

0469S: Transporter Gas Safety Visit Reporting

Improve transparency of the GSUI Safety Visit process, which is carried out by the ~~Transports~~Transporters on behalf of ~~Supplier~~Shipper organisations.



The Proposer recommends that this modification should be assessed by a workgroup.



Medium Impact to: Transporters, ~~and~~ Shippers and Suppliers

At what stage is this document in the process?



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About this document:

This report will be presented to the Panel on 21 August 2014.

The Panel will consider whether the modification should proceed to consultation or be returned to the Workgroup for further assessment.



Any questions?

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1 Summary

Is this a Self-Governance Modification?

The Modification Panel determined that this is a self-governance modification, as the production of a monthly report should not have a material impact.

Why Change?

Shipperless and Unregistered sites are a major cause of Unidentified Gas and imbalance cost to shippers and result in £millions of Unidentified Gas cost being smeared to shippers. Following a meter removal a supplier is obligated to make the gas service safe. The action of making the service safe mitigates the risk of a site using Unidentified Gas.

Because suppliers do not have rights of access to the property their obligation is discharged to Transporters who conduct a gas safety visit on behalf of the supplier and where relevant they remove the service. Following the Transporter's gas safety visit, currently there is no Gas Safety Visit reporting. Thus the status of site post visit is unknown.

Solution

The solution is for the Transporter to report monthly on its Gas Safety Visit activity to the industry, via a high level performance report and to individual shippers via a lower level MPRN report.

Relevant Objectives

This modification ~~proposal~~ would facilitate Relevant Objectives -

- c) Efficient discharge of the licensee's obligations and -
- 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.~~

This modification will improve the industry's visibility that obligations are being performed appropriately by the Transporter and the Supplier Licence Condition are being met.

The impact of this ~~modification proposal~~ is to promote appropriate cost targeting on individual Users through reducing the number of Shipperless and Unregistered sites and the volume of unidentified gas. Such a mechanism must therefore be considered to facilitate competition in the gas market.

Implementation

As self-governance procedures are proposed, implementation could be sixteen business days after a Modification Panel decision to implement, subject to no Appeal being raised. However ~~No implementation timescales are proposed, although~~ it ~~would~~ will be desirable if the modification is implemented ~~propos~~at the 1st ~~is tied to~~ start of the gas year ~~which is the 1st~~ 01 October 2014.

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2 Why Change?

Overview

Within the gas industry there are various proposals to tackle the issue of Shipperless and Unregistered sites including both Modifications and changes to the MPRN creation process. However we believe there is further work that can provide greater transparency of industry process and the outcomes of Gas Safety Visits. Following an Effective Supply Point Withdrawal Shipperless sites can be first identified by a Transporter when completing a Gas Safety Visit, but no reporting exists to confirm the volume of sites that are made safe, disconnected or meter found on site. We believe this transparency is important, as Shipperless and Unregistered sites can result in Unidentified Gas costs being applied to the wrong Shipper party, which can be detrimental to competition.

Background

Following a meter removal, under the Gas Installation and Use Regulation¹ the Supplier obligation is to remove the service 12 months afterwards.

16. (3) “(b) where the meter has not been re-installed or replaced by another meter before the expiry of the period of 12 months beginning with the date of removal of the meter and there is no such service valve as is mentioned in sub-paragraph (a)(i) above, ensure that the service pipe or service pipework for those premises is disconnected as near as is reasonably practicable to the main or storage vessel and that any part of the pipe or pipework which is not removed is sealed at both ends with the appropriate fitting”.

Under the current arrangements following a meter removal the Shipper or Supplier has no rights of access to the property to monitor or access the property to ensure the service is not in use. Suppliers discharge their obligation to Transporters who have access to the property and who complete the Gas Safety Visit 12 months after the date of the meter removal.

Sometimes during the Transporter visit, it is identified that a meter remains connected to the network capable of flowing gas. This could be the result of a Shipper not performing a process correctly, or it may be the result of a consumer taking an action to connect a meter. In these circumstances the service is not removed and the site is added to the Xoserve Shipperless report.

