

Representation - Draft Modification Report 0526S

Identification of Supply Meter Point pressure tier

Responses invited by: **5pm 10 June 2016**

To: enquiries@gasgovernance.co.uk

| | |
|--|----------------------------|
| Representative: | Colette Baldwin |
| Organisation: | E.ON |
| Date of Representation: | 10 th June 2016 |
| Support or oppose implementation? | Support |
| Relevant Objective: | d) Positive |

Reason for support/opposition: Please summarise (in one paragraph) the key reason(s)

The provision of this information will greatly reduce the need for the GT1 process which should lead to reduced costs for transporters. It will improve competition between shippers and suppliers by removing inefficient costs in transportation charges, abortive visit costs from agents, and failed appointment costs paid to customers and will ultimately lead to an improved customer experience.

If MAMs, Suppliers and Shippers can more easily identify the supply point pressure tier without having to make individual applications to the GT and wait for the information to be provided, it reduces the operational burden of the GT1 process resulting in it becoming more of an exception process rather than BAU. This more effective self-serve approach will become increasingly beneficial over time as the ramp up in the rollout of smart meters results in a greater number of enquiries being managed by Users and GT1s being used in exceptional circumstances.

Self-Governance Statement:

While the solution ultimately delivered is not what was originally envisaged in terms of centrally held data maintained at supply point level, and given the significant progress made to make a solution available while not waiting for the outcome of the modification, as the proposer I was happy to propose amending the modification self-governance statement.

Implementation:

As the proposal is self-governance and the Gas Transporters are already making plans to make the data available without undue delay, 16 days after a Panel decision is appropriate.

Impacts and Costs:

Adopting a more self-serve approach to verifying the pressure tier at a supply point will reduce our costs and mean that we only need to request the GT1 by exception. We trust that this will improve the rollout of smart meters, and remove inefficient costs.

Legal Text: *Are you satisfied that the legal text will deliver the intent of the Solution?*

N/A

Modification Panel Members have requested that the following questions are addressed:

Q1: Respondents are asked to provide views on the impacts to SPAA parties

Following revisions to the modification through development I considered whether to withdraw the UNC modification and raise a SPAA schedule. I left this with the UNC for the following reasons:

1. Since not all suppliers are signatories to SPAA some suppliers would not be able to access the information if the change were introduced via SPAA, and therefore the GTs may be discriminating in terms of provision of information to SPAA parties by a self-serve route, but requiring non- SPAA parties to use the GT1 process. This could be considered anti-competitive and discriminatory.
2. The change related to providing information about the operation of the pipeline system and the transportation of gas, which is more generally a UNC matter between the transporter and the shipper rather than the transporter and the supplier.
3. The costs for the GT1 process are most likely to be recovered through transportation charges. Since the Transporters will benefit from a reduction in transportation costs in the longer term from the modification, the adjustment of costs should flow back through transportation charges, which ultimately benefits competition in both shipping and supply – which is a relevant objective of the uniform network code.

4. Whilst not immediately relevant to the UNC modification, the governance and provision of centrally held data is changing and it is likely that these arrangements will be subsumed into the future CDSP.

Are there any errors or omissions in this Modification Report that you think should be taken into account? *Include details of any impacts/costs to your organisation that are directly related to this.*

No

Please provide below any additional analysis or information to support your representation: