

Modification	At what stage is this document in the process?
<h2>iGT086:</h2> <h3>Central Data Service Provider – Implementing iGT UNC changes to support FGO</h3>	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="border: 1px solid green; background-color: #00a651; color: white; padding: 5px; display: flex; align-items: center; justify-content: center;"> 01 Modification </div> <div style="border: 1px solid #00a651; padding: 5px; display: flex; align-items: center; justify-content: center;"> 02 Workgroup Report </div> <div style="border: 1px solid #00a651; padding: 5px; display: flex; align-items: center; justify-content: center;"> 03 Draft Modification Report </div> <div style="border: 1px solid #00a651; padding: 5px; display: flex; align-items: center; justify-content: center;"> 04 Final Modification Report </div> </div>
<p>Purpose of Modification: <i>A modification to align the iGT UNC with the outputs of the Funding Governance and Ownership review of Xoserve.</i></p>	
	<p>The Proposer recommends that this modification should be:</p> <ul style="list-style-type: none"> subject to self-governance assessed by a Workgroup <p>This modification will be presented by the Proposer to the Panel on 12 April 2017. The Panel will consider the Proposer’s recommendation and determine the appropriate route.</p>
	<p>Low Impact: <i>Pipeline Operators and Pipeline Users</i></p>

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 Any questions?

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Timetable

The Proposer recommends the following timetable:

Initial consideration by Workgroup	5 th April 2016
Amended Modification considered by Workgroup	4 th April 2017
Workgroup Report presented to Panel	12 th April 2017
Draft Modification Report issued for consultation	12 th April 2017
Consultation Close-out for representations	3 rd May 2017
Variation Request presented to Panel	N/A
Final Modification Report available for Panel	4 th May 2017
Modification Panel decision	10 th May 2017

1 Summary

What

The IGT UNC requires amending to reflect the new role that Xoserve as the CDSP will undertake following the implementation of project NEXUS and to dovetail with the FGO arrangements being implemented under UNC0565 and UNC0604S. The impacted parts of the IGT UNC are CI, CII CV, E, I, K and N.

Why

The Funding, Governance and Ownership (“FGO”) Programme was established in May 2014 to define and deliver a blueprint for the future funding and governance of the Central Data Service Provider (“CDSP”) and Central Data Services (“CDS”), in line with Ofgem’s FGO Review conclusions in October 2013. The implementation of these conclusions will require amendment to relevant regulatory and iGT UNC arrangements and the development of a fully cooperative model for the CDSP, which retains the integrated CDS systems and services that Xoserve will deliver under Project NEXUS.

How

As FGO arrangements will apply to IGTs at project NEXUS go live, the changes to support FGO arrangements have been based on a ‘shadow’ IGT UNC which uses IGT039 as its base along with all other modifications that have been approved for implementation at NEXUS go live. The UNC drafting under UNC0604s will be used for the basis of the review, ensuring that CDSP services are reflected in the same way in the IGT UNC as the UNC where applicable. The Data Services Contract that underpins FGO arrangements has been developed under both UNC0565 and UNC0604 and is not therefore within the scope of this modification.

2 Governance

Justification for Self-Governance Procedures

IGT039 introduces agency arrangements whereby Xoserve will include IGT data in the central gas systems. FGO arrangements do not change the requirement for this, but amends the responsibility for the delivery of such services in line with FGO arrangements developed under UNC0565 and UNC0604. As such, this modification is reflecting already agreed industry arrangements (as is mandated on IGTs under the UNC) and IGT086 is therefore not expected to have a material impact on IGT UNC parties. On this basis the Proposer recommends that the modification should be progressed under Self-Governance procedures. This recommendation is in line with the procedure adopted for the equivalent modification UNC604S

Requested Next Steps

This modification should:

- be subject to self-governance
- assessed by a Workgroup

3 Why Change?

Modification of the iGT UNC is required to identify the requirement for the CDSP and CDSP services within the iGT UNC and to make corresponding changes in relevant obligations to reflect this. Should no changes be made, at NEXUS Go Live the IGT UNC will not reflect the new FGO contractual arrangements which IGTs are required to include in the UNC as per UNC0440.

4 Code Specific Matters

Technical Skillsets

An understanding of IGT039 along with UNC0565 and UNC0604 would be beneficial in understanding this modification and the drafting approach therein.

Reference Documents

[UNC0565 \(for the background to FGO\)](#)

[UNC0604s \(to understand how FGO impacts NEXUS services\).](#)

[IGT039 \(to understand the drafting approach for the IGT UNC at NEXUS Go Live\).](#)

5 Solution

The 'shadow' IGT UNC as has been prepared for implementation on the Project Nexus Implementation date will need to be reviewed using the following approach:

- Where 'Pipeline Operator' is referenced in a section where Xoserve perform an activity under IGT039, review the corresponding section in the UNC to determine whether the reference to 'Pipeline Operator' is to be amended to 'CDSP'.
- Where IGT039 points to the UNC, review any references both in the IGT UNC and UNC that refer to Transporter/Pipeline Operator to determine if these references remain correct.
- Review and update Section N (Agency Services) as introduced by IGT039 against the UNC equivalent section to determine whether any changes are required.
- Update any drafting inconsistencies identified within the areas impacted by NEXUS and FGO.

6 Impacts & Other Considerations

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This modification does not impact any SCRs and has been raised to implement a major Ofgem initiative 'FGO'.

Consumer Impacts

No consumer impacts are expected as a result of this change.

7 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) Co-ordinated, 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 agreements 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 Cooperation of Energy Regulators	None

The proposer is of the view that this Modification better facilitates objectives:

(f) *Promotion of efficiency in the implementation and administration of the Code,*

as the drafting developed under iGT039 (whereby parts of the UNC are 'pointed to') will be aligned with the FGO arrangements under the UNC.

8 Implementation

This modification must be implemented at NEXUS go live which is the point from which Xoserve will be providing services to parties under the IGT UNC. With NEXUS currently expecting to be implemented on June 1st this modification will need to be progressed as a self-governance change with a reduced implementation period. There are no additional costs expected as a result of this change.

9 Legal Text

The Proposer is welcome to put forward suggested legal text. If this is a proposed Fast Track Self-Governance modification then legal drafting and commentary must be provided. Otherwise the legal representative when requested to do so by the Modification Panel will provide formal legal text and commentary.

Text Commentary

In support of the legal text provided, the legal representative will provide a plain English explanatory note setting out the approach taken to converting the Solution into legal text, illustrating how the legal text delivers the intent of the Solution.

Insert text here

[Suggested] Text

The legal representative will provide the Text (to be inserted into Code) with instructions for the Code Administrator. The Text can be published alongside the main document.

To be provided separately.

The Code Administrator may set alternative subheadings appropriate to the specific Code.

Insert subheading here

Insert text here

10 Recommendations

Proposer's Recommendation to Panel

Panel is asked to:

- Refer this proposal to a Workgroup for assessment.