

iGT Guidance Document

Sale of Network Scenarios

20 February 2014
Version 0.1

Introduction

Background

This Guidance Document has been produced to give Pipelines Users (shippers) the opportunity to make iGTs aware of potential impacts on shippers' businesses where networks transfer from one iGT (or GDN) to another iGT (or GDN) in each of the following scenarios:

- Where an iGT sells a licence to another iGT
- Where an iGT sells network assets (infrastructure and meters) to another iGT
- Where an iGT sells network assets to a GDN
- Where a GDN sells network assets to an iGT

Due to the sensitive nature of the commercial discussions surrounding any sale, shippers (and other industry parties) will often not become aware of the sale until the date of completion/transfer of ownership. [However, where commercial sensitivities do not exist, communication to affected parties should be made prior to the sale taking place and providing as much notice as possible.](#) Through this document, shippers are asked to make iGTs aware of the potential impacts on their businesses of a potential sale of iGT licence or network assets.

By making reference to this document, iGTs will be able to assess the impact on shippers and put in place any processes or controls that will minimise the impact and disruption to the end users on the affected network.

Modifying of Document/Proposing New Impacts

Any party may submit a new impact through the iGT Standing Workgroup (i.e. the iGT-Shipper Workgroup). The impact should be sent [to the Code Administrator](#) at least 10 business days prior to the iGT Standing Workgroup at which the [shipper-party](#) wishes the proposed impact to be discussed.

Parties may [agree to accept, amend or reject](#) an addition to this document based on the following criteria:

- The proposed impact has been provided [to the Code Administrator](#) at least 10 business days prior to the iGT Standing Workgroup at which the [shipper-party](#) wishes the proposed impact to be discussed. [The Code Administrator will include the matter on the Agenda of the iGT Standing Workgroup and publish the impact with the Agenda.](#)
- The proposed impact includes:
 - a description of the impact,
 - the cause of the impact,
 - Whether the impact is on a single shipper or multiple shippers [\(where known\)](#), and any other parties [\(where known\)](#), and;
 - proposes at least one control or process that an iGT can put in place to ensure minimal impact to the end users on the affected network(s)
- Is clear in its description of the above.

Accepted changes will be added to this Sale of Networks Scenarios document by the iGTs and placed on the iGT-UNC website.

[Due to the different possibilities and permutations that a sale may take, it is acknowledged by all parties to the iGT UNC that this document does not provide an exhaustive list of all impacts that may](#)

Commented [T1]: Would this be via a simple majority decision?
If so should we specify this?

[exist where a sale of a network or assets takes place between iGT's or iGT and a GDN or vice versa. Where this is the case any impact identified by a party shall be given due consideration.](#)

For clarity, this document does not form part of the iGT Uniform Network Code.

1. Where an iGT sells a licence to another iGT

In this scenario, an iGT sells a licence (and all associated assets) to another iGT. The licence's iNC (and other contractual arrangements, e.g. metering provision) and the GT shortcode will not change in this scenario.

Commented [T2]: Without a change to the GAO?

<What other variables need to be explicitly defined to aid shippers?>

Listed Impacts on Parties

<Impact Number><Impact Name>

<Description of Impact>

<Cause of the Impact>

<Impacted Parties>

<Suggest control or process to minimise impact to third parties>

Possible impacts/comments:

- [Invoicing of Transportation and Metering Charges](#)
- [Management of outstanding Queries](#)
- [Communication of changes within Shipper businesses, i.e. new contact numbers, any changes to how and where queries are raised etc](#)

2. Where an iGT sells network assets (infrastructure and meters) to another iGT

In this scenario, an iGT sells only the network assets (including meters) to another iGT. The selling iGT retains the licence, but the MPRNs and associated assets transfer into another iGT's licence. The contractual arrangements may vary, but the basis on which shippers are charged should not change.

Commented [T3]: Could this involve a change to the GAO?

<What other variables need to be explicitly defined to aid shippers?>

Listed Impacts on Parties

<Impact Number><Impact Name>

<Description of Impact>

<Cause of the Impact>

<Impacted Parties>

<Suggest control or process to minimise impact to third parties>

Possible impacts/comments:

- [Invoicing of Transportation and Metering Charges](#)
- [Management of outstanding Queries](#)
- [Communication of changes within Shipper businesses, i.e. new contact numbers, any changes to how and where queries are raised etc](#)
- [‘In flight’ CoS events](#)
- [Changes to MPRN Look-up table in Shipper systems, at least 2 months notice required, changes should avoid the dates of the 3 standard industry releases each year.](#)

3. Where an iGT sells network assets to a GDN

In this scenario, an iGT sells network assets to a GDN. The iGT retains its licence, whilst the assets transfer into a GDN licence. The assets fall under the contractual arrangements within the Large Transporters' UNC and will be charged for under the GDN's charging regime. The meter assets on the relevant networks may change ownership as a result of the sale or they may remain with their existing owners.

<What other variables need to be explicitly defined to aid shippers?>

Listed Impacts on Parties

<Impact Number><Impact Name>

<Description of Impact>

<Cause of the Impact>

<Impacted Parties>

<Suggest control or process to minimise impact to third parties>

Possible impacts/comments:

- [Invoicing of Transportation and Metering Charges, in addition would CSEP/LMN's need closing down?](#)
- [Management of outstanding Queries](#)
- [Communication of changes within Shipper businesses, i.e. new contact numbers, any changes to how and where queries are raised etc](#)
- ['In flight' CoS events](#)
- [The customers MPRN would need to change – this would be a significant exercise for Shippers/Suppliers to amend.](#)
- [Who will communicate the change to the customer initially? Believe the initial contact should be from the iGT/GDN.](#)
- [PEM's?](#)
- [Who will be the GAO? Will the Supplier become responsible for the appointment of the MAM?](#)
- [Any difference in the treatment of SSP/LSP sites in this scenario?](#)
- [Suppliers have a licence condition to advise customers of their Transporters contact details, usually provided through their bill.](#)

4. Where a GDN sells network assets to an iGT

In this scenario, a GDN sells network assets to an iGT. The GDN retains its licence, whilst the assets transfer into an iGT licence. The assets fall under the contractual arrangements within the iGT UNC and will be charged for under the RPC charging regime. The meter assets on the relevant networks may change ownership as a result of the sale or they may remain with their existing owners.

<What other variables need to be explicitly defined to aid shippers?>

Listed Impacts on Parties

<Impact Number><Impact Name>

<Description of Impact>

<Cause of the Impact>

<Impacted Parties>

<Suggest control or process to minimise impact to third parties>

Possible impacts/comments:

- Invoicing of Transportation and Metering Charges, in addition would new CSEP/LMN's need setting up?
- Management of outstanding Queries
- Communication of changes within Shipper businesses, i.e. new contact numbers, any changes to how and where queries are raised etc
- 'In flight' CoS events
- The customers MPRN would need to change – this would be a significant exercise for Shippers/Suppliers to amend.
- Who will communicate the change to the customer initially? Believe the initial contact should be from the iGT/GDN.
- PEM's?
- Who will be the GAO? Will the iGT become responsible for the appointment of the MAM?
- Any difference in the treatment of SSP/LSP sites in this scenario?
- Suppliers have a licence condition to advise customers of their Transporters contact details, usually provided through their bill.