

CODE MODIFICATION PROPOSAL No 0297
Extending Rights to Protected Information Provisions for Meter Asset Managers /
Registered Metering Applicants.
Version 2.0

Date: 02/06/2010

Proposed Implementation Date: 06:00 on the day after Authority Decision.

Urgency: Non Urgent

1 The Modification Proposal

a) Nature and Purpose of this Proposal

Transporters are currently permitted to disclose a limited amount of data relating to a Supply Point to Meter Asset Manager (MAM) organisations. UNC TPD Section V5.11.1 permits Transporters to provide the identity of the Supplier at a Supply Point to the Registered Metering Applicant (RMA) on request and this request is regarded as having been made on behalf of the Registered User at the Supply Point. The Transporters' Agency regularly receives requests from MAMs requesting the identity of the Supplier at a Supply Point to allow successful communication between the MAM and the Supplier to instigate and / or conclude commercial discussions relating to the metering at a Supply Point. For information; the Transporters' Agency maintains a register of RMAs on behalf of the Transporters.

Currently, the Transporters' Agency receives enquiries from MAMs requesting additional information relating to Supply Points. Such requests are currently rejected by the Transporters' Agency as the Protected Information provisions in UNC TPD Section V5 do not permit disclosure. Examples of such information requests relate to:

- Meter Information.
- status of Supply Points (live / dead)
- status of Supply Point confirmation.

The intent of this UNC Modification Proposal is to extend the disclosure of Protected Information provisions to include RMAs beyond the provision of the Supplier identity. For clarity this would be permitted where a RMA is registered at a Supply Point as the MAM in the Supply Point Register or where the RMA is not registered as the MAM, for a period covering where the RMA was registered as the MAM at the Supply Point. The specific data fields available to RMAs at a Supply Point would be specified in a new Annex to UNC TPD Section V, Annex V-[5] in the form of a table (see example Annex V –[5]) on separate document.

Extending the Protected Information provisions in UNC TPD Section V to RMAs would also align the gas industry information provisions to that of the electricity industry which already provides for Meter Operator and

Meter Asset Provider access to central meter asset information via an online information system.¹

Providing access to RMAs to additional Supply Point and Meter Information within the Supply Point Register would facilitate the following benefits:

- provide an additional Meter Information source for MAMs.
- increase certainty of Meter Information resulting in increased confidence in asset investment decisions.
- provide a single industry source of information relating to Meter Information for MAMs and reduce the requirement to make multiple information requests to multiple Suppliers.

b) Justification for Urgency and recommendation on the procedure and timetable to be followed (if applicable)

Not applicable.

c) Recommendation on whether this Proposal should proceed to the review procedures, the Development Phase, the Consultation Phase or be referred to a Workstream for discussion.

It is the proposer's intention for this Modification Proposal to proceed directly to consultation.

2 User Pays

a) Classification of the Proposal as User Pays or not and justification for classification

As the intent of this Modification Proposal is to enable Transporters to provide additional Protected Information to RMAs there would be no direct costs associated with the implementation of this Modification Proposal. No UNC User Pays service obligation is being placed on the Transporters through this Modification Proposal. The actual provision of information to RMAs may incur an additional Transporter Agency cost which would be recovered via a non UNC Agency Services Charge. Hence this UNC Modification has not been classified as a User Pays Modification. The provision of Protected Information may take the form of, but is not limited to reports, digital media or on-line access. Any service provided to RMAs as a result of the implementation of this Modification would require an Agency Charging Statement amendment and approval by the Authority.

b) Identification of Users, proposed split of the recovery between Gas Transporters and Users for User Pays costs and justification

¹ MRA – Electricity Central Online Enquiry Service MAP 15.

100% to Registered Metering Applicant.

c) Proposed charge(s) for application of Users Pays charges to Shippers

No direct charges are envisaged to Shippers for these services.

d) Proposed charge for inclusion in ACS – to be completed upon receipt of cost estimate from xoserve

N/A

3 Extent to which implementation of this Modification Proposal would better facilitate the achievement (for the purposes of each Transporter's Licence) of the Relevant Objectives

Implementation of this Modification Proposal would better facilitate the following relevant objectives:

(a) the efficient and economic operation of the pipe-line system to which this licence relates;

Implementation would not be expected to better facilitate the achievement of this relevant objective.

(b) So far as consistent with sub-paragraph (a), the coordinated , efficient and economic operation of (i) the combined pipe-line system, and/or (ii) the pipeline system of one or more other relevant gas transporters;

Implementation would not be expected to better facilitate the achievement of this relevant objective.

(c) So far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence;

Implementation would not be expected to better facilitate the achievement of this relevant objective

(d) So far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition:

(i) between relevant Shippers;

(ii) between relevant Suppliers; and/or

Transporter systems are at the centre of numerous gas industry processes and data items are collected, stored and updated on a regular basis by both Transporters, Shippers, Suppliers, Meter Asset Managers (MAMS/RMAs) and other industry organisations. Transporters currently provide Supply Point information services to Shipper Users permitted under the Protected Information provisions detailed in UNC TPD Section V 5.3. Extending the Protected Information provisions under Section V to RMAs would provide the

following benefits to RMAs:

- establish the existing type of metering asset at a Supply Point allowing a RMA to more accurately price and invoice its services to a Supplier organisation.
- increase the certainty to RMA organisations of which assets they currently hold at a Supply Point allowing more accurate and cost reflective billing to Suppliers for metering services.
- reduce the number queries between RMAs and multiple Suppliers as to the nature of metering assets at Supply Points.

