

0437:

Retention of MAM Id in Transporter Systems at Change of Shipper

- 01 Modification
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- 04 Final Modification Report

At Change of Shipper, Transporters delete the previous Meter Asset Manager (MAM) information, requiring the incoming Supplier through their Shipper to provide updated Meter Asset Manager information. This UNC Modification seeks to enable a change to Transporter systems, paid for by Users (i.e. Class 3 UK Link Modification), to retain the MAM Id at a Change of Shipper event.



The Proposer recommends that this [self-governance] modification should be assessed by Workgroup.



High Impact:



Medium Impact:



Low Impact:
Transporters

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About this document:

This document is a modification, which will be presented by the Proposer to the Panel on 15 November 2012. The Panel will consider the Proposer's recommendation, and agree whether this self-governance modification should proceed to consultation or be referred to a Workgroup for assessment.



3 Any questions?

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1 Summary

Is this a Self-Governance Modification

This is intended to be a Self-Governance Modification. As defined in Section U of the UNC requires, every Class 3 UK Link Modification (i.e. a UK Link Modification where the System Users pay for changes to Transporter systems) requires a UNC Modification be associated with such UK Link Modification. It is proposed that this is a User Pays modification.

As such the proposer considers that the modification:

- (i) is unlikely to have a material effect on:
 - (aa) existing or future gas consumers; and
 - (bb) competition in the shipping, transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes; and
 - (cc) the operation of one or more pipe-line system(s); and
 - (dd) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and
 - (ee) the uniform network code governance procedures or the network code modification procedures; and
- (ii) is unlikely to discriminate between different classes of parties to the UNC.

Why Change?

A significant population of blank MAM Ids exist (circa 350k) where the current Shipper has failed to notify the Transporters of the MAM Identity. Currently at a Change of Shipper for given meter point, the Transporters notify the incoming Shipper of the MAM Id. Transporters then delete this data, and the Supplier via their Shipper should provide details of the relevant MAM once appointed. Where this data is not provided by the new Shipper, the Transporter is unable to provide any MAM information to subsequent Shippers at future supply point transfers.

This presents a risk to Suppliers by not knowing the incumbent MAM when they take over a site this hinders the ability to contact and subsequently contract with that MAM for provision of Metering Services.

Solution

Currently Transporters provide the MAM Id to the incoming shipper at D-7. This is then deleted at D, with the expectation that this will be provided by the incoming supplier through their shipper. When that shipper fails to do so, and then the site transfers again, the MAM information is not able to be provided.

The change proposed requires the Transporter to retain this data (i.e. not delete it at a Change of Shipper event).

Once populated, retention of this data will ensure that MAM Id can be provided to future incoming Shippers. Where this data has been superseded (and not updated to the Transporter by the relevant shipper), the provision of the (superseded) MAM data would provide a starting point for incoming Suppliers to engage MAMs. In instances where this data is superseded, the identified MAM should – by virtue of the appointment / deappointment flows that are passed – know the identity of the MAM who superseded them at the meter point.

Suppliers should retain the responsibility to update this information, as currently, even where this data is not changed which is in line with obligations in RGMA and will eliminate implementation costs to Users' own systems, and will ensure that the data maintained within Transporter systems will be as current as possible.

Changes to the Uniform Network Code text are not anticipated. This Modification is required by UNC section U 8.5.2 which states that any Class 3 Modification (i.e. change

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to Transporter systems paid for by Users) a Modification Proposal must be made in accordance with the Modification Rules.

The solution option has been proposed, following extensive consultation with the SPAA Expert Group. UK Link Committee have also discussed this change, and the proposed solution.

Impacts & Costs

Impacts are expected to Transporter systems, which Users will be required to fund. This is a User Pays Modification.

Suppliers should retain the responsibility to update this information, as currently, even where this data is not changed which is in line with obligations in RGMA and will eliminate implementation costs to Users' own systems, and will ensure that the data maintained within Transporter systems will be as current as possible.

Implementation

No implementation timescales are proposed. However, it is expected that implementation timescales will be circa 26 weeks from an approved modification decision.

The Case for Change

This is considered to have a positive effect on securing effective competition. By amending Transporter systems to stop deletion of the data this will reduce the impact to incoming Suppliers where previous Suppliers / Shippers have failed to fulfil their obligations to provide MAM information. Suppliers through Shippers will retain the responsibility to provide MAM identity.

Recommendations

It is requested that this change is assessed for only a short period by a workgroup to fully define the objectives and complete the work group report prior to Panel issuing for consultation. This is because the change has already been extensively discussed and reviewed by the SPAA Expert group, in conjunction with Xoserve.

Xoserve has provided the SPAA Expert group with a requirement definition and a rough order of magnitude (ROM) to assist the group in its discussion and will present this information at the relevant work group.

2 Why Change?

Benefits Proposal

Currently at a Change of Shipper for given meter point, the Transporters notify the incoming Shipper of the MAM Id. Transporters then delete this data, and the new Shipper should provide details of the relevant MAM, once appointed. Where a Shipper fails to do so, the Transporter is unable to provide any MAM information to subsequent Shippers at the next supply point transfer.

This presents a risk to subsequent Suppliers by not knowing the incumbent MAM when they take over a site this hinders the ability to contact and subsequently contract with that MAM for provision of Metering Services.

Currently Transporters provide anonymised count of meter points by Shipper to SPAA, which through it's SPAA Expert Group monitors the population of blank MAM Identities. A number of exercises have been conducted by some Shippers to populate blank MAM information. Despite these exercises, a significant population of blank MAM Ids exist (circa 300-350k) where the current Shipper has failed to notify the Transporters of the MAM Identity.

Shippers will retain the responsibility to update the MAM Identity – even where this is not changed from existing data held in Transporter systems. The existing [Supplier licence and SPAA] obligations to provide this information are not changed by the modification.

3 Solution

Impact to Uniform Network Code

This change is proposed as a Class 3 UK Link Modification, as defined in Section U 8.4.2 (a) of UNC i.e.:

[A] Transporter System Modification where the Transporters do not intend to make such modification unless the costs of making the modification are to be recovered from UK Link Users.

Changes to the Uniform Network Code are not anticipated.

This Modification is required by UNC section U 8.5.2 which states that:

Before a Class 3 Modification may be made by the Transporters, a Modification Proposal in respect thereof must be made in accordance with the Modification Rules and the Transporters or any User shall be entitled to make such a Modification Proposal.

Impact to Transporter and UK Link User Systems

Analysis has been conducted by Xoserve regarding solution options in conjunction with the SPAA Expert Group. The solution proposed has been defined and agreed within this group. Members of the SPAA Expert Group considered that the solution proposed would ensure that no changes would be required to Suppliers/Shippers' systems.

The solution proposed has been discussed and ratified by the UK Link Committee.

Currently Transporters provide the MAM Id to the incoming shipper at D-7. This is then deleted at D, with the expectation that this will be provided by the incoming Supplier through the Shipper. When that shipper fails to do so, and then the site transfers again, the MAM information is not able to be provided.

The change proposed requires the Transporter to retain this data (i.e. not delete it at a Change of Shipper event).

Once populated, retention of this data will ensure that MAM Id can be provided to any future incoming Shippers. Suppliers should retain the responsibility to update this information, as currently, even where this data is not changed. Observance of the obligations to provide this data will eliminate implementation costs to Users' own systems, and will ensure that the data maintained within Transporter systems will be as current as possible.

4 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) Coordinated, 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.	Positive
d) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.	Positive
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	None
g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators	None

This modification would enable effective competition (relevant objective (d)) as failure by a previous Supplier currently impacts the Supplier's ability to identify and contract with the relevant MAM. There are some potential positive impacts in regard to relevant objective (c), Efficient Discharge of Supplier Licence, to ensure that MAM Id is populated, and reduce unnecessary exceptions. However, Suppliers must retain responsibility to provide updates – even where this is not changed – in order to comply with their obligations.

5 Impacts and Costs

Consideration of Wider Industry Impacts

There are no explicit impacts to Wider Industry programmes.

Costs

Include here any proposal for the apportionment of implementation costs amongst parties.

Indicative industry costs – User Pays
Classification of the modification as User Pays or not and justification for classification
This is a User Pays Modification.
Identification of Users, proposed split of the recovery between Gas Transporters and Users for User Pays costs and justification
100% Users.
Proposed charge(s) for application of Users Pays charges to Shippers
Proposed share of costs by meter point portfolio share excluding DM and Unique Sites as at Modification implementation date.
Proposed charge for inclusion in ACS – to be completed upon receipt of cost estimate from Xoserve
A Rough Order of Magnitude has been provided by Xoserve – indicating a cost in the order of £68k– £96k.

Impacts

Impact on Transporters' Systems and Process	
Transporters' System/Process	Potential impact
UK Link	<ul style="list-style-type: none">Changes are required to UKLink systems.
Operational Processes	<ul style="list-style-type: none">No operational impacts are identified as reporting procedures are not required to change.
User Pays implications	<ul style="list-style-type: none">Amended Agency Charging Statement will be required.

Impact on Users	
Area of Users' business	Potential impact



Where can I find details of the UNC Standards of Service?

