








Final Modification Report	At what stage is this document in the process?
<h1>IGT171:</h1> <h2>Settlement Adjustments for Supply Meter Points impacted by the Central Switching System P1 Incident</h2>	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="border: 1px solid #ccc; padding: 2px; display: flex; align-items: center; gap: 5px;"> <span style="border: 1px solid #ccc; border-radius: 50%; padding: 2px 5px;">01</span> Modification         </div> <div style="border: 1px solid #ccc; padding: 2px; display: flex; align-items: center; gap: 5px;"> <span style="border: 1px solid #ccc; border-radius: 50%; padding: 2px 5px;">02</span> Workgroup Report         </div> <div style="border: 1px solid #ccc; padding: 2px; display: flex; align-items: center; gap: 5px;"> <span style="border: 1px solid #ccc; border-radius: 50%; padding: 2px 5px;">03</span> Draft Modification Report         </div> <div style="border: 1px solid #ccc; padding: 2px; display: flex; align-items: center; gap: 5px;"> <span style="border: 1px solid #ccc; border-radius: 50%; padding: 2px 5px;">04</span> Final Modification Report         </div> </div>
<p><b>Purpose of Modification:</b></p> <p>This Modification seeks to address any settlement discrepancies arising from the Central Switching System (CSS) Priority 1 (P1) incident by creating a suitable resolution framework.</p>	
	<p>Panel consideration is due on <b>24<sup>th</sup> November 2023</b>  <i>(Delete as appropriate following Panel's decision)</i>            The Panel recommends implementation</p>
	<p>Panel consideration is due on <b>24<sup>th</sup> November 2023</b>  <i>(Delete as appropriate following Panel's decision)</i>            The Panel does not recommend implementation</p>
	<p>High Impact:</p>
	<p>Medium Impact:            Parties: Suppliers; Shippers; Consumers; IGT Transporters            Codes: UNC – This Modification is the IGT equivalent of UNC Modification 0855            REC – R0067 has been considered in the development of the solution option described within this Modification – as this will mitigate prolonged adjustment periods.</p>
	<p>Low Impact:            None identified.</p>

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Timeline			Other: Xoserve
<b>Modification timetable:</b>			 <a href="mailto:David.addison@xoserve.com">David.addison@xoserve.com</a>
Initial consideration by Workgroup	12th October 2023		 0121 299 2138
Amended Modification considered by Workgroup	n/a		Other: Jenny Rawlinson
Workgroup Report presented to Panel	27th October 2023		 <a href="mailto:Jenny.Rawlinson@bu-uk.co.uk">Jenny.Rawlinson@bu-uk.co.uk</a>
Draft Modification Report issued for consultation	30th October 2023		
Consultation Close-out for representations	20th November 2023		 +44 (0) 1359
Variation Request presented to Panel	n/a		243321
Final Modification Report available for Panel (Late Paper)	22nd November 2023		
Modification Panel decision	24th November 2023		

## 1 Summary

### What

1. On 6<sup>th</sup> July 2023 a Priority 1 incident was declared by the Switching Service Operator on the Central Switching Service (CSS) when a large number of Registrations (c.193,000) did not successfully progress to a state where they would become Active Registrations by the original Supply Effective From Date within CSS. As a result, CSS did not issue the Secured Active Notifications required under the Retail Energy Code to the Gas Retail Data Agent. These Secured Active Notifications are termed 'Definitive Registration Notifications' under the Uniform Network Code when received by the CDSP. As the CDSP has not received these notifications from CSS in advance of the Registration Effective Date, the CDSP is unable to record the Nominated Shipper as the Relevant User of the Supply Point in accordance with UNC TPD Section G 5.2.4 b) – i.e., by 05:00 on the Registration Effective Date. Different Shippers and Suppliers managed the response to the CSS P1 Incident in different ways. The following resolution paths are considered to have impacted Settlement, so are within the scope of this Modification:
  - a. cancellation of Registrations that had passed (or were about to reach) their Supply Effective From Date in CSS, and resubmission for a subsequent Supply Effective From Date – meaning that the **Original Intended Supply Start Date** was not achieved; or
  - b. waiting for the Switching Operator to issue retrospective Secured Active Notifications – leading to a discrepancy between the UKL Registration Effective from Date and the Supply Effective From Date in CSS (**CSS Registration Effective from Date**).
2. This will cause a gap between the Registration Date in UK Link and the CSS. This will mean that there is an issue where Settlement (which is generated from UK Link systems) will not be attributed to the relevant Shipper that is recorded in the CSS, the system that should master Registrations.
3. This Modification includes a retrospective but finite component recognising that this Modification is raised to address Settlement issues arising from this specific incident on the CSS.
4. For Gas this issue is expected to impact in excess of 80,000 gas Registrations, of which circa 7,000 related to Supply Meter Points on IGT Networks. Due to the period for CSS resolution and the nature of the Supply Meter Points impacted, the aggregate adjustment value, where relevant, is expected to be material across all sites on the GB Gas Network, however, given that this Modification only deals with the Supply Meter Points attached to IGT Networks and the Settlement components associated with IGT Transportation and Metering invoicing the adjustment value is less than UNC Modification 0855.
5. This Modification proposes that in the event that the Central Data Service Provider (CDSP) becomes aware that Registration details in the UK Link system are not aligned to Central Switching Service (CSS) or as the Original Intended Supply Effective From Date is not recorded in CSS, the Shipper recorded in CSS will be responsible for the Supply Meter Point for the purposes of invoicing, despite not being recorded as such within the Supply Point Register. Where relevant the Modification addresses the disconnect between CSS and UK Link by enabling the IGT to process an IGT Transportation and Metering charge adjustment for the period between the CSS Registration Effective From Date (or the Original Intended Supply Effective From Date) until the Registration is effective in UK Link systems (i.e., the Effective Registration Date) so the relevant charges for the period of misalignment is correctly allocated to the relevant Shipper.

