

iGT UNC / iGT INC Draft Modification Report Consultation Response

Date	29 th January 2013
Reference	iGT050 DMR Consultation
Title	IGT & Shipper Metering Communication Ancillary Document
Respondee	Jenny Rawlinson GTC
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	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 effective competition between relevant Shippers and between relevant suppliers	Yes
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	
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
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	

* Regulation 2009/715/EC of the European Parliament and of the Council of 13 July 2009

Relevant Objectives to be better facilitated:

Whilst this modification would facilitate the relevant objectives a, b, c, d and f, it is argued that, in comparison to iGT050A, this modification would not necessarily prove the

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most economic operation of the pipeline system.

Likely impact on environment?

None.

Implementation issues including impact on your systems

None.

Additional Information and Comments

Further to my previous comments regarding iGT050 and iGT050A, and considering responses and views expressed by other parties as a result of each consultation, GTC would like to add the following, in addition to representation made within our proposal of iGT050A and within our consultation response to iGT050 and iGT050A:

- In response to the iGT050 consultation, Shippers expressed views which were **equally** relevant to iGT050A:
 - The proposal would provide Shippers and Suppliers with more confidence that the metering information provided by an iGT on change of supply is accurate.
 - iGT050 would provide a formal, single agreed process that can be applied across all Pipeline Operators and Users.
 - iGT050 removes the requirement to manually process the information resulting in cost savings. If parties choose to automate the process within iGT050A, this is also the case.
- One Shipper view was that, if iGT050 is not implemented, the existing temporary arrangements or those introduced under iGT050A, will become unwieldy and have a detrimental impact on both the ability of the Pipeline Users to meet their obligations and the quality of data held in the Pipeline Operators' systems. On the contrary, iGT050A provides the means by which Pipeline Users can meet their obligations and for the data held in the Pipeline Operators' systems to be accurate.
- Another Shipper also noted a failing in the iGT050A Modification Proposal in that it does not appear to be possible to differentiate between genuine work booked by the Shipper and simply finding that there is a different meter on site, which impacts compliance with C&D Regulations. iGT050A allows for meter data to be notified to the iGT, whether booked or found, thereby contravening no obligations.
- Shippers responded to iGTs concerns regarding extensive and unnecessary changes required to implement iGT050 when iGT039 (Single Agency Service) would likely be implemented in 2015, by voicing that there is no guarantee of implementation. However, the SPAA Change Proposal CP 12/227, raised by SSE and currently inviting workgroup discussions and agreement, is a catch-all that, should iGT039 not be implemented, iGTs will be mandated to comply with RGMA.
- Shippers expressed that the implementation of iGT050 would make moving the metering arrangements across to Xoserve a far more straightforward process than it otherwise would be. This may well be the case for Shippers but I fail to see the benefit of this to iGTs. It merely causes greater sunken costs when iGTs cease the activity of a process more extensive and costly to implement, when Xoserve commences that process on behalf of the iGTs.
- Shippers voiced concerns (as summarised in iGT050A Draft Modification Report) that, assuming iGT039 did go ahead then they would be required to introduce the

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existing industry flows (as recommended under iGT050) thus incurring two sets of development costs. Surely more reason for less extensive and less costly system changes at this stage.

- Shipper respondents stated that the implementation of iGT050A could be seen as failing to facilitate competition between MAMs on iGT networks. iGT050A would facilitate the requirement of its' purpose by communicating third party metering data, including MAM ID, between Shippers and iGTs. Nothing which would be introduced as part of iGT050A would change what is being carried out between Suppliers and their MAMs currently.
- The Draft Modification Report includes that, for iGT050A, as the proposed flows are currently used by Shippers, there is expected to be limited system development needed from Shippers. However, they would require more expensive manual work rounds. As these are not quantified, it would be useful to understand exactly what these would be.
- One Shipper expressed that neither iGT050A nor iGT050 go far enough in managing third party meter installations on New Connections. It is my belief that iGT050A could equally include newly installed third party metering.
- It was referenced that the iGT050A Ancillary Document could cause confusion by indicating the list of rejection reasons is not a conclusive list. The Document does include all of the rejections currently used. This reference was merely to highlight that other rejection reasons could be introduced, particularly with the increased role out of Smart metering.
- I believe that it is worth emphasising the timeline for implementing either iGT050 or iGT050A and questioning whether the costs required for changes to accommodate the implementation of iGT050 would be the most economical operation of the pipe-line system to which the licence relates. Both Draft Modification Reports include reference to implementation timescales of 18 months. This is likely to take implementation to September 2015 when either iGT039 will be implemented or CP 12/227 will go live.

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