In the Revised FMR for Transco's Network Code Modification

0565 Transco Proposal for Revision of Network Code Standards of Service at the

following location:

www.gasgovernance.co.uk/sites/default/files/0565.zip

Impact on Users	
Administrative and operational	<ul style="list-style-type: none">• None identified. Users processes should be unaffected by this change – i.e. Users will be obliged to provide MAM information as currently.
Development, capital and operating costs	<ul style="list-style-type: none">• None identified. No system changes are required.
Contractual risks	<ul style="list-style-type: none">• None identified.
Legislative, regulatory and contractual obligations and relationships	<ul style="list-style-type: none">• None identified.

Impact on Transporters	
Area of Transporters' business	Potential impact
System operation	<ul style="list-style-type: none">• None identified
Development, capital and operating costs	<ul style="list-style-type: none">• None identified
Recovery of costs	<ul style="list-style-type: none">• Costs will be recovered through User Pays
Price regulation	<ul style="list-style-type: none">• None identified
Contractual risks	<ul style="list-style-type: none">• None identified
Legislative, regulatory and contractual obligations and relationships	<ul style="list-style-type: none">• None identified
Standards of service	<ul style="list-style-type: none">• None identified

Impact on Code Administration	
Area of Code Administration	Potential impact
Modification Rules	<ul style="list-style-type: none">• None identified
UNC Committees	<ul style="list-style-type: none">• None identified
General administration	<ul style="list-style-type: none">• None identified

Impact on Code	
Code section	Potential impact
	<ul style="list-style-type: none">• None identified

Impact on UNC Related Documents and Other Referenced Documents	
Related Document	Potential impact
Network Entry Agreement (TPD I1.3)	<ul style="list-style-type: none"> None identified
Network Exit Agreement (Including Connected System Exit Points) (TPD J1.5.4)	<ul style="list-style-type: none"> None identified
Storage Connection Agreement (TPD R1.3.1)	<ul style="list-style-type: none"> None identified
UK Link Manual (TPD U1.4)	<ul style="list-style-type: none"> This topic has been discussed at UK Link Committee, but change to the UK Link Manual is not anticipated.
Network Code Operations Reporting Manual (TPD V12)	<ul style="list-style-type: none"> None identified
Network Code Validation Rules (TPD V12)	<ul style="list-style-type: none"> None identified
ECQ Methodology (TPD V12)	<ul style="list-style-type: none"> None identified
Measurement Error Notification Guidelines (TPD V12)	<ul style="list-style-type: none"> None identified
Energy Balancing Credit Rules (TPD X2.1)	<ul style="list-style-type: none"> None identified
Uniform Network Code Standards of Service (Various)	<ul style="list-style-type: none"> None identified

Impact on Core Industry Documents and other documents	
Document	Potential impact
Safety Case or other document under Gas Safety (Management) Regulations	<ul style="list-style-type: none"> None identified
Gas Transporter Licence	<ul style="list-style-type: none"> None identified

Other Impacts	
Item impacted	Potential impact
Security of Supply	<ul style="list-style-type: none"> None identified
Operation of the Total System	<ul style="list-style-type: none"> None identified
Industry fragmentation	<ul style="list-style-type: none"> None identified
Terminal operators, consumers, connected system operators, suppliers, producers and other non code parties	<ul style="list-style-type: none"> None identified

6 Implementation

As self-governance procedures are proposed, implementation could be 16 business days after a Modification Panel decision to implement. However, it should be noted that estimated implementation timescales will be 26 weeks from the point that this change is scheduled by Transporters within their Change Programme.

7 The Case for Change

In addition to that identified the above, the Proposer has identified the following:

Advantages

The solution does not require Shipper and Supplier system changes.

Any information maintained by Transporters will be retained so that Shippers and Suppliers are provided with last known MAM data provided by Shippers to Transporters. The solution seeks to reduce instances where blank MAM Ids are provided, therefore reduce Supplier exceptions. The solution also seeks to provide Suppliers relevant MAM information which allows them to initiate relevant investigation.

The proposed solution assists MAPs in identifying the relevant MAM in order to recover meter rental charges.

Disadvantages

The SPAA Expert Group has previously recognised that the as part of the proposed solution the retention of data may affect the confidence of the data held by Transporters in respect of the MAMs. i.e. data held currently by Transporters has been provided by the existing Shipper. The SPAA Expert Group however considered that this did not present a material concern.

8 Legal Text

No amendment to UNC text is expected.

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9 Recommendation

The Proposer invites the Panel to:

- DETERMINE that Modification 0437 progress to a Workgroup for assessment.