6. To assist in the Settlement processes this Modification also proposes that the CDSP, where a Meter Reading is not already present, adds a valid Meter Reading on the CSS Registration Effective Date (or the Original Intended Supply Effective From Date), and sets out which User may replace such a Meter Reading, and the timescales within which they may do so in order to affect Settlement.

## Why

7. This Modification is intended to enable IGTs to address IGT Transportation and Metering charge discrepancies on circa 7,000 Supply Meter Points on IGT Networks caused by an issue in the CSS that resulted in circa 80,000 Gas Registrations not progressing in accordance with the Retail Energy Code, leading to a difference between the Original Intended Supply Effective From Date in the Retail Energy Code and the Registration Effective Date recorded in UK Link systems.

## How

8. This Modification proposes transitional changes to the IGT UNC to address Settlement discrepancies caused by the CSS P1 Incident. This Modification proposes that:
  - a. The IGT undertakes an adjustment to the IGT Transportation invoices, and where relevant Metering charges, to correct the disconnect between CSS and UKLink
  - b. There is clarity in the IGT UNC as to which party is responsible for Settlement in the event that CSS and the UK Link system are misaligned; and
  - c. The CDSP may load a Meter Reading on the CSS Registration Date (or the Original Intended Supply Effective From Date), which User may replace such Meter Reading and the purpose for which this Meter Reading is loaded; and
  - d. There is clarity about the circumstances that the IGT shall generate and issue IGT Transportation and Metering invoice adjustments
  - e. There is the ability for Losing and Gaining Shippers to opt out of Settlement adjustment.

## 2 Governance

### Justification for Authority Direction

1. This Modification has a material impact and is retrospective in nature. Therefore, it requires Authority direction.
2. The CSS P1 Incident affects c. 80,000 Gas Supply Meter Points with a total Annual Quantity of 1.25TWh and the period of Settlement Adjustment is likely to be up to 30 calendar days. This issue

has had a material commercial impact on industry parties across the UNC and IGT UNC and also on consumers as a consequence.

3. This Modification includes a limited, targeted, and finite Retrospective component. Ofgem Guidance states that this may be considered where “a situation where the fault or error giving rise to additional costs or losses was directly attributable to central arrangements” – in this instance the CSS.
4. The value of the adjustments has yet to be defined as the CDSP do not formally know the impacted Supply Meter Points, as some of the failed Registrations have yet to occur and this will be subject to a reconciliation by the Switching Operator. As part of UNC Modification 0836S the CDSP provided the following table that showed the potential commercial impacts of the Settlement Adjustments. Whilst no Supply Meter Points with the VLDMC AQ shown have been impacted by this issue there have been a number of Supply Meter Points at or around 10 GWh – which could equate to a daily gas allocation of circa £1.5-5k per day.