In summary we believe it would benefit the industry to better understand:

1. the volumes of Shipperless sites
- 1.2. the status of sites following the Transporter [visitactivity](#)

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¹ Gas Installation and Use Regulation <http://www.legislation.gov.uk/ukxi/1998/2451/made> Page 4 of 9

3 Solution

The solution is for the Transporter to report [monthly](#) on its “Gas Safety” ([GSR](#)) ~~Visit~~ activity to the industry, via a high level performance report and to individual shippers via a lower level [MPRN](#) report.

The industry reporting, by Network area, broken down by physical visit or remote investigation and by AQ volume should include the following data items – **Report Inputs**

- ~~• Number carried over from previous month~~
- ~~• Number of new MPRNs requiring GSUI activity.~~

Report Outputs

- ~~• Number where the same meter identified, in situ capable of flowing gas~~
- ~~• Number where a different meter identified, in situ capable of flowing gas~~
- ~~• Number where services permanently suspended~~
- ~~• Number where service temporarily suspended~~
- ~~• Number where action not taken.~~

Report data items	Explanation
Report inputs	
New MPRNs requiring GSUI activity	New MPRNs picked up within month by Transporter 9 months after shipper notification of meter removal
Carried over from previous month	Number of MPRNs where Transporter investigation ongoing
Report Outputs	
Primary validation – no further action required	Primary validation - property demolished, IGT MPRN, data error – (Job closed down)
Identified as same meter in situ capable of flowing gas	Same meter* previously registered on industry system identified as in situ. (Mod 424)
Identified as different meter in situ capable of flowing gas	Different meter* to that previously registered identified in situ. (Mod 425)
Services permanently suspended by pipe cut off	Service disconnected – (pipe cut off)
External meter box plastic PE pipe identified	Outside meter box with PE pipe service identified – (no further action taken)
Service temporarily suspended by external control valve closed	Service pipe remains in place, but external control valve available and closed
Service registered by shipper during investigation	Query resolved by shipper registering the service – (forward meter details to Xoserve)
Investigation ongoing	Transporter activity and investigation ongoing – (carry forward to next month)

* [Meter primarily identified by Meter Serial Number](#)

The lower level reporting should include the above data items and issue the data to the currently registered or previously registered shippers, by Shipper ID, by MPRN.

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Report data items	Explanation
Report inputs	
Number carried over from previous month	Number of MPRNs where GSUI activity did not take place within month and therefore carried forward
Total Number of MPRNs requiring a GSUI activity	Total number of sites requiring a Gas Safety Visit—12 months after meter removal
Report Outputs	
Number where the same meter identified, in situ capable of flowing gas	Same meter* previously registered on industry system identified as in situ. (Mod 424)
Number where a different meter identified, in situ capable of flowing gas	Different meter* to that previously registered identified in situ. (Mod 425)
Number where services permanently suspended	Service pipe removed
Number where service temporarily suspended	Service pipe remains in place, but service pipe is capped/sealed—no further action taken by the Transporter
Number where action not taken	No action taken by the Transporter to remove the service or identify the status of the MPRN

User Pays

Classification of the modification as User Pays, or not, and the justification for such classification.

No User Pays Services have been identified

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.

No Split

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.	

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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.	
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.	
f) Promotion of efficiency in the implementation and administration of the Code.	
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.	

Relevant Objective C

Shippers do not have rights of access to a customer property. This Licence Obligation is discharged by Suppliers to the Transporters who have rights of access. This modification will improve industry's visibility that the obligation is being performed appropriately by the Transporter and the Supplier Licence Condition is being met.

Relevant Objective D

Gas Safety Visits identify where following an effective Supply Meter Point withdrawal a meter is either removed, the same meter is in place, a different meter is in place, [the service is removed](#) or the service is left in place. Currently reporting is provided regarding where the same meter or a new meter is found in situ, but no information is available regarding the Transporter performance.

If a spotlight is shone on an area we believe this will better improve performance and improve effective completion between Transporter parties. It is also expected that appropriate management of services where a meter is removed, should reduce the potential root cause of Unidentified Gas and therefore this proposal will improve cost allocation of Transportation and Energy costs.

5 Implementation

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

No implementation timescales are proposed, although it will be desirable if the proposal is tied to start of the gas year which is 01 October 2014.

