

Workgroup Report		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; padding: 2px; display: inline-block;">01 Modification</div> <div style="border: 1px solid blue; padding: 2px; display: inline-block;">02 Workgroup Report</div> <div style="border: 1px solid purple; padding: 2px; display: inline-block;">03 Draft Modification Report</div> <div style="border: 1px solid orange; padding: 2px; display: inline-block;">04 Final Modification Report</div> </div>
<p>Purpose of Modification: A modification to align the iGT UNC with the outputs of the Funding Governance and Ownership review of Xoserve.</p>		
	<p>The Workgroup recommends that this modification should:</p> <ul style="list-style-type: none"> be subject to self-governance procedures be further assessed by a Workgroup proceed to Consultation <p>The Panel will consider this Workgroup Report on 12th April 2017. The Panel will consider the recommendations and determine the appropriate next steps.</p>	
	<p>High Impact: None</p>	
	<p>Medium Impact: None</p>	
	<p>Low Impact: Pipeline Operators and Users</p>	

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Timetable	
Modification timetable:	
Initial consideration by Workgroup	02 August 2016
Amended Modification considered by Workgroup	07 March 2017
Workgroup Report presented to Panel	12 April 2017
Draft Modification Report issued for consultation	dd month year
Consultation Close-out for representations	dd month year
Variation Request presented to Panel	dd month year
Final Modification Report available for Panel	dd month year
Modification Panel decision	dd month year

 Any questions?

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Update from the workgroup held on the 2nd August 2016

Gethyn Howard (GH) confirmed that the review of arrangements would come into force from 1st April 2017; the Review Group noted that this may have implications on how the text is implemented, as Section N drafting would not be in place were the implementation date for Project Nexus be delayed until after this date. GH considered that the FGO programme was currently at risk for completion in April 2017; however, Ofgem was keen to ensure that the work was completed ahead of this time.

GH considered that the UNC change was likely to be circulated as a Draft Modification Report in October or November 2016. GH therefore considered that an iGT UNC Modification should be considered by the Modification Panel in December 2016. The Review Group considered that any change was likely to be documentation only, requiring the minimum two months implementation lead time following a decision to implement.

Update from workgroups held in September 2016 through February 2017

It was recognised that with the delay of the Nexus implementation until June 2017 this would impact the date by which the FGO arrangements had to be reflected within the iGT UNC. No progress could be made on the iGT Modification pending finalisation of the UNC565 Modification and completion of the legal drafting for the UNC Nexus text. This was delayed as the UNC's focus was foremost on the UNC legal drafting for the implementation of the FGO arrangements in April 2017. Once this was complete then the UNC would switch to the drafting changes required for the Nexus version of the UNC. Only at this stage could the changes that will be required to the iGT UNC be properly identified.

Update from workgroup held in March 2017

The workgroup reviewed the final draft of the legal text and the new section N which was to be sent to external Lawyers for the final review before this Modification can be sent out for consultation. The Workgroup made a number of small suggestions for change to the legal text which Gethyn Howard agreed to review post the meeting. It was expected that the legal text review by the external lawyers would take approximately a week and would be returned in time for the next workgroup where it is expected that the workgroup for this modification would conclude.

Update from workgroup held in April 2017

A further review of the legal text as amended following the external legal review was carried out by the Workgroup. Consensus of the Workgroup was that the legal text delivered the intentions of the Modification. The Workgroup also reviewed the proposed changes to the Standards of service query management ancillary document and agreed that this should be incorporated into the intention of iGT086 as per the terms of reference for RG001. The Workgroup agreed that this Workgroup report should be sent to a Extraordinary Panel meeting on 12th April with a recommendation to be sent to Consultation under the self-governance Modification rules.

1 Summary

Note the following Summary and Solution Sections are taken from the latest version of the iGT086 Modification (v2).

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. The review of legal text also identified that Ancillary documents should be reviewed for references to ‘Transporter Agency’ to be changed to ‘CDSP’.

2 Governance

Justification for Urgency, Self-Governance or Fast Track Self-Governance

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
- be assessed by a Workgroup
- proceed to Consultation

Workgroup view

Update from workgroup held in March 2017

The Workgroup’s view on this Modification was that this should proceed as a Self-Governance Modification in line with the UNC’s approach.

Update from workgroup held in April 2017

No change in view from the Workgroup since the March 2017 meeting.

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.
- Review all relevant Ancillary documents which cite 'Transporter Agency' and change these references to 'CDSP'.

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'.

Workgroup Impact Assessment

Update from workgroup held in March 2017

The workgroup agreed that this Modification will not impact any SCRs. The Workgroups assessment of this Modification is that there will be no system changes. This Modification aligns iGT UNC code to the arrangements already agreed in the UNC & DSC in line with the changes in the governance arrangements as directed by the Authority.

Update from workgroup held in April 2017

No change in view from the Workgroup since the March 2017 meeting.

Consumer Impacts

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

Environmental Impacts

None Expected

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.

Workgroup View

Update from workgroup held in March 2017

The Workgroup were happy that this Modification focuses on relevant objective F. The original Modification included a positive impact on relevant objective D, however, after discussion it was determined that this would not have a significant impact on competition and therefore, was not deemed appropriate.

Update from workgroup held in April 2017

No change in view from the Workgroup since the March 2017 meeting.

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 [fast track] self-governance change with a reduced implementation period. There are no additional costs expected as a result of this change.

Workgroup View

Update from workgroup held in March 2017

The Workgroup supported that this Modification should be implemented upon Project Nexus Implementation Date (PNID). The Workgroup discussed the Self-Governance timeframe for implementation of a Modification and recognised that the standard 2-month implementation lead time for documents only changes will not meet the scheduled date for Project Nexus Implementation. Therefore, the Workgroup recognised that a shortened Implementation lead time may be necessary and that this could also result in Implementation ahead of the closure of the appeal window.

Update from workgroup held in April 2017

Since the last meeting the Workgroup suggested that the Modification could go to Consultation after the Panel on 12th April with an intention to present a final modification report to a further extraordinary Panel meeting on 10th May 2017. This would ensure that both the Consultation window and Appeal window adhere to the 15 days as per the Code rules and still allow for implementation on 1st June 2017.

9 Legal Text

Legal Text has been provided by [name] and is [included below/published alongside this report]. The Workgroup has considered the Legal Text and is satisfied that it meets the intent of the Solution.

Text Commentary

This is being developed and externally reviewed by Lawyers appointed by the iGTs.

Text

The full post review legal text can be found [here](#)

Workgroup View

Update from workgroup held in March 2017

At the March 2017 meeting the Workgroup reviewed the initial draft of the legal text and a small number of comments were made to be incorporated into a further revision. The revised version of this text will be sent for external legal view, along with the iGTs.

Update from workgroup held in April 2017

A further review of the legal text as amended following the external legal review was carried out by the Workgroup. Consensus of the Workgroup was that the legal text delivered the intentions of the Modification. The Workgroup also reviewed the proposed changes to the Standards of service query management ancillary document and agreed that this should be incorporated into the intention of iGT086 as per the terms of reference for RG001. The Workgroup agreed that this Workgroup report should be sent to an Extraordinary Panel meeting on 12th April with a recommendation to be sent to Consultation under the self-governance Modification rules.

10 Recommendations

Workgroup's Recommendation to Panel

The Workgroup asks Panel to agree that:

- This self-governance modification should proceed to consultation.