

iGT UNC / iGT INC Consultation Response

Date	28 th February 2012
Reference	iGT043V DMR Consultation
Title	Consolidation and alignment of invoicing data
Respondee	Gethyn Howard on behalf of Independent Pipelines Limited
Position on the Modification	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	n/a
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	n/a
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	n/a
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	n/a
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	n/a
g. so far as is consistent with sub-paragraphs (a) to (f), the compliance with the Regulation* and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators	n/a

* Regulation 2009/715/EC of the European Parliament and of the Council of 13 July 2009 *Relevant Objectives to be better facilitated:*

Likely impact on environment?

How this proposal will, if implemented, impact on greenhouse gas emissions?

n/a

Implementation issues including impact on your systems

Should the proposal be accepted, IPL would require 6 months systems development time

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from the date of authority decision.

Additional Information and Comments

Since the introduction of RPC in 2004 IGTs have regularly provided Ofgem with detailed templates that contain the necessary information to allow the Regulator to calculate the opening transportation rates for any property on any IGT site. In addition IGTs provide Ofgem with details of RPC adjusted charges on any properties selected by the Regulator in an annual sample pricing exercise so that Ofgem can check the RPC adjustment formula has been correctly applied.

The proposer implies that they have 'no assurance' RPC charges are correctly calculated and applied but can only trust they are correctly calculated. We strongly disagree. The Regulator is already performing spot checks throughout the year on IGT charging and has the ability to calculate any opening charge and subsequent RPC adjustment. We believe that measures were specifically put in place in 2004, largely at the shipper's behest, to address these concerns via the template, sampling and Regulatory checking procedures so that the charges would not be based on trust but on a defined method designed to give assurance.

On a practical note IPL is currently unable to provide the proposed IGT CSEP billing AQ value (and consequently the IGT CSEP billing SOQ) due to the way our systems hold the relevant information. Currently IPL uses the RPC template for both domestic and non-domestic RPC invoices and would be supportive of a proposal which amends the formatting issues and mandates the use of the RPC template for non domestic supply points but not one that goes so far as to add additional data items.

Should this proposal be implemented, IPL believes Shippers should be obliged to cover the cost of implementation as the changes will require considerable systems amendments to which IPL derives no benefit and is providing data for an exercise that is already being performed by someone else. This issue of cost is further amplified with the likelihood that IGTs will be required to use a Single Service Provider in the near future meaning that any costs incurred in the short term to make the necessary systems changes to deliver the modification if not recoverable will become a sunk cost.

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