

Stage 01: Modification

0509:

Permission to release Protected Information to an Authorised Third Parties for Performance Assurance settlement risk analysis

At what stage is this document in the process?

- 01 Modification
- 02 Workgroup Report
- 03 Draft Modification Report
- 04 Final Modification Report

The proposal is to allow Protected Information to be released to permitted third parties.



The Proposer recommends that this modification should be

- assessed by a Workgroup



High Impact:



Medium Impact:



Low Impact:
Users and Transporters

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Modification

10 September~~08 August~~

2014

Version 2~~1~~.0

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About this document:

This modification will be presented by the proposer to the panel on 21st August 2014.

The panel will consider the proposer's recommendation and agree whether this modification should be:

- Referred to a workgroup for assessment.



Any questions?

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1 Summary

Is this a Self-Governance Modification?

~~Self Governance is not proposed as this modification is facilitating the provision of information to authorised third parties approved by the Modification Panel and may have a material impact on (ee) the uniform network code governance procedures or the network code modification procedures;~~

The modification is proposed as Self-Governance as it is merely facilitating the provision of code information to an authorised third party appointed by Ofgem to conduct settlement risk analysis in the gas market, and if implemented.

(a) it is unlikely to have a material effect on:

- existing or future gas consumers; or
- 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
- the operation of one or more pipe-line system(s); or
- matters relating to sustainable development, safety or security of supply, or
- the management of market or network emergencies; or
- the uniform network code governance procedures or the network code modification procedures; or

(b) discriminate between different classes of parties to the uniform network code /relevant gas transporters, gas shippers or DN operators.

Is this a Fast Track Self-Governance Modification?

No as this modification is not proposing to correct an error or factual change.

Why Change?

~~Industry initiatives such as the Performance Assurance proposals being developed under the Performance Assurance Workgroup will require industry data to be made available to selected third parties (for example an academic partner to assess the Gas Market Settlement Risk). Currently as drafted the UNC does not permit the release of this data to those parties.~~

The Performance Assurance framework is being developed and will require industry data to be made available to an Ofgem appointed third party to undertake an academic study to assess the gas market settlement risk. Currently as drafted the UNC does not permit the release of Protected Information to non-code parties. This modification seeks to allow the release of Protected Information by the Transporters to the academic study partner.

Solution

~~Extend the provisions of Section V 5.1 to allow Authorised Third Parties to receive Protected Information. Agree governance arrangements for the designation of an organisation as an Authorised Third Party, and produce a guideline document detailing under what circumstances data may be released and the necessary safeguards that need to be put in place.~~

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Extend the provisions of Section V 5.1 to allow the Transporters to disclose Protected Information (if requested) to the Ofgem appointed settlement risk academic study partner. If the Transporters deem the data requested as Personal Data they will refer the request to the Performance Assurance Workgroup to consider the request and determine how any data may be anonymised.

For the avoidance of doubt, the provision and treatment of data must comply with the relevant data protection legislation.

It is expected that any contract between Ofgem and the study partner will have robust provisions for how the data may be used and what should happen to the data provided beyond the period of use anticipated by the study.

Relevant Objectives

Implementation of this Modification Proposal would further Special Condition A11.1 (f), the promotion of efficiency in the implementation and administration of the Code as it would enable assessment work to be undertaken by ~~authorised parties~~ an appointed party to support the development of ~~industry initiatives~~ the performance assurance framework.

Implementation

~~No implementation timescales are proposed. However, since the modification itself does not require any direct action as a consequence of its implementation it could be implemented immediately following an Authority Decision to do so.~~

As self-governance procedures are proposed, implementation could be 16 business days after a Modification Panel decision to implement.

Does this modification affect the Nexus delivery, if so, how?