This uncertainty could be visible to consumers:

	Typical Domestic Property	Average sized Industrial/ Commercial Property	Very large Daily Metered site
Assumed AQ (kWh)	16,258	564,000	139,500,00
Peak Day Consumption (SOQ – kWh)	149	3,528	687,032
Typical Transportation Charges per Day	£0.70	£7.35	£535.85
Average gas allocation per day kWh/cost	45 kWh £1.76	1,545 kWh £60	382,252 kWh £14,907
Peak day gas allocation per day kWh/cost (i.e. worst case scenario)	149 kWh £11.18	3,528 kWh £265	687,032 kWh £51,527

- Switch not processed – old Shipper continues to be billed, new Shipper not billed

## Requested Next Steps

This Modification should:

- be considered a material change and not subject to Self-Governance.
- be assessed by a Workgroup.

It is proposed that this Modification progress to Workgroup, but that this is concluded within one month so that Workgroup attendees have an opportunity to support development of the Modification.

## Workgroup Discussions (October 2023)

The Workgroup discussed the materiality of the change. The Workgroup noted that circa. 7k IGT UNC Supply Points had been affected during the P1 incident. The Workgroup agreed that the Modification meets the threshold for an Authority change, due to the retrospective elements and material changes as set out by the Proposer.

## Panel Discussions (October 2023)

The Panel agreed that this Modification does qualify for Authority determination because of the justification set out within the section above.

### 3 Why Change?

1. This Modification proposes implementing the framework to enable IGT Transportation and Metering charges (where relevant) invoicing Adjustments caused as a result of the Central Switching Service (CSS) Priority 1 (P1) Incident which has led to the disconnect between the Supply Effective From Date (or the Original Intended Supply Effective From Date) in CSS and the Registration Effective Date in UK Link systems for circa 80,000 Registrations, of which circa 7,000 are on IGT UNC Supply Meter Points.
2. This Modification includes a retrospective but finite component recognising that this Modification is raised to address IGT Transportation and Metering (where relevant) invoicing issues arising from the specific incident on the CSS referenced above.
3. This disjoint will mean that there is an issue where IGT Transportation invoicing will not be attributed to the relevant Shipper that is recorded from the Supply Effective From Date in CSS.
1. This issue has created a set of complex challenges to industry participants. A number of options are being contemplated by industry parties to reduce the impact to their consumers and on their systems and processes. Users may elect a number of resolution paths therefore we need to ensure that this Modification caters for these diverse resolutions.

The following paths are understood and catered for in this Modification:

- a. **Switching Operator Issue of Retrospective Secured Active Notifications:** The Switching Operator has progressed option (referred to as option 2) where they have issued the Secured Active Notifications for the original Supply Effective From Date from 2<sup>nd</sup> August 2023. These notifications could be up to 27 days later than they should have been issued, this will also include instances where the CSS have notified the CDSP that the Registration is Active within CSS and that it would send a Definitive Registration Notification and failed to do so. We understand that DCC are seeking a derogation from REC PAB in order to do so. **These Supply Meter Points are included within this Modification.**
- b. **Supplier Proactive Cancellation of Registrations and Registration resubmission for a Future Effective Date.** Some Suppliers have cancelled the original Registration that has reached the intended Supply Effective From Date in CSS, but the original Registration has not been set to Active by CSS. **These Supply Meter Points are intended to be included within the scope of this Modification** as the CSS P1 Incident means that there may be a disjoint between the Original *Intended* Supply Effective From Date and the Registration Effective Date in UK Link systems.

The Central Switching Service has been unable to identify the number of Registrations that have been impacted that have a future Supply Effective From Date, but at 24<sup>th</sup> July 2023 the CDSP have estimated that a further 2k Registrations will be impacted unless Suppliers proactively cancel the Registration and resubmit for a prospective date. The CDSP have sought to identify future dated Registrations that are impacted so that Shippers can proactively manage these Registrations – CDSP estimates that approximately 1k Registrations have been cancelled and resubmitted as a result of this. These Supply Meter Points will be **excluded** from the Modification as the Original Supply Effective From Date in CSS and the Registration Effective Date in UK Link are aligned. This Modification will only consider Supply Meter Points where these two dates are misaligned – as this is where a Settlement discrepancy will have arisen.



