillary document.

Background

For sites consuming >73,200kWh, some IGTs charge on a separate "Transco equivalent charging" invoice. EON and British Gas (BG) bilaterally contacted the relevant iGTs to confirm if the I&C invoice charges could be issued in the RPC invoice template. The objective is to simplify the invoicing and drive efficiencies within the industry. ES Pipelines confirmed that they could investigate the request further, but sought clarification from all shippers to understand if this was an industry wide requirement.

The RPC and I&C backing data formats differ. To facilitate an I&C file format migration to the RPC file format additional fields in the RPC file template are required. A review of the required fields and formats was completed by British Gas who circulated a draft template to Shippers. Feedback from those Shippers was incorporated into this proposal.

Also separate to this, invoice backing data formats differ between IGTs. The impact is that validation of the data cannot be standardised across the industry leading to inefficiencies. It is therefore sensible to take the opportunity for the industry to review the formats.

This modification-

- Covers the information in both domestic and I&C invoices
- Confirms which fields would be required
- States additional fields that shippers require to validate the charges

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- Designates the Appendix G-1 as an Ancillary Document
- Establishes the format of the data; and
- Simplifies the invoicing for all industry parties.

The Proposal

This proposal seeks to consolidate and standardise the Gas Transportation invoices whilst improving the transparency of the charge items.

This modification proposal covers 3 broad areas –

- I&C invoice backing data
- RPC backing data template
- RPC backing data format

Consolidation and Standardisation

To simplify the Gas Transportation invoicing this modification proposes that all charges are consolidated to a single RPC invoice template. To ensure all invoices are standardised this modification proposes that the backing data formats are re-confirmed and necessary housekeeping is agreed.

To facilitate the modification a draft RPC Template Proposal was circulated by British Gas to Shippers for review. The proposed template, based on the current RPC template suggested additional fields that incorporate the I&C charge items and additional fields to increase the transparency of the charges.

The additional fields are –

- SSP SOQ. (SOQ converted from original AQ provided)
- iGT CSEP billing AQ. (AQ of CSEPs used for rate calculation)
- iGT CSEP billing SOQ. (SOQ of CSEPs used for rate calculation)
- CSEP AQ post AQ Review. (Updated CSEPs AQ by Shipper's portfolio)
- Meter Type. (E.g. Prepayment, Credit)
- Customer Corrector charge. (LSP meter corrector asset charge)
- Entry Transportation Rate. (Rate before annual adjustment)

The above will be mandatory except for Meter Type and Customer Corrector charge, which will be conditional.

Format Housekeeping

The rationale for a Unified Network Code is that all parties adhere to a common approach. This modification also proposes housekeeping activity by reconfirming the invoice format and addressing data issues.

These include –

- Date format
- Infill charge character length
- CSEP AQ population

The above will be mandatory fields.

The iGT UNC Appendix G-1 stipulates the date format as “DDMMYYYY”. As backing data is issued in

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Excel format the proposal asserts that the iGTs issue the data in the format DD/MM/YYYY.

The iGT UNC Appendix G-1 stipulates the character length of the Infill charge to be 1. The Infill charge character length should be increased to 4 characters, as per the industry practice.

The Gas Transportation methodology states that the Single Supply Point and the CSEP details are necessary for the shippers to validate the rate used to derive the customer charge. An important part of the calculation is CSEP AQ. By the CSEPs AQ we specifically mean the CSEP AQ used to calculate the Gas Transportation rate.

Not all IGTs populate this field with a value of the CSEP billing AQ, although it is mandatory unless a Nested site. Shippers are unable to validate the charge or have reassurance the rate used to calculate the charge is correct. Shippers have no recourse but to trust the charging is correct. For efficient industry invoicing practices all the mandatory fields must be populated in the backing data, unless as per the nested sites they are exempt.

The proposed Appendix G-1 RPC Invoice Template is below. To facilitate future changes this modification will replace Appendix G-1 as an Ancillary Document. For format details please use the document attached.



Appendix RPC
Backing data Modifica

How will the Modification proposal operate

The new template will be implemented by industry parties post approval within a reasonable time scale.

Suggested timescale for implementation

This proposal will require system developments by the Pipeline Operators and Shippers/Users. Reasonable time will be required to all the system changes to be implemented and tested.

Section of the Code Concerned

The modification affects Part G – Pipeline Transportation Charges, Invoicing, Payment and Code Credit, Appendix G-1 RPC Template

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	Yes
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	Yes
c. so far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence	Yes
d. so far as is consistent with sub-paragraphs (a) to (c) the securing of	Yes

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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	No
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	Yes

Relevant Objectives to be better facilitated:

Likely impact on environment?

None

Implementation issues including impact on systems

The modification will impact iGT invoicing systems and the Shipper invoice validation systems.

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.

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