

Modification	At what stage is this document in the process?
<p>0XXX: <i>(Code Administrator to issue reference)</i></p> <p>Implementation of Non Effective Days and Variant Non-Business Days for Project Nexus Implementation (Project Nexus transitional modification)</p>	<div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="border: 1px solid #ccc; padding: 2px; margin-bottom: 2px; width: 100%;">01 Modification</div> <div style="border: 1px solid #ccc; padding: 2px; margin-bottom: 2px; width: 100%;">02 Workgroup Report</div> <div style="border: 1px solid #ccc; padding: 2px; margin-bottom: 2px; width: 100%;">03 Draft Modification Report</div> <div style="border: 1px solid #ccc; padding: 2px; margin-bottom: 2px; width: 100%; border-color: orange;">04 Final Modification Report</div> </div>
<p>Purpose of Modification:</p> <p>This Modification Proposal identifies arrangements relating to the requirement for ‘non-effective days’ and ‘variant non-Business Days’ to enable an orderly and efficient transition from current UNC arrangements to the UNC regime identified within UNC Modifications 0432, 0434 and 0440</p>	
	<p>The Proposer recommends that this modification should be:</p> <ul style="list-style-type: none"> assessed by a Workgroup <p>This modification will be presented by the Proposer to the Panel on 17 November 2016. The Panel will consider the Proposer’s recommendation and determine the appropriate route.</p>
	<p>High Impact: Large Transporters and Shipper Users</p>
	<p>Medium Impact: None</p>
	<p>Low Impact: None</p>

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Timetable		
The Proposer recommends the following timetable:		
Initial consideration by Workgroup	24 th November 2016	
Workgroup Report presented to Panel	19 th January 2017	
Draft Modification Report issued for consultation	19 th January 2017	
Consultation Close-out for representations	13 th February 2017	
Final Modification Report available for Panel	13 th February 2017	
Modification Panel decision	16 th February 2017	

1 Summary

What

To enable a smooth and efficient transition to the new supporting systems it is necessary to set out terms within the UNC Transition Document (TD), which identify the dates when the UK-Link System will not be available for normal transactions and processes as identified within the UNC. This modification identifies when the relevant systems would be taken off-line or subject to additional support measures impacting transaction processing.

Why

As part of the UK-Link Replacement Programme, UNC Modifications 0432, 0434 and 0440 will be implemented on Project Nexus Implementation Date (PNID). As a consequence some elements of the UK-Link system will not be available for a period of time to enable critical activities such as migration and recovery to be supported. Clarity in respect of the above would facilitate a smooth, transparent and efficient implementation of the UK-Link System and transition for interfacing systems in other industry participants' estates.

How

This modification identifies a series of non-effective days when the relevant systems would be taken off-line and variant non-Business Days when UK-Link Systems shall be subject to additional support measures impacting transaction processing.

2 Governance

Self-Governance procedures are not requested as this Modification is expected to have a material impact on 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. The implementation of non-effective days would amend the Supply Point transfer timescales pertaining to Shipper User registration.

This modification does not meet the criteria for Fast Track Self Governance.

Urgent procedures are not requested.

Requested Next Steps

This modification should:

- be assessed by a Workgroup

Note: The UK-Link Programme Transition Progress Group (TPG) will consider the detailed transitional systems planning activity (this group does not meet under UNC governance). It is proposed that the Distribution Workgroup develop the UNC modification in parallel with this activity.

3 Why Change?

A number of UNC non-effective days and variant non-Business Days are required to facilitate 'cutover' to the new systems being introduced by the Transporters Agency, Xoserve under the UK-Link Replacement Programme; this proposal is a refreshed version of UNC532

For the purposes of clarity it is important to distinguish a non-effective day and a variant non-Business Day from a non-Business Day.

- A non-Business Day is reflected within the exceptions described within Transportation Principal Document (TPD) Sections G1.10 - i.e. those Days which are other than a Business Day. Shipper Users may continue to submit Supply Point Administration (SPA) files on non-Business Days but any such files would not be processed. In contrast, all UK-Link systems activity concerned with TPD Sections G and M, in particular that associated with updates to the Supply Point Register are typically suspended on a non-effective day.

To enable implementation of the UK-Link Replacement Programme in line with the revised PNID of 1st June 2017 it is essential that a number of non-effective days and variant non-Business Days are introduced to the UNC TD.

Extension of the timescales relating to Supplier switching may impact the consumer experience. The certainty that is afforded by the establishment of non-effective days and variant non-Business Days mitigates the likelihood of confusion or misunderstanding arising with respect to the switching process.

The absence of the clarity that this modification would provide could adversely affect timely implementation of the UK-Link Replacement Programme at PNID.

4 Code Specific Matters

Reference Documents

Detailed planning for UK-Link systems Transition will take place in the Transition Planning Group (TPG). Papers are available here. (this group does not meet under UNC governance and the link below is provided for information only)

<http://www.xoserve.com/index.php/transitiontest/>

Knowledge/Skills

The proposed definition of non-effective days and variant non-Business Days would impact TPD Sections G and M of the UNC. As such it is recommended that the UNC Distribution Workgroup – whose familiarity with such sections make it best placed to develop this modification given members' knowledge of the 'retail' related elements of the UNC.

5 Solution

Modification of the UNC is required to identify and incorporate a number of non-effective days and variant non-Business Days within the UNC TD.

It is proposed that seven non-effective days and two variant non-Business Days are introduced.

Definition of non-effective days

Non-effective days are defined by the modifications which introduce them.

The non-effective day period is proposed to be 25th May 2017 to 31st May 2017 inclusive. This period of seven non-effective days prior to Project Nexus implementation date would have the following features:

- Such days would not constitute UNC Business Days.
- No Supply Point Confirmations can be submitted.
- No revision of the Supply Point Register can be made, including those defined in Annex G-1 'Revisions to Supply Point Register not Requiring Reconfirmation'.
- None of the following Code Communications may be made: Supply Point Enquiry, Supply Point Nomination, Supply Point Offer, Supply Point Confirmation, Supply Point Objection, Supply Point Withdrawal, request for Isolation, application to increase or reduce Supply Point Capacity, Amend Supply Point Offtake Rate, Revisions to Annual Quantity or NDM Meter Reading and Meter Information Notifications and Meter Information Update Notifications.
- No communication (under the Code or any other contract between the Transporters and Users) pursuant to which Transporter would be required to revise the Supply Point Register (being the Sites and Meters database), may be made.
- The above suspensions shall also apply with respect to Supply Points known as 'unique sites', including Shared Supply Points including the Notification and Allocation processes associated with such sites,
- Daily Metered 'mandatory site' (DMM) liability relief is sought.
- Liability relief related to the processes described above being subject to the non-effective days i.e. Supply Point Offers, Supply Point Nominations (specifically Referrals) and updates to the Supply Point Register where the Meter Installation Works is completed by the Transporter.
- Liability relief is required for the relevant period with respect to Query Resolution for Invoicing and Operational Queries.
- Liability relief related to non-availability of UK-Link Systems (TPD Section U 7.6.7(c)) – specifically associated with non-availability of the Batch Transfer and systems and processes defined as unavailable or subject to an outage notification would be sought through UK-Link Committee as defined in TPD Section U.

Definition of