2. This incident will result in a difference between the original intended Supply Effective From Date in the Retail Energy Code and the Registration Effective Date in the Uniform Network Code. This issue will lead to IGT Transportation and Metering invoicing discrepancies that this Modification seeks to address. This necessitates a retrospective element albeit associated with a tightly defined population of impacted Supply Meter Points
3. Different industry parties will have impact assessed this incident differently and consequently may have resolved the situation differently, the known resolutions are detailed above but this Modification will consider Supply Meter Points in scope where the Original Intended Supply Effective From Date and the Registration Effective Date in the Uniform Network Code differ.
4. This Modification proposes that in order to qualify as a candidate Supply Meter Point for IGT Transportation and Metering invoicing Adjustment the Supply Meter Point must have been:
  - a. Defined as an impacted Supply Meter Point by the Switching Operator – i.e., the Secured Active Notification failed to be issued by the Switching Operator by the Original Intended Supply Effective From Date or
  - b. Included in the CDSP assessment of impacted Supply Meter Points – and the Original Intended Supply Effective From Date did not align to the UK Link Registration Effective Date
5. In accordance with 4b the incoming Shipper **must warrant which Supply Meter Points are valid instances of Supplier Proactive Cancellation of Registrations and Registration resubmission for a Future Effective Date (as per Rule 4b above)**. To support this process the CDSP will identify the candidate Supply Meter Points that it considers could meet the criteria – i.e., original Registration for that Supply Meter Point was cancelled and was resubmitted for a **later** Registration Effective Date for the same Shipper. The incoming Shipper must confirm those within the CDSP notice apply, and any additional Registrations that they consider meet the relevant criteria. Where such Supply Meter Points are warranted by the incoming Shipper these will be included in the adjustment processes and Meter Readings shall be applied.
6. This Modification further proposes that the IGTs need not perform the IGT Transportation and Metering invoicing Adjustment where both the Losing and Gaining Shippers opt out of the Settlement Adjustment. This is proposed as a number of the Registrations impacted are understood to be 'internal' Registrations as a result of portfolio re-alignment within company group operations.
7. **Responsibility for a Supply Point.** The changes for the Faster Switching SCR, amongst other things, defined the basis on which a User became the Registered User of a CSS Supply Point in the Supply Point Register. The IGT UNC changes did not consider the circumstances where the CSS and UK Link systems were misaligned. This is not a failure of the SCR as this was a scenario that was not envisaged by the Ofgem Switching Programme, and indeed any changes to remedy such instances were deferred from the Programme. This Modification seeks to clarify the responsibility for the Supply Point in the exceptional event that CSS and UK Link systems are misaligned.
8. **Insertion of a Meter Reading for the CSS Registration Effective Date.** Where a Supply Point is created an Opening Meter Reading should be obtained for the Supply Point Registration Date in accordance with TPD Section M 5.13. Where this is not provided, the CDSP will estimate a Meter Reading. This Meter Reading is used in Settlement to define the gas used between the previous and the new Registered User, the Suppliers and potentially end consumer billing. The CDSP has proposed to insert a Meter Reading on the date that the Supply Point Registration of the CSS Supply Point would have become effective in the Supply Point Register had all messages been generated and received successfully – this is referred to as the **CSS Registration Effective Date Meter Reading** but will also include the Original Intended Supply Effective From Date). This Meter Reading will only be inserted where a Meter Reading does not otherwise exist in UK Link systems on the CSS Registration Effective

Date. This Meter Reading will be a Valid Meter Reading – i.e., it would be used for reconciliation (i.e., a Reconciliation Meter Reading) and could be used for AQ – but since it is proposed that this is added once the Opening Meter Reading has been loaded then it is unlikely to be utilised as the AQ Closing Reading (TPD M 2.3.7 (a) refers). This will enable Users to continue to use this Meter Reading as if the CSS and UK Link systems were aligned. Treatment of this Meter Reading will be different from a standard Opening Meter Reading in that only the User who is recorded on UK Link systems (i.e., the party that will become the Outgoing User with UK Link systems are updated with the Supply Point Registration) will be able to replace this, as opposed to the incoming User. It is required that both Shippers will cooperate with one another and ensure that any alternative Meter Reading that is agreed upon must be replaced by the User able to do so. For the avoidance of doubt, there may be some instances where the CSS Registration Effective Date Meter Reading cannot be loaded into the UK Link system – in such instances the Meter Reading will be derived and provided to the Users, but any Replacement of such Meter Readings will need to be provided via manual processes.