No

2 Why Change?

~~Industry initiatives such as the Performance Assurance proposals being developed under the UNC Performance Assurance Workgroup will require industry data to be made available to selected third parties to support the development of new industry arrangements (for example an academic partner to assess the Gas Market Settlement Risk). Currently as drafted the UNC does not permit the release of this data to those parties, but it would be more efficient for the study partner to be able to acquire centrally held data rather than the third party having to contact and contract with each Registered User or Transporter directly~~

The Performance Assurance framework is being developed and will require industry data to be made available to an Ofgem appointed third party to undertake an academic study to assess the gas market settlement risk. Currently as drafted the UNC does not permit the release of Protected Information to non-code parties. This modification seeks to allow the release of Protected Information by the Transporters to the academic study partner.

3 Solution

~~The UNC Mod Panel will be asked to approve authorised third party access to centrally held data in support of modification development.~~

~~Proposals for the governance arrangements and funding agreement of such work will need to be developed and agreed by the workgroup.~~

Extend the provisions of Section V 5.1 to allow the Transporters to disclose Protected Information (if requested) to the Ofgem appointed settlement risk academic study partner. If the Transporters deem the data requested as Personal Data they will refer the request to the Performance Assurance Workgroup to consider the request and determine how any data may be anonymised.

For the avoidance of doubt, the provision and treatment of data must comply with the relevant data protection legislation.

It is expected that any contract between Ofgem and the study partner will have robust provisions for how the data may be used and what should happen to the data provided beyond the period of use anticipated by the study.

Business Rules

1. Upon receipt of the request from the Ofgem appointed academic study partner, the Transporter will review the request and if the data is not deemed as personal data it will disclose the data to the academic study partner to support the gas market settlement risk analysis
2. If the Transporter considers any of the data requested to be Personal Data it will refer the request to the Performance Assurance Workgroup for them to determine what can be disclosed and how it may be anonymised.
3. If the Performance Assurance Workgroup determine not to provide the requested data, an explanation will be provided to the study partner by the Transporter.
4. The basis for provision of the data will comply with relevant data protection legislation.

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User Pays
Classification of the modification as User Pays, or not, and the justification for such classification.
The modification itself will not attract costs, however when applications are made for centrally held data to be provided to an Approved Third Party, costs will need to be provided and funding mechanisms approved. <u>is not considered User Pays as it does not create User Pays Service.</u>
Identification of Users of the service, the proposed split of the recovery between Gas Transporters and Users for User Pays costs and the justification for such view.
N/A
Proposed charge(s) for application of User Pays charges to Shippers.
N/A
Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Xoserve.
N/A

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.	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 arrangements 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 Co-operation of Energy Regulators.	None

Relevant Objective f): it ~~would~~ will be more efficient for an Approved Third Party to be able to acquire centrally held data rather than the third party having to contact and contract with each Registered User or Transporter directly.

5 Implementation

~~No implementation timescales are proposed. However, since the modification itself does not require any direct action as a consequence of its implementation it could be implemented immediately following an Authority Decision to do so.~~

As self-governance procedures are proposed, implementation could be 16 business days after a Modification Panel decision to implement.

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6 Legal Text

Suggested Text

TPD Section V

5.1 Transporter obligations

5.1.1 The Transporter shall secure that Protected Information is not:

- (a) disclosed to any person other than:
 - (i) an officer or employee of the Transporter whose province it is to know the same; or
 - (ii) a professional adviser of or consultant to the Transporter; or
 - (iii) without prejudice to any requirement under the Transporter's Licence, any 10% Affiliate (other than an Affiliate which is the holder of a Shipper's Licence or a gas supplier's licence) of the Transporter
 - ~~(iv) an Approved Third Party providing development support to Modification Workgroups, as approved by the UNC Modification Panel.~~
 - (iv) an Ofgem approved third party undertaking the gas market settlement risk analysis for the Performance Assurance Workgroup.

in any such case in accordance with the requirements of paragraph 5.4; or

- (b) used by the Transporter for any purpose other than carrying on the Transporter Activities.

7 Recommendation

The Proposer invites the Panel to agree that this modification should:

- Progress to Workgroup assessment.