

Stage 03: Draft Modification Report

iGT072:

Non-effective Days for Cutover to Single Service Provision

At what stage is this document in the process?

- 01 Modification Proposal
- 02 Workgroup Report
- 03 Draft Modification Report
- 04 Final Modification Report

This modification creates six non-effective Days from 25th September 2015 to 30th September 2015 inclusive, to enable data preparation and cutover to the arrangements created by modification 039 - Use of a single Gas Transporter agency for the common services and systems and processes required by the iGT UNC



Responses invited by 8th May 2015



High Impact:
IGTs, Shippers



Medium Impact:



Low Impact:

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About this document:

This document is a Draft Modification Report, which was issued for consultation responses, at the request of the Panel on 16 April 2015. The close-out date for responses is 8 May 2015. The Panel will consider the responses and agree whether or not this modification should be made.



Any questions?

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1. Plain English Summary

Is this a Self-Governance Modification?

The Panel agreed that this **is not** a self-governance Modification.

If so, will this be progressed as a Fast Track Modification?

The Modification Panel determined that this **will not** be progressed as a Fast Track Modification.

Rationale for Change

To 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, a period of time is required to prepare and migrate data. This requires a number of non-effective days during which files to update and maintain the Supply Point Register and for supply point administration activities cannot be submitted.

Relevant Objectives

It is believed that the modification will 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.

Implementation

This modification can be implemented immediately following Ofgem approval.

2. Rationale for Change?

To cut over to the iGT agency services model created by modification 039 - Use of a single Gas Transporter agency for the common services and systems and processes required by the iGT UNC, a period of time is required to prepare and migrate data to the new Agency system. This requires a number of non-effective days during which files to update and maintain the Supply Point Register and for supply point administration activities cannot be submitted.

Workgroup discussions challenged whether there were any other viable options. The Agency confirmed that to maintain data accuracy, a non-effective period would be required to avoid inflight registrations taking place in their respective systems. As such the cut over into the new systems needed to occur at a single point in time with a period of non-effective days set out to allow for the data to be finally prepared and migrated. The Agency therefore is of the view that the approach outlined in this modification is the only viable approach to enable a successful transition to Agency services. Shippers raised concerns that the non-effective period in some instances will impact the 21 day switching requirement under “faster switching”. Though Ofgem acknowledged this issue, Shippers have requested formal confirmation from Ofgem that they will not be subject to any penalties as a result of the non-effective period. It has been requested that such confirmation is provided by the end of the modification consultation period.

3. Solution

Though greater detail has been developed for the modification proposal, the final solution remains unchanged to that in the original proposal – to have a period of six days termed Non-Effective Days on which certain communications may not be made. The six days are September 25th 2015 to September 30th 2015 which are referenced in the legal drafting as Project NEXUS Implementation Date “PNID” (which is defined as 1st October 2015) and specific days then denoted using PNID-1, PNID-2 etc. A full list of impacted areas has been developed and reviewed by the work group and can be found below using the defined terms from the IGT UNC:

Agreed Opening Meter Reading;
C&D Information;
C&D Notification;
Capacity Revision Application;
Daily Meter Readings;
Emergency Contacts
Meter Fix Reading;
Meter Fit Report;
Meter Information Notification;
Meter Information Update Notification;
Meter Read;
Opening Meter Reading;
Proposing User's Estimate;
Proposing User Read;
Revised Meter Reading.
Supply Point Confirmation;
Supply Point Confirmation Cancellation;
Supply Point First Nomination;
Supply Point Nomination;
Supply Point Objection;
Supply Point Offer;
Supply Point Reconfirmation;

Supply Point Registration;
Supply Point Registration Date;
Supply Point Registration Number;
Supply Point Renomination;
Supply Point Second Nomination;
Supply Point Withdrawal.

Work group members have agreed that any communications listed above must be sent to the Pipeline Operator before 17:00 hours on PNID-7 and all Pipeline Operator responses to communications received on PNID-7 or PNID-8 must be responded to by no later than PNID-6.

To aid with the migration of data, IGTs have agreed to provide Shippers with a one off portfolio extract at the beginning of the non-effective period to allow Shippers to cross reference the data held within their systems to that held by both IGTs and the Agency.

It was raised during the work groups that parties will need to be aware of the status of each transaction at the beginning of the Non-Effective period. Parties acknowledged that this isn't in scope of the proposal but a solution will be developed under the Shipper work stream meetings and a modification raised to facilitate.

As this modification is effectively a transition modification to facilitate Agency services, the group agreed that the legal text will be implemented following Ofgem approval in order that the requirements are in place as soon as possible. The IGT072 legal text will then be overwritten by that of IGT039 on October 1st which will coincide with the implementation of Agency services.

A full list of questions which were raised during the work group with accompanying answers can be found [here](#).

A timeline of events for the Non-Effective Period and how the various events fit around this period can be found [here](#). This has been reviewed and developed by the work group.

A separate report accompanying IGT072 providing additional detail can be found [here](#).

4. Relevant Objectives

Impact of the modification on the Relevant Objectives:	
Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	None
b) Coordinated, efficient and economic operation of (i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters.	None
c) Efficient discharge of the licensee's obligations.	Positive
d) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.	None
e) 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.	None
f) Promotion of efficiency in the implementation and administration of the Code.	None
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.	(Potentially) Negative

The Workgroup considers that this Modification would facilitate:

Objective c)

The work group agrees that this 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.

The group noted Shippers' concerns that Objective g) may be negatively impacted on the basis that Shipper parties may not be able to facilitate faster switching in a number of cases.