9. **Timeline for Calculation of the Adjustment.** This Modification proposes that the IGT will perform the calculation of the IGT Transportation and Metering invoicing Adjustment not earlier than the end of the third month following the issue of the CSS Effective Date Meter Reading to both Shippers or the Modification implementation date (whichever is the later). (For the avoidance of doubt Meter Readings may be replaced following the calculation being conducted, but any such Replacement Readings will not be factored into the Adjustment calculation, nor amend the Adjustment.) This means that any Replacement Readings must be accepted by the CDSP prior to this point in order to be considered for the Adjustment. In order to support this process in IGT UNC, the CDSP must notify the IGTs of the impacted Supply Meter Points that require adjustment, and those that do not following the relevant Shippers opting out of such adjustments. The CDSP shall issue this notice after they have conducted their assessment at the end of the third month as described above. For the avoidance of doubt, the IGTs do not have a prescribed timescale following the point that the CDSP notify them of the impacted Supply Meter Points with which to issue any adjustments that are determined to be required and this will be at each individual IGT's discretion. Any adjustments will consider IGT Transportation charges, and Metering charges where relevant.

## 4 Code Specific Matters

### Technical Skillsets

No specific knowledge or skills are expected to be required.

### Reference Documents

REC Schedule 23 – Registration Services defines the normal progression of a CSS Registration.

## 5 Solution

**The following transitional components are expected to be considered for the period of the CSS P1 Incident reference INC0216074.**

**BR1.** The CSS P1 Incident scope will be considered as being from the period of 7<sup>th</sup> July 2023 (being the earliest Original Intended Supply Effective From Date impacted by the incident on 6<sup>th</sup> July 2023) until all impacted Supply Meter Points have been identified and the Registrations effected in the UK Link system whether resolved by:



- a. Switching Operator Issue of Retrospective Secured Active Notifications, which will also include instances where the CSS have notified the CDSP that the Registration is Active within CSS and that it would send a Definitive Registration Notification and failed to do so.
- b. Supplier Proactive Cancellation of Registrations and Registration resubmission for a Future Effective Date.

**BR2.** In these circumstances the CSS Recorded Shipper (i.e., a Shipper who is recorded on the Central Switching Service as the registered Shipper, but as a result of the CSS P1 Incident is not recorded as the Registered User (i.e., Portfolio Shipper) in the UK Link system)) will be responsible for the Transportation invoicing, and where relevant Metering charges.

**BR2 Note 1:** This Modification seeks to clarify the responsibility for the Supply Point where, as a result of the CSS P1 Incident that CSS and UK Link systems are misaligned, or the Original Intended Supply Effective From Date was not achieved. This is intended to be an exceptional event – specific to the CSS P1 Incident.

**BR3.** Where a Meter Reading does not already exist, the CDSP will insert a Meter Reading on the date that the Supply Point Registration of the CSS Supply Point would have become effective. This is referred to as the **CSS Registration Effective Date Meter Reading** but will also include the Original Intended Supply Effective From Date). Such Meter Reading will be notified to both the Registered User (i.e., the Portfolio Shipper) and the CSS Recorded Shipper. This will enable Users to continue to use this Meter Reading as if the CSS and UK Link systems were aligned. Only the User who is recorded on UK Link systems (i.e., the party that will become the Outgoing User when UK Link systems are updated with the Supply Point Registration) will be able to replace this, as opposed to the incoming User. When the CDSP notifies the incoming and outgoing Shippers of the Meter Reading, they shall also notify the counterparty Supplier and Shipper – i.e., they will notify the incoming Shipper of both the outgoing Supplier and Shipper, and the outgoing Shipper of the incoming Supplier and Shipper. The

CDSP will also issue the 'P1 Incident Manager' contact details for the relevant Shippers within this notification – where this has been provided to the CDSP for this purpose.

**BR3 Note 1:** It is expected that both Shippers will cooperate with one another and ensure that any alternative Meter Reading that is agreed upon, must be replaced by the User able to do so.

**BR3 Note 2:** The CDSP will notify the outgoing and incoming Shipper of the Meter Reading on **CSS Registration Effective Date**, whether the Meter Reading is estimated by the CDSP or is already present in the UK Link system.

**BR4.** The methodology for Meter Reading estimation will be determined by the prevailing Class at the time of the CSS Registration Effective Date and in accordance with UNC TPD 5.4.1 and 5.4.2 for Classes 1 and 2, and for 3 and 4, respectively.

**BR4 Note 1:** It is not expected that Meter Readings will be required for Class 1 and 2 Supply Meter Points as it would be expected that other daily read processes would have already inserted a Meter Reading, but the ability to insert such Readings should not be prevented if required.

**BR4 Note 2:** For Class 3 and 4 Supply Meter Points (i.e., use the NDM Supply Meter Point Demand in accordance with TPD M5.4.2, and for the avoidance of doubt if there is a later Meter Reading than the CSS Registration Effective Date Meter Reading, then the consumption will be profiled using this methodology between the Meter Readings preceding and following the CSS Effective Date).

