

Stage 01: Modification Proposal

iGT083: Correction to PSR process to support SSP Arrangements

At what stage is this document in the process?

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

A change to amend the iGT UNC to acknowledge the potential for the IGT Agency system to allow a registration at a new supply point to differ to the PSR shipper



The Proposer recommends that this modification should be (delete as appropriate):

- proceed to consultation



Low Impact:

This is expected to be of low impact due to the code acknowledging the agency system design rather than changing any process itself

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Any questions?

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About this document:

This modification will be presented by the proposer to the panel on 20th April 2016.

The panel will consider the proposer’s recommendation, and agree whether this modification should be subject to Self-governance; and whether it should be issued for consultation or be referred to a Work Group for assessment.



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1. Plain English Summary

Is this a Self-Governance Modification?

It is anticipated that this modification should be subject to Self-governance.

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

The loophole within the Agency systems was only identified at the end of the iGT078 and iGT079 discussions. With Agency services currently anticipated to go live on 1st October 2016. Although this Modification may not qualify for Self-governance, and consequently fast track treatment, the proposer believes this change may potentially require a shortened consultation timeframe, in order to achieve a 1st October 2016 implementation.

Rationale for Change

Currently Agency services are due to be implemented under Project NEXUS in October 2016. The issue has been identified under iGT078 and iGT079 discussion that the NEXUS systems build does not fully support the provisions of the iGT UNC drafting for bulk confirmations under Part C1 Paragraph 13 (which remains unchanged under iGT039).

The issue identified is that the Agency system can allow the first registered Shipper on the Agency system at a supply point level to be different to that confirmed via the Bulk Confirmation process between a Shipper and iGT. The Agency has confirmed that their systems cannot be changed in time for NEXUS implementation to support the current iGT UNC new connections process.

Solution

In light of the loophole identified with the Agency system, and on the basis that this cannot be addressed by the Agency in time for Project NEXUS go live, amend the iGT039 legal text to ensure that it does not obligate a Shipper to undertake actions where they are not the registered Shipper on the Agency system. Changes are therefore required to:

- 1) Recognise that the initial Shipper registered on the Agency Shipper may differ to the Shipper registered via the Bulk Confirmation Process;
- 2) Cater for such situation; and to acknowledge the Agency system in this process;
- 3) Require the iGT to send the information to the iGT Agency from the Bulk Confirmation Process; and
- 4) Subject to point 1, require the Shipper that signed the Bulk Confirmation to register the supply point on the iGT Agency system.

Relevant Objectives

The proposer is of the view that this Modification better facilitates objective (f) *Promotion of efficiency in the implementation and administration of the Code*, as the change to the Code drafting addresses the loophole that can currently occur on the Agency system.

Implementation.

It is not anticipated that this Modification will have any implementation costs. As stated above, this Modification is required to be implemented for Project NEXUS go live, currently scheduled for 1st October 2016.

2. Rationale for Change

Currently Agency services are due to be implemented under Project NEXUS in October 2016. The issue has been identified under iGT078 and iGT079 discussion that the current iGT UNC drafting for bulk confirmations under Part C1 Paragraph 13 (which remains unchanged under iGT039), is incompatible with NEXUS systems build. This identified issue is that the Agency system can allow the first registered Shipper on the Agency system at a supply point level to be different to that confirmed via the Bulk Confirmation process between a Shipper and iGT. The Agency has confirmed that their systems cannot be changed in time for NEXUS implementation to support the current iGT new connections process.

3. Solution

The iGT039 legal text will need to be reviewed in light of the loophole identified with the Agency system and a solution developed in time for Project NEXUS go live that does not obligate a Shipper to undertake actions where they are not the registered Shipper on the Agency system.

Once the necessary change to the iGT039 text has been agreed the text for iGT078 and iGT079 may also need to be reviewed separately on the basis that the iGT039 "base text" on which the drafting has been constructed will (subject to approval) change. The iGT039 change will probably have to be made via a modification although if changes are required to the iGT078 and/or iGT079 text it is the Code Administrator's view that these could be made via a FastTrack modification. It is also anticipated that this modification would provide greater clarity around Shipper registration once iGT080 "Mandating iGT use of data as administered by the Pipeline Operators' Agency for Shipper Transportation Billing" is implemented.

A change could be raised in the future to amend the Agency system to change the validation requirements for the initial registration of supply points on their system. This would however be a separate piece of work at a later date as the Agency have confirmed that systems rules cannot be changed ahead of Project NEXUS go live.

Changes are therefore required to:

- 1) Recognise that the initial Shipper registered on the Agency system may differ to the Shipper registered via the Bulk Confirmation Process carried out with the Pipeline Operator;
- 2) Cater for such situation; *and to acknowledge the Agency system in this process;*
- 3) Require the IGT to send the information to the IGT Agency from the Bulk Confirmation Process; and

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- 4) Subject to point 1, require the Shipper that signed the Bulk Confirmation to register the supply point on the iGT Agency system.