The benefits detailed above will better facilitate competition between relevant Suppliers by allowing more accurate and cost reflective RMA/MAM charging to Suppliers.

(iii) between DN Operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant Shippers;

(d) So far as is consistent with sub-paragraphs (a) to (d), the 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; and

Implementation would not be expected to better facilitate the achievement of this relevant objective.

(e) So far as is consistent with sub-paragraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code.

Implementation would not be expected to better facilitate the achievement of this relevant objective.

4 The implications of implementing this Modification Proposal on security of supply, operation of the Total System and industry fragmentation

No implications of implementing this Modification Proposal are envisaged on security of supply and operation of the Total System. The facilitation of increased information access for MAMs and RMAs would improve communication lines between Supplier organisations and MAMs/RMAs, strengthening commercial relationships and reducing the likelihood of industry fragmentation.

5 The implications for Transporters and each Transporter of implementing this Modification Proposal, including:

a) The implications for operation of the System:

No implications have been identified.

b) The development and capital cost and operating cost implications:

Although this Modification proposal does not create any additional User Pays services it is recognised that as a result of implementation a potential route to access Protected Information for MAMs/ RMAs may be facilitated via the Internet Access to Data (IAD) system. This would require the system to be modified to restrict data access to the specified data items detailed in the Annex to this proposal. The Transporters' Agency has indicated the new IAD system should provide sufficient flexibility to allow this system modification at a minimal development cost to the Transporters. It should further be recognised that the operational costs of IAD (2) are unlikely to increase with the creation of additional MAM / RMA user accounts as the system utilises improved technological advancements to minimise manual activities associated with the management of accounts.

c) Whether it is appropriate to recover all or any of the costs and, if so, a proposal for the most appropriate way for these costs to be recovered:

Any information provision service provided to RMAs / MAMs would be provided on a User Pays basis following the charging methodology as detailed in the current Agency Charging Statement (ACS).

d) The consequence (if any) on the level of contractual risk of each Transporter under the Uniform Network Code of the Individual Network Codes proposed to be modified by this Modification Proposal

None.

6 The extent to which the implementation is required to enable each Transporter to facilitate compliance with a safety notice from the Health and Safety Executive pursuant to Standard Condition A11 (14) (Transporters Only)

Not applicable.

7 The development implications and other implications for the UK Link System of the Transporter, related computer systems of each Transporter and related computer systems of Users

As detailed in Section 5 (b) of this Modification Proposal, access to Protected Information may be facilitated via the IAD system which would be required to be amended to allow MAMs / RMAs to access only specific data items.

8 The implications for Users of implementing the Modification Proposal, including:

a) The administrative and operational implications (including impact upon manual processes and procedures)

Allowing MAMS / RMAs access to Protected Information from the Transporters may reduce the requirement to contact Users directly for

metering information thus reducing the administrative burden placed upon Users.

b) The development and capital cost and operating cost implications

Post implementation, were MAMs / RMAs to choose to access data items via the IAD system the overall baseline number of accounts would increase. Following the ACS charging methodology the individual charge per account would consequently decrease thus delivering cost reductions to users of the IAD system.

c) The consequence (if any) on the level of contractual risk of Users under the Uniform Network Code of the Individual Network Codes proposed to be modified by this Modification Proposal

No such risks have been identified.

9 The implications of the implementation for other relevant persons (including, but without limitation, Users, Connected System Operators, Consumers, Terminal Operators, Storage Operators, Suppliers and producers and, to the extent not so otherwise addressed, any Non-Code Party)

Implementation of this Modification Proposal would provide Meter Asset Manager organisations with increased access to industry metering information as defined under the Protected Information provisions in UNC Section V5. It would also provide MAM organisations with the choice to procure information provision services from the Transporters' Agency.

10 Consequences on the legislative and regulatory obligations and contractual relationships of the Transporters

No such implications have been identified.

11 Analysis of any advantages or disadvantages of implementation of the Modification Proposal not otherwise identified in paragraphs 2 to 10 above

Advantages

No additional advantages have been identified.

Disadvantages

None identified.

12 Summary of representations received as a result of consultation by the Proposer (to the extent that the import of those representations are not reflected elsewhere in this Proposal)

Concerns relating to specific data items, which would be made available to MAMs / RMAs should this Modification be implemented, were recognised during discussions at the UNC Distribution Workstream (25th February 2010). The Annex to this Proposal has been amended to reflect these concerns with the removal of

data items not pertinent to MAM businesses.

13 Detail of all other representations received and considered by the Proposer

No such representations have been received.

14 Any other matter the Proposer considers needs to be addressed

None.

15 Recommendations on the time scale for the implementation of the whole or any part of this Modification Proposal

06:00a.m. the day after direction by the Authority.

16 Comments on Suggested Text

17 Suggested Text

Code Concerned, sections and paragraphs

Uniform Network Code

Transportation Principal Document

Section(s) V5

Proposer's Representative

Name (Organisation) Joel Martin (Scotland Gas Networks)

Proposer

Name (Organisation) Joel Martin (Scotland Gas Networks)