**BR5.** The IGT will calculate the IGT Transportation and Metering invoicing adjustment required once the Registration has taken effect and the Opening Meter Reading, and the CSS Registration Effective Date Meter Reading have been recorded in UK Link systems.

**BR5 Note:** This Modification proposes that the IGT shall perform the adjustment as a one-off activity. In order to support this process in IGT UNC, the CDSP must notify the IGTs of the impacted Supply Meter Points that require adjustment, and those that do not following the relevant Shippers opting out of such adjustments. For the avoidance of doubt, the IGTs do not have a prescribed timescale following the point that the CDSP notify them of the impacted Supply Meter Points with which to issue any adjustments that are determined to be required and this will be at each individual IGT's discretion. Any adjustments will consider IGT Transportation charges, and Metering charges where relevant.

**BR6.** Intra Group transfers will be exempt from this modification as they have no impact on Settlement, but both the Losing and Gaining Shipper will need to inform the CDSP that they have opted out for transfers to one another.

**BR6 Note 1:** This is proposed as a number of the Registrations impacted are understood to be 'internal' Registrations as a result of portfolio re-alignment within company group operations.

**BR7.** The IGTs will perform the IGT Transportation and Metering invoicing adjustment calculation after the CDSP Report is received indicating the Supply Meter Points subject to adjustment which shall be no earlier than at the end of the [third] month following issue of the CSS Effective Date Meter Reading to both Shippers, or the implementation Date of the Modification, whichever is the later.

**BR7 Note:** For the avoidance of doubt Meter Readings may be replaced following the adjustment calculation being conducted, but any such Replacement Readings will not be factored into the adjustment calculation nor amend any Adjustment undertaken for this reason.

**BR8:** The incoming Shipper must warrant which Supply Meter Points are valid instances of Supplier Proactive Cancellation of Registrations and Registration resubmission for a Future Effective Date. Where such Supply Meter Points are warranted by the incoming Shipper these will be included in the adjustment processes and Meter Readings shall be applied.

### Workgroup Discussions (October 2023)

The Workgroup were taken through the solution by the CDSP representative.

The Workgroup discussed the timescales of applying the adjustment and agreed that the Proposer would add a clarification that the window would commence with the CDSP report being issued to the IGT. The Proposer resolved to add a clarification to BR7, stipulating when the CDSP would issue the notice to the IGT.

The Workgroup were comfortable that the solution facilitated the aim of the Modification.

### Panel Discussions (October 2023)

The Panel were comfortable that the solution facilitated the aim of the Modification.

## 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 affect a current live SCR.

## Consumer Impacts

This Modification should offer positive benefits to consumers that have been impacted by these Registrations. The Faster Switching SCR moved the responsibility for mastering Registration from the UK Link system to CSS. For these impacted consumers this may lead to confusion by Suppliers regarding responsibility for the Supply Point which may lead to issues with consumer billing. This Modification should provide certainty to industry parties sooner, so that they are able to communicate this to the consumer, thus reducing the impact to the consumer.

Impact of the change on Consumer Benefit Areas	
Area	Identified Impact
<p><b>Improved safety and reliability</b></p> <p>Misalignment between Registration and Settlement could lead to a number of industry processes being adversely impacted.</p> <p>Further impacts could be identified should an emergency situation arise if the Shipper has been prevented from updating consumer contact details as they were not recorded as the Registered User.</p>	Positive
<p><b>Lower bills than would otherwise be the case</b></p> <p>Whilst uncertainty exists some consumers may be placed onto default tariffs. This Modification affords certainty to Suppliers that may be passed to consumers.</p>	None
<p><b>Reduced environmental damage</b></p> <p>None identified.</p>	None
<p><b>Improved quality of service</b></p> <p>This process should reduce the risk of protracted Settlement uncertainty as a result of the CSS P1 Incident. This should limit the risk to consumer billing – whilst not mitigating this entirely, it is still considered positive in relation to the consumer experience without the greater level of Settlement certainty that this Modification affords.</p>	Positive
<p><b>Benefits for society as a whole</b></p> <p>None identified.</p>	None

## Cross-Code Impacts

Other impacted Codes are REC; REC Change Proposal R0067 has been raised to consider some of the issues defined in this Modification. UNC Modification 0855 has been progressed to address necessary changes in the UNC.