An overview paper was drafted and discussed at the April work stream meeting, which has formed the basis for this modification. The legal text below was also reviewed by the work stream and no objections were raised.

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.	None
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.	Positive
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.	None

The Proposer considers that this Modification would facilitate:

Objective (f):

The proposer is of the view that this Modification better facilitates objective (f) *Promotion of efficiency in the implementation and administration of the Code* as the change to the Code drafting addresses the loophole that can occur on the Agency system. It is also anticipated that the modification will also support the forthcoming requirements of iGT080 "Mandating iGT use of data as administered by the Pipeline Operators' Agency for Shipper Transportation Billing".

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5. Impacts and Costs

No costs are expected as a result of this Modification.

6. Likely Impact on Consumers

None expected.

7. Likely Impact on Environment

None expected.

8. Implementation

As stated above, this Modification will need to be implemented at Project NEXUS go live, currently scheduled for October 1st 2016.

9. Legal Text

Supply Point Confirmation for a Smaller Supply Point

13.1 Subject to Clauses 13.2 to 13.87, a Supply Point Confirmation for a Smaller Supply Point shall be made in accordance with the provisions of Section G2.6 of the UNC with the following changes:

the words "other requirement provided for in this Section G" in paragraph 2.6.2(b) shall be interpreted as referring to any other requirement of this Part CI including those requirements in Section G of the UNC but only to the extent that they are incorporated into this Part CI by reference.

the reference to paragraph 2.3 of Section G of the UNC in paragraph G2.6.4 shall be interpreted as a reference to paragraph 2.3 as incorporated into this Part CI by Clause 10.1.

13.2 Where the Pipeline Operator becomes aware that:

- (a) a number of Smaller Supply Points each of which is a New Supply Point (each comprising only one Supply Meter Point) are in the process of being established by a person (the "Developer") and connected to the Pipeline; and
- (b) the Developer has sought to designate a person who holds a Shipper's Licence (a "Shipper") to make arrangements with the Pipeline Operator for the transportation of gas to such Smaller Supply Points;

then the provisions of Clause 13.3 shall apply.

13.3 Where this Clause 13.3 applies, the Pipeline Operator will notify the Shipper of the circumstances referred to in Clause 13.2 and will:

- (a) specify the details of the Smaller Supply Points referred to in Clause 13.2;
- (b) invite that Shipper to become a Pipeline User if it is not already one;

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(c) subject to the Shipper being a Pipeline User invite that Shipper to become the Registered User of all of such Smaller Supply Points by making Supply Point Confirmations in respect of the same in accordance with the provisions of Clause 13.64.

13.4 The submission of a Supply Point Confirmation as referred to in Clause 13.3(c) will require:

- (i) the Pipeline Operator to inform the Pipeline Operator Agency of the Meter Point Reference Numbers, together with any additional relevant information, including the identity of the Pipeline User as per the Supply Point Confirmation; and
- (ii) subject to Clause 13.5, the Pipeline User to become the Registered User with the Pipeline Operator Agency.

13.5 Where in respect of a New Supply Meter Point a Pipeline User other than that which submits the Supply Point Confirmation under Clause 13.3 becomes the first Registered User with the Pipeline Operator Agency, then such Pipeline User shall be deemed to be the Registered User at the First Supply Point Registration Date.

~~13.4~~13.6 A Pipeline User may only make Supply Point Confirmations as referred to in Clause 13.3 by way of Bulk Confirmation and otherwise in accordance with the provisions of the Code.

~~13.5~~13.7 The Pipeline Operator will accept or reject the Bulk Confirmation within 2 Supply Point Systems Business Days of receipt. Acceptance or rejection of the Bulk Confirmation will constitute acceptance or rejection of all of the Supply Point Confirmations in respect of all of the Smaller Supply Points detailed within it and accordingly the Pipeline Operator is not required to respond to any such Supply Point Confirmation on an individual basis.

13.8 A "Bulk Confirmation" means one Code Communication in the format specified by the Pipeline Operator which constitutes Supply Point Confirmations in respect of all of the Smaller Supply Points notified to the Pipeline User by the Pipeline Operator pursuant to Clause 13.2(a).

Part M amendments:

"Bulk Confirmation" shall have the meaning in Part CI 13.68;

"Supply Point Confirmation" shall have the meaning ascribed thereto in the UNC unless it is in relation to Supply Point(s) that are New Supply Point(s) that are subject to Clause 13.2 where it shall be a communication by means of Bulk Confirmation by a Proposing User to the Pipeline Operator requesting Supply Point Registration.

10. Recommendation

The Proposer invites the Panel to:

- Determine that this Modification should be subject to Self-governance;
- Determine that (where Self-governance is recommended) this Modification not be subject to a fast track procedure but consider whether a shorter consultation period is deemed appropriate in order to reach the June Panel;
- Determine that this Modification should progress to consultation on the basis that both the overview paper on which this Modification was based and the accompanying legal text were both reviewed at the April and May 2016 Workstream with no objections raised.