

Consultation Response**iGT079:****Adding Non-domestic New Connections
Framework Ancillary Document**

Responses invited by: 7 Feb 2016

Respondent Details

Name: Andrew Margan

Organisation: British Gas Trading

Support Implementation ☒Qualified Support ☐Neutral ☐Do Not Support ☐**Please briefly summarise the key reason(s) for your
support / opposition**

Mod 079 seeks to standardise the IGT New Connection Project Summary Report file formats between IGT and Shipper parties. The standardisation of the file formats and process will remove ambiguity and result in improved governance arrangements.

The standardisation of the file format should also lead to efficiencies for shippers, as they can use a common process for all IGTs. This electric file will avoid parties needing to manually entering the PSR email information, when loading data it to their information systems.

This proposal also ensures information is easier to track and control, as previous email held information is difficult to manage. Therefore we support the implementation of this modification.

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?

As no party has suggested this modification will have a material impact to competition or consumers, we believe the self-governance criteria is met.

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

No issues have been identified.

Relevant Objectives

How would implementation of this modification impact the relevant objectives?

As this modification improves the governance arrangements, we believe it furthers relevant objective F

Impacts and Costs

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

We expect small internal system and process changes will be required. A cost estimate is not available, although the cost is expected to be minimal.

Implementation

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

The gas industry is delivering a major system change in October 2016. This will impact parts of the IGT New Connection process. As system releases costs money, we request that this change is deployed at the same time as the Nexus delivery. If Nexus delivery is deferred we request that this modification be implemented on the 1st October 2016.

Legal Text

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

We have identified no issues with the text.

Further Comments

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

In their public response of 18 January 2016, SSE have expressed a competition concern with the proposed PSR process. This appears to be that the proposed change will allow the IGT to pre-populate the MAM field with its own MAM. If the supplier wants to use a different MAM, they will have to reject the PSR which (following SSE's argument) will lead to delays. As parties may want to avoid delays, SSE believe that there is an incentive to just go with the pre-populated IGT MAM – which confers a competitive advantage on that IGT over its competitors.

British Gas believe that the process should not distort the competitive landscape for IGTs. As a significant player in the new connection markets, we have investigated these concerns to see whether the process would in fact impact upon competition.

In summary, our view is that the process would not create a competitive advantage for an IGT who is able to pre-populate its MAM, because rejecting this would not cause a delay to the customer and there is no incentive upon the supplier to simply accept the pre-populated MAM. We have set out our reasons for this conclusion below.

Firstly, it should be pointed out that whilst IGT078 does not change the PSR process, it does for the first time document it. Secondly, the PSR will be sent [to the shipper by the IGT] 30 days before a meter install. On this basis, our views are –

- Under the current process, which is not changing no examples are found of IGTs incorrectly pre-populating the PSR with their MAM ID
- Checking of the correct MAM ID is very easy to manage and administer, so we don't recognise a pressure to 'wave' through incorrect information
- Should the MAM ID be pre-populated incorrectly, if a shipper acts promptly an amended PSR should be achievable within the 30 day industry timescales. This will therefore mean that, even if the MAM ID is pre-populated incorrectly, the customer will not experience any delay to installation.
- The only potential exception we can see could be for very complex sites, where a rejection and amendment of the PSR could cause minimal delays, but these are very low in volume.

Therefore, we do not believe that the process will confer a competitive advantage upon IGT's who pre-populate the MAM field with their own MAM and, therefore, we do not recognise SSE's competition concerns.

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