

Representation

Draft Modification Report

0440 – Project Nexus – iGT Single Service Provision

Consultation close out date: 21 March 2014
Respond to: enquiries@gasgovernance.co.uk
Organisation: SSE Energy Supply
Representative: Anne Jackson
Date of Representation: 21 March 2014

Do you support or oppose implementation?

Support

Please summarise (in one paragraph) the key reason(s) for your support/opposition.

This modification provides a significant element of the changes to the UNC needed to deliver the modification raised under the iGT UNC to require the 'Use of a Single Gas Transporter Agency for the common services and systems and processes required by the IGT UNC'.

Together, this modification, iGT UNC modification 039 and licence conditions will ultimately deliver significant cost benefits through efficiency gains and ensure that all customers, regardless of the transporter network on which they are connected, will experience a uniform and common approach for processes such as change of supplier.

Are there any new or additional issues that you believe should be recorded in the Modification Report?

This modification cannot deliver the cost benefits identified through xoserve's consultation in isolation and only acts as an enabler. The iGT modification 039 will direct which iGT processes will be fulfilled by the single agency, so it is important that this iGT modification includes all the processes that have been identified as contributing to the cost benefit case. Without this the full benefits will not be realised.

Together the modifications must deliver uniform approaches to as many processes as possible to maximise the benefits and to ensure no customers experience a detrimental service.

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

SSE agrees that the modification will positively impact relevant objectives (d) Securing of effective competition, and (f) Promotion of efficiency in the implementation and administration of the code.

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(d) Securing of effective competition

Improved settlement accuracy, more accurate data and a single record of meterpoints will positively impact supply competition. Uniform processes with all transporters will reduce start up costs for new supplier and shipper entrants to the market.

(f) Promotion of efficiency in the implementation and administration of the code

A consistent and uniform approach to transactions with transporters will reduce system and administration costs for existing shippers and suppliers. Also more accurate data and a single database record of meterpoints will reduce transaction discrepancies requiring enquiry and remedy. Data will also be provided directly to the DN's by shippers improving the DN's knowledge / accuracy of throughput activity on CSEPS.

Impacts and Costs:

What analysis, development and ongoing costs would you face if this modification were implemented?

SSE provided a confidential response to xoserve's consultation identifying its anticipated costs and benefits. We can confirm that the benefits of having a single transporter agency would significantly outweigh the expected costs.

Implementation:

What lead-time would you wish to see prior to this modification being implemented, and why?

SSE would like to see this modification implemented with the other UK LINK replacement (Nexus) deliverables, currently scheduled for 1 October 2015. If there is any slippage to UK LINK replacement delivery it would like some consideration to be given to delivering this modification ahead of other aspects of that delivery.

Legal Text:

SSE is satisfied with the legal text for this modification.

Is there anything further you wish to be taken into account?

Please provide any additional comments, supporting analysis, or other information that that you believe should be taken into account or you wish to emphasise.

No