

iGT UNC / iGT INC Draft Modification Report

Date	22nd March 2012
Reference	iGT043VV
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: 22/03/2012</i> <i>Response: NA</i> <i>Circulation of revised DMR: 22/03/2012</i> <i>Response to DMR: 16/04/2012</i> <i>DFMR published: 01/05/2012</i> <i>DFMR considered at Panel: 16/05/2012</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>
<p>Overview</p> <p>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. RPC and I&C invoices must be issued using the RPC template, but can be sent separately.</p> <p>This is a further variation to the original modification and its subsequent variation, which has been raised to correct identified errors in the RPC Backing data during the consultation process.</p> <p>This variation was discussed at the Panel on the 21st March 2012. Whilst they recognised that the changes minor they recommended that the varied modification iGT043VV be subject to a further consultation, particularly to ensure that all parties are in agreement with the latest changes that have been made to certain data items contained within the revised version of the RPC Backing data appendix enclosed with this Draft Modification Report.</p> <p>This Revised Draft Modification report contains the Transporters' summary of the previous consultations on both the revised modification iGT043V and its associated Draft Modification report.</p>	
<p>Background</p> <p>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.</p> <p>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.</p> <p>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</p>	

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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
- 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. For the avoidance of doubt this facilitates a single invoice per iGT Licence, but does not mandate a single invoice. iGTs are able to send separate invoices for RPC and I&C invoices providing they follow the RPC Invoice Template, as set out in this modification proposal. 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.

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These include –

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

The above will be mandatory fields.

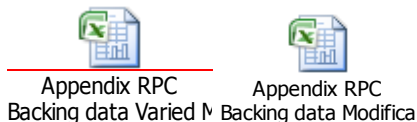
The iGT UNC Appendix G-1 stipulates the date format as “DDMMYYYY”. As backing data is issued in [Excel-Microsoft](#) format the proposal asserts that the iGTs issue the data in the format DD/MM/YYYY.

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.



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

Responses to Modification Proposal/Draft Modification Report

9 responses were received to the Modification Proposal and 6 responses to the Draft Modification Report Consultation. All responses can be viewed [here](#).

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Respondee	Response to iGT043V	Response to iGT043V DMR
British Gas	Support	Support
Scottish Power	Support	-
E.ON Energy	Qualified Support	-
GTC	Support	-
Fulcrum Pipelines	Do Not Support	Do Not Support
SSE Pipelines	Qualified Support	Qualified Support
EDF Energy	Support	-
Energetics	Do Not Support	-
Npower	Support	Support
IPL/QPL	-	Do Not Support
ESP	-	Support

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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.

Summary of Responses to the Modification Proposal

<i>Relevant Objective</i>	<i>Relevant</i>	<i>Not Relevant</i>
a. the efficient and economic operation of the pipe-line system to which this licence relates	4 parties	7 parties
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	5 parties	6 parties
c. so far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence	5 parties	6 parties
d. so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition between relevant shippers and between relevant suppliers	6 parties	5 parties
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	2 parties	9 parties
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	5 parties	6 parties
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	2 parties	9 parties

Any additional comments:

See individual responses

Proposers View:

The Proposer felt the Modification would meet Relevant Objectives a, b, c, d and f.

iGT UNC Party Response Summary

Those parties supportive of the proposal generally agreed that the introduction of standardisation would make the automated checking of transportation invoices possible and hence the process more straightforward and efficient. This should result in a reduction in queries raised on invoices and thus would benefit both Shippers and iGTs. Alignment of invoicing information across the iGTs would also support the move towards single service provision.

Those not in support generally believed that the new fields required were calculated fields and could thus be carried out by either party (shipper or iGT). However as the benefits related mainly to shippers, it was not considered economic for iGTs to have to bear the costs of making significant systems changes to deliver the proposal. Further iGTs already provide information to the Regulator to demonstrate that RPC charges are being calculated correctly.

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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.

iGT043 Appendix – Proposed Legal Text – Appendix G-1 RPC Invoice Template (page 103 of the iGT UNC)

The proposal seeks to remove the Appendix G-1 from the iGT UNC, with the RPC Invoice Template being reissued as an Ancillary Document to the iGT UNC.

As such the following changes are required to the iGT UNC:

- **Contents (revise)**

~~Appendix G-1 RPC Invoice Template~~

Appendix G-12 Portfolio Extract file format

- **Section G – Clause 3.3 (revise)**

(g) the “RPC Invoice Template” is the ~~iGT UNC Ancillary Document ‘RPC Invoice Template’.~~
~~template in Appendix G-1~~

- **Section G – Clause 20.2 (revise)**

20.2 For the purposes of the Code: ~~(a)~~ “Portfolio Extract” means the Supply Meter Point data as detailed in Appendix G-12 pertaining to each Pipeline User.

- **APPENDIX K-2 iGT UNC Ancillary Documents (add)**

~~RPC Invoice Template~~

- **Removal of the Appendix G-1 RPC Invoice Template**

See changes below- removing all text/tables.

- **Appendix G-2 Portfolio Extract file format**

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Appendix G-21 Portfolio Extract file format

Appendix G-1 RPC Invoice Template

Header for Invoice - File name: GT Name/Shipper Name/Billing Date /Reference (Invoice Number - unique no. per Shipper)														
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Charge Type	CSEP Number	MPRN	Start Date (for charges in month)	End Date (for charges in month)	Billing Days Period	EZ	Property Type at time of entry to RPC	RPC Entry Point Date	EUC	AQ agreed by the Authority at time of entry to RPC (kWh)	Current Supply Point AQ in kWh as nominated to xoserve taking into account AQ changes	xoserve Logical Meter Number (where known)	xoserve Nominated Maximum CSEP AQ (Provided by lead IGT within Nest)	IGT CSEP Maximum Total AQ in Kwh
M	M	M	M	M	M	M	M	M	M	M	M	C	M	M
<p>Note: This format has been developed primarily to support RPC charging. However, some IGTs may wish to include back up data to support Legacy charging. The appropriate charge type code should be used to identify which charging method is being applied. When used for Legacy charging certain fields marked as mandatory for RPC will not apply for Legacy.</p>														
Footer for Back-up data: Record Count/Sum of Transportation Costs														

Other Information

None.

Responses to this revised Draft Modification Report

Comments to this DMR are welcomed by 16th April 2012.

A previous DMR has been consulted on for iGT043V. The Panel requested (21st March 2012) that this varied modification iGT043VV be subject to a further consultation, particularly to ensure that all parties are in agreement with the latest changes that have been made to certain data items contained within the revised version of the RPC Backing data appendix enclosed with this Draft Modification Report.

Comments are also welcomed on:

- How this Modification better facilitates the Relevant Objectives;
- Whether this Modification has any environmental impact;
- Whether this Modification impacts on other Industry Codes or Agreements;
- Whether there are impacts on systems or processes;
- Your view of the proposed implementation timescale; and
- Whether the proposed Legal Text fully reflects the intent of this Modification.

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



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