UNC	<input checked="" type="checkbox"/>
REC	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>

None	<input type="checkbox"/>
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### Environmental Impacts

None identified.

### Central System Impacts

Changes are required to the interfaces between the GRDA (a role that the CDSP fulfils in the REC) and CSS. This has been accounted for in [XRN5567 - Implementation of Resend Functionality for Messages from CSS to GRDA \(REC CP R0067\)](#) and the costs approved by the DSC Change Management Committee for delivery of that change.

Another Change Proposal, [XRN5535A - Processing of CSS Switch Requests Received in 'Time Period 5'](#) has been raised to consider the circumstances where the GRDA receives messages after 02:59:59. XRN5535A will include a new DSC Service Line where the CDSP is made aware that the Registration details in UK Link are not aligned to the Central Switching Service, that it shall initiate prospective Registration in UK Link. This relies on the UNCC acceptance of the CDSP using 'proxy Secured Active Notifications' until this Modification establishes this in the UNC. *Please note, acceptance of the 'proxy Secured Active Notifications' was obtained at the November 2022 UNCC meeting.*

A ROM was provided in support of UNC Modification 0855 which (provided both Modifications are approved) will provide the solution for 0836S and 0855 and the IGT UNC Modification equivalents.

### Workgroup Discussions (October 2023)

The Workgroup reviewed the cited impacts. The Workgroup supported the positive impacts noted by the proposer and did not have any further concerns or comments.

### Panel Discussions (October 2023)

The Panel agreed that this Modification does not have a SCR impact.

The Panel agreed with the impacts noted by the Proposer and did not have any further comments.

## 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 <ul style="list-style-type: none"> <li>(i) the combined pipe-line system; and/or</li> <li>(ii) the pipe-line system of one or more other relevant gas transporters</li> </ul>	None
(C) Efficient discharge of the licensee's obligations	None
(D) Securing of effective competition: <ul style="list-style-type: none"> <li>(i) between relevant shippers;</li> </ul>	None

(ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation agreements with other relevant gas transporters) and relevant shippers	
(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

This Modification furthers Relevant Objective (F) as it allows the CDSP to undertake Settlement Adjustments as required therefore this further promotes the efficiency of industry processes.

### Workgroup Discussions (October 2023)

The Workgroup agreed with the Proposer. The Workgroup discussed that the ultimate efficiency would be for the Central Switching Service to be working effectively in order for this Modification to not be enacted.

### Panel Discussions (October 2023)

The Panel had no further concerns or comments for the Relevant Objectives.

## 8 Implementation

No specific Modification implementation date is specified, however, given the potential material Settlement implications leading to uncertainty for consumer billing, it is requested that this implementation date is as soon as reasonably practicable.

### Workgroup Discussions (October 2023)

The Workgroup discussed that as this is an Authority decision, the February release may be the most effective date to target. Ofgem carry out a publishing moratorium during December, therefore the timetable will be unknown and if not the February release, then an ad-hoc release may be the most pragmatic approach. The Workgroup noted that this change should be aligned with the implementation of UNC0855.

### Panel Discussions (October 2023)

The Panel agreed with the implementation proposals and the Workgroups view that this should be aligned with the implementation of UNC0855.

## 9 Legal Text

The draft Legal Text for IGT171 can be found on the [IGT171 webpage](#).

## Workgroup Discussions (October 2023)

The Workgroup reviewed the draft legal text. The Workgroup noted that there were some questions around the creation of defined terms in the legal text and request that the Code Administrator provide further explanation of this to the October Panel, but ultimately agreed that the legal text facilitated the Modifications solution.

## Panel Discussions (October 2023)

The Code Administrator advised the Panel that following discussions at the October Workgroup an amended version of the legal text has been published on the IGT171 webpage of the IGT UNC website. This amended version contains the addition of several new defined items which are detailed within the section and there is commentary provided by the Code Administrator against the changes made.

The Panel agreed that they were comfortable that the amendments made accurately reflect the intent of the solution and had no further comments.

## 10 Consultation

Panel invited representations from interested parties on 30th October 2023. The summaries in the following table are provided for reference on a reasonable endeavour's basis only. We recommend that all representations are read in full when considering this Report. Representations are published alongside this Final Modification Report.

