

Consultation Response

iGT072: Non-effective Days for Cutover to Single Service Provision

Responses invited by: 08 May 2015

Respondent Details

Name: Dan Simons

Organisation: EDF Energy

Support Implementation

Qualified Support x

Neutral

Do Not Support

Please briefly summarise the key reason(s) for your support / opposition

We accept that a period of time will be required to prepare and migrate data in advance of cutover to the iGT agency services model created by iGT039 – Use of a Single Gas Transporter agency for the common services and systems and processes, required by the iGT UNC.

However, we are concerned that introducing a 6 day period during which shippers will be unable to interact with industry systems may prejudice our compliance with the Consumer Rights Directive (2011/83/EU). The concerns specifically relate to Article 9 'Right of withdrawal' which protects the consumer by enshrining their right to withdraw from a contract within 14 days (the 'Cooling Off' period).

Since implementation of the "quicker switching" changes in 2014, Suppliers now commence the change of supplier process during a customers "Cooling Off" period. This is on the proviso that they are able to cancel that registration by sending a request to the industry systems should a customer subsequently exercise their statutory right to cancel.

During the proposed non-effective period the relevant Shipper will be unable to interact with the industry systems necessary for processing this cancellation during the 'Cooling Off' period. To address this issue either the end-to-end switching process needs to be extended to accommodate the processing of cancellations or there needs to be an acceptance that a small number of customers may transfer erroneously as a result of the non-effective days' solution and would be non-compliant with this European Directive.

Also, whilst we understand and broadly support the intent of the modification, we are disappointed that there wasn't more dialogue between Xoserve and the rest of the industry when reviewing alternative solutions for the migration strategy. Indeed, it remains unclear which other alternatives were considered.

Shippers will incur costs as they will need to make changes to their respective systems in advance of the proposed Nexus go live date in order to prevent communications from being sent during the non-effective period. Shippers will also need to manage any "in flight" processes that may have been initiated in advance of the non effective period. I.e. processes that were initiated using the iGT file formats, but will be required to complete after the non effective period using the Xoserve file formats. Again, this will result in further system development and associated costs which perhaps could have been avoided had there been more dialogue in advance of this proposal being raised.

Self-Governance Statement

Do you agree with the Modification Panel's determination with respect to whether or not this should be a self-governance modification?

Yes

Please state any new or additional issues that you believe should be considered

Presumably implementation of this modification would be dependent on the outcome of UNC Mod 0537 - Change of Project Nexus Implementation Date to 1st April 2016.

Relevant Objectives

How would implementation of this modification impact the relevant objectives?

We agree that proposal would better facilitate objective c) "Efficient discharge of the licensee's obligations" on the basis that iGTs have a licence obligation to have Agency services in place on October 1st and that the modification is deemed necessary to successfully implement such arrangements.

We also agree that Objective g) "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" may be negatively impacted on the basis that Shipper parties may not be able to process customer contract cancellations in a number of cases.

Impacts and Costs

What development and ongoing costs would you face if this modification was implemented?

System development to:

- Prevent communications being sent during the non effective period
- Manage "in flight" processes using different file formats
- Potentially extend the lead time for supplier registrations for a short time during the non effective period

Implementation

What lead time would you wish to see prior to this modification being implemented, and why?

As soon as possible

Legal Text

Are you satisfied that the legal text will deliver the intent of the modification?

Yes

Further Comments

Is there anything further you wish to be taken into account?

We would welcome further guidance from the Authority, particularly with regard to the customer cancellation / Consumer Rights Directive issue identified earlier in our response.

Responses should be submitted by email to iGTUNC@gemserv.com