5. Impacts and Costs

It is anticipated that both Shippers and IGTs will incur costs as a result of this proposal by having to restrain their respective systems from sending communications during the non-effective period. It was agreed that it would be very difficult to identify costs specific to IGT072 as these would be incorporated within the general SSP systems changes under IGT039. Costs to implement IGT039 can be found within the [IGT039 work group report](#).

6. Likely Impact on Consumers

For clarity, Shipper confirmations will take effect on days included in the non-effective period. Shippers have raised concerns however that the non-effective period in some instances will impact the 21 day switching requirement under “faster switching”. Shippers have requested confirmation from Ofgem that they will not be subject to any penalties as a result of the non-effective period which may put them in breach of the faster switching requirements. It has been requested that such confirmation is provided by the end of the modification consultation period.

7. Likely Impact on Environment

The Workgroup did not identify any likely impact.

8. Implementation

As this modification is effectively a transition modification to facilitate Agency services, the group agreed that the legal text will be implemented following Ofgem approval in order that the requirements are in place as soon as possible. The IGT072 legal text will then be overwritten by that of IGT039 on October 1st which will coincide with the implementation of Agency services.

9. Legal Text

The work group have reviewed and developed the legal with the final version being as follows:

Sub section introductory text:

The following provisions of Part [CI] are subject to the Non-Effective Day requirements as set out in Part N.

- To be included at beginning of CI, CII, CIV, CV, D, E, I.

Part N

1.1. In order to enable changes to be performed in respect of iGT Agency Services as set out in IGT039 Use of a Single Gas Transporter Agency for the common services and systems and processes required by the IGT UNC (directed by the Authority on the 11/03/2015) and UNC modification UNC0440 Project Nexus – iGT Single Service Provision (directed by the Authority on the 14th January 2015) , there will be a period of Non-Effective Days during which no updates to the Supply

Point Register can be made by the Pipeline Operator. The requirements for Non-Effective Days are set out in the [IGT072 supporting report](#).

- 1.2. For the purposes of paragraph 1.1 a “**Non-Effective Day**” shall be any of the following Days, PNID-6 up to and including PNID-1.
- 1.3. For the avoidance of doubt, a Proposed Supply Point Registration Date may be a Non-Effective Day.
- 1.4. Subject to paragraph 1.6 any communication as set out under paragraph 1.7 may not be submitted on any Non-Effective Day.
- 1.5. Any of the communications listed in paragraph 1.7 which are sent by a Pipeline User to a Pipeline Operator on PNID-7 must be received by the Pipeline Operator before 17:00 hours on PNID-7.
- 1.6. Where the Pipeline Operator receives any communications as set out in paragraph 1.7 on either PNID-7 or PNID-8, it must send any communications to a Pipeline User as required under the Code at the latest on PNID-6.
- 1.7. For the purposes of this Part N, the communications which cannot be sent on a Non-Effective Day are as follows:
 - 1.7.1. Agreed Opening Meter Reading;
 - 1.7.2. C&D Information;
 - 1.7.3. C&D Notification;
 - 1.7.4. Capacity Revision Application;
 - 1.7.5. Daily Meter Readings;
 - 1.7.6. Emergency Contacts
 - 1.7.7. Meter Fix Reading;
 - 1.7.8. Meter Fit Report;
 - 1.7.9. Meter Information Notification;
 - 1.7.10. Meter Information Update Notification;
 - 1.7.11. Meter Read;
 - 1.7.12. Opening Meter Reading;
 - 1.7.13. Proposing User's Estimate;
 - 1.7.14. Proposing User Read;
 - 1.7.15. Revised Meter Reading.
 - 1.7.16. Supply Point Confirmation;
 - 1.7.17. Supply Point Confirmation Cancellation;
 - 1.7.18. Supply Point First Nomination;
 - 1.7.19. Supply Point Nomination;
 - 1.7.20. Supply Point Objection;
 - 1.7.21. Supply Point Offer;
 - 1.7.22. Supply Point Reconfirmation;
 - 1.7.23. Supply Point Registration;
 - 1.7.24. Supply Point Registration Date;
 - 1.7.25. Supply Point Registration Number;
 - 1.7.26. Supply Point Renomination;
 - 1.7.27. Supply Point Second Nomination;
 - 1.7.28. Supply Point Withdrawal.
- 1.8. For the purposes of paragraph 1.7, a Bulk Confirmation can be sent on a Non-Effective Day.
- 1.9. To facilitate the provisions of this Part N, the Pipeline Operator shall provide a Portfolio Extract to each Pipeline User by 17:00 on PNID-5 with details of Supply Meter Points processed on PNID-6. The Portfolio Extract shall be issued in either comma separated value or Microsoft Excel spreadsheet format.

Definitions

CI 5.6

In this Parts C and Parts D and E any reference to a “Supply Point Systems Business Day” is a reference to a Day other than a **Non-Effective Day** or a Saturday, Sunday or a bank holiday in England or Wales.

New Definitions in Part M:

“**Project Nexus Implementation Date ('PNID')**” is 1 October 2015 or such other date as may be determined by the Uniform Network Code Committee;

“**Non-Effective Day**” shall have the meaning in Part N1.2;

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10. Recommendation

All parties are invited to consider whether they wish to submit views regarding this Modification. The close-out date for responses is 8 May 2015. All responses should be sent to the Code Administrator at igt-unc@gemserv.com.

A response template is available for use at <http://www.igt-unc.co.uk/Modifications>.