

Consultation Response

iGT097 - Provision for allowing consecutive estimated invoicing in the event of System Failure by the CDSP

Responses invited by: 13 APR 2017

Respondent Details

Name: Andrew Margan

Organisation: Centrica Plc

Support Implementation**Please briefly summarise the key reason(s) for your support / opposition**

IGT cash flow is reliant on invoicing shippers (Users) for Transportation charges. We accept IGTs should be given some flexibility to estimate an invoice if there is information system failure. Therefore we support the proposal.

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 this proposal seeks to extend the current arrangements to allow an IGT to estimate User invoices should there be a system failure, we don't believe this change has a likely material impact to consumers or competition. Therefore we believe self-governance arrangements are appropriate.

Relevant Objectives

How would implementation of this modification impact the relevant objectives?

IGT UNC sets out that IGTs will invoice User on a monthly basis. We therefore believe this proposal furthers relevant objective (F) Promotion of efficiency in the implementation and administration of the Code.

We are not convinced how these arrangements further relevant objectives A) Efficient and economic operation of the pipe-line system. For example the pipeline is unlikely to be run more efficiently as a result of this change.

Impacts and Costs

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

None identified

Implementation

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

We acknowledge the greatest risk to prevent invoicing is the UK Link Replace project, known as Nexus, therefore we believe a decision on this proposal needs to be implemented before the 1st June 2017.

Legal Text

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

We have a concern regarding the governance of this proposal. The concern is twofold –

The solution only contains the words "As above". Good governance should ensure the solution business rules are clear and legal text reflects these rules.

We are concerned the 8 month rule does not appear to form part of the Modification solution. Therefore the solution and Legal text do not align. We believe the solution and legal text should align. We also believe the Modification should explain why the 8 month rule is transitional and not enduring.

Further Comments

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

None

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