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6 Legal Text

Text

To be confirmed.

7 Recommendation

The Workgroup invites the Panel to:

AGREE that this self-governance modification should be submitted for consultation.

B Appendix 1.1 – Indicative Gas Safety Visit process flow

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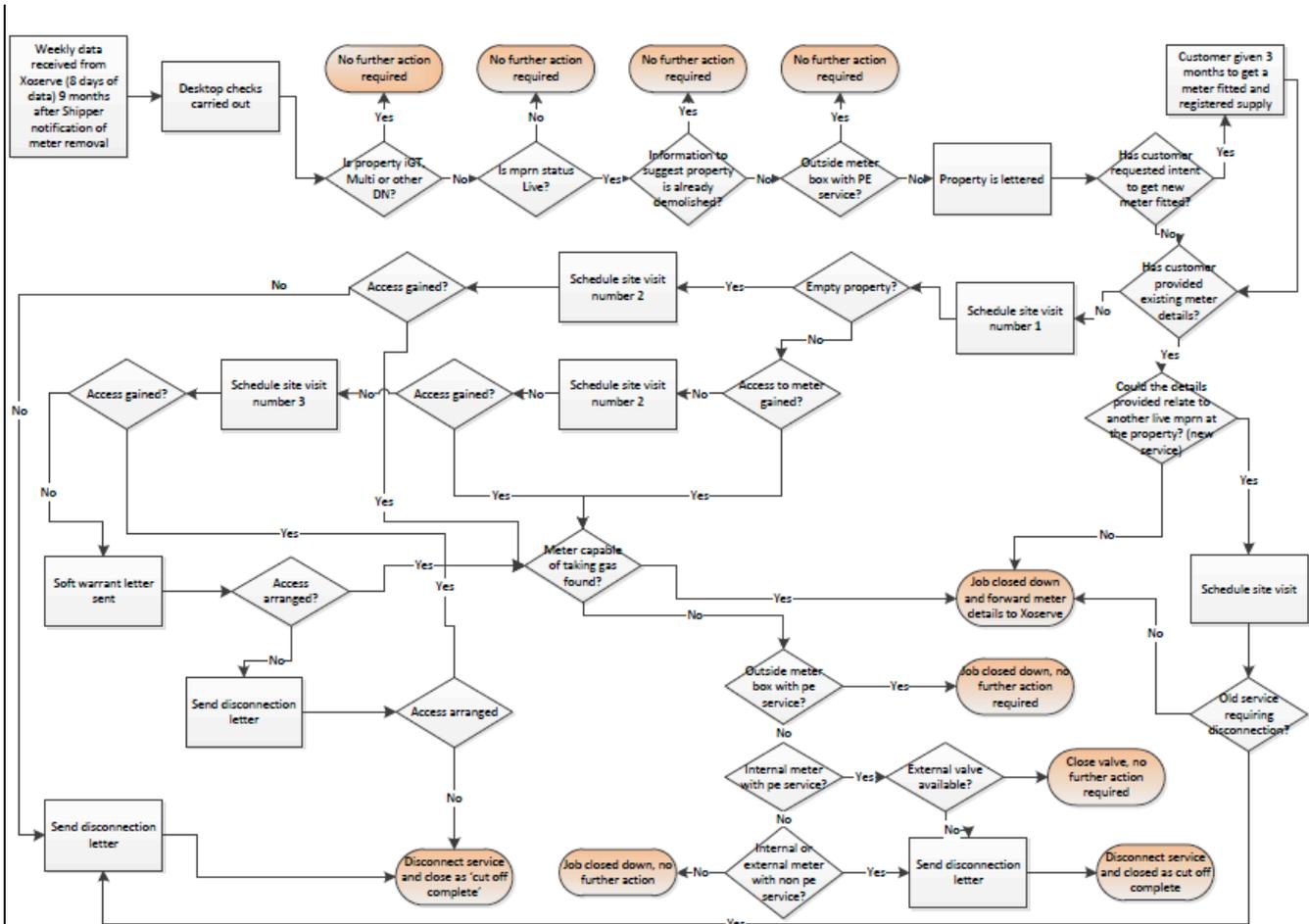
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