Representations were received from the following parties:

Organisation	Response	Relevant Objectives	Key Points
BUUK	Support	F - Positive	<ul style="list-style-type: none"> <li>• They support this necessary Modification that rectifies issues raised from the P1 CSS incident in July 2023.</li> <li>• They agree that this should be an Authority Direction Modification, as the proposal states.</li> <li>• No new issues identified.</li> <li>• They agree that this Modification has a positive effect on Relevant Objective (F), by allowing CDSP to undertake Settlement Adjustments.</li> <li>• They do not identify any ongoing costs.</li> <li>• They believe that implementation should be as soon as reasonably practicable, once approved by the Authority. They believe that this should be aligned with UNC Modification 0855.</li> <li>• They are satisfied that the legal text will deliver the intent of the Modification.</li> </ul>
MUA Gas Limited	Support	F - Positive	<ul style="list-style-type: none"> <li>• They believe that this Modification will support the allocation of correct IGT transportation charges from the P1 incident of the CSS earlier this year and to</li> </ul>



			<p>allocate these charges to the correct Shipper of the systems that may have been affected by that P1 incident. If 'do nothing' then certain shippers would have been paying too much / not enough for the transportation charges based on the P1 incident which is both unfair and allocated upon mismatching supply point data details.</p> <ul style="list-style-type: none"> <li>• They support that this should be an Authority Decision due to the retrospective nature to amend costs with past Transportation Charges.</li> <li>• No new issues identified.</li> <li>• They support that this Modification has a positive impact on Objective (F).</li> <li>• There will be administrative involvement of the retrospective nature of each IGT/Shipper affected by the P1 incident but these costs are likely to be absorbed within the administrative management of each of those companies affected to ensure the correct allocated transportation costs are maintained.</li> <li>• As this is a retrospective application, the timescales are not as definitive however there should be a time limit as to the affected parties arranging the solution implementation of this mod for their own systems/ accounts. The timescale of this ideally should fall before the affected financial years accounts are due (if possible).</li> </ul>
Indigo Pipelines Limited	Support	F - Positive	<ul style="list-style-type: none"> <li>• They support the proposer's intention to draw a line under the uncertainty caused by the CSS P1 Incident. This proposal seeks to agree a practical and targeted solution to address the incidents' impacts to registration, invoicing and Settlements.</li> <li>• They agree with the proposer that this modification should be subject to Authority Decision.</li> <li>• No new issues identified.</li> <li>• They agree with the proposer that this Modification facilitates Objective (F), by providing a way for industry parties and the CDSP to maintain the integrity of Network Code processes following the CSS P1 Incident.</li> <li>• As this is expected to be a one-off limited exercise, the additional costs of processing the invoice adjustments is expected to be manageable with current sources.</li> </ul>

- |  |  |  |   |
|--|--|--|---|
|  |  |  | <ul style="list-style-type: none"> <li>• They believe that implementation should be aligned, as far as possible, with UNC0855.</li> <li>• They are satisfied that the Legal Text delivers the intent of this Modification.</li> </ul> |
|--|--|--|---|

## Summary of Responses

There were 3 responses to the IGT171 Consultation:

- 3 respondents support the implementation of this Modification;
- 3 respondents agree that this Modification should be an Authority Direction Modification;
- 3 respondents agree that this Modification has a positive impact on Relevant Objective (F).
- 3 respondents agree with the implementation approach;
- 3 respondents agree the Legal Drafting delivers the intent of the Modification.

All responses have been published on the [IGT171 page](#) of the IGT UNC website.

## 11 Panel Discussions

### Discussion

Insert text here.

### Consideration of the Relevant Objectives

Insert text here.

### Determinations

Insert text here.

## 12 Recommendations

### Workgroup's Recommendation to Panel

Panel is asked to:

- Agree that Authority Direction should apply.
- Recommend that the Modification goes out for a three-week Consultation period.

### Workgroup Discussions (October 2023)

The Workgroup discussed the timetable for this Modification and the Chair noted that there was time allocated for a full consultation period, however the Final Modification Report would be published as a late paper to the November Panel on 24<sup>th</sup> November 2023.

### **Panel Discussions (October 2023)**

The Panel unanimously agreed for the Modification to be issued out for a three-week consultation with the Final Modification Report being published as a late paper ahead of the November Panel.

### **Panel Discussions (October 2023)**

The Panel unanimously agreed for the Modification to be issued out for a three-week consultation with the Final Modification Report being published as a late paper ahead of the November Panel.

### **Panel Determination Authority Decision (November 2023)**

Members (unanimously / by majority) agreed:

- that Modification 171 should [not] be implemented.

### **Panel Recommendation to Authority**

Members recommended:

- that Modification 171 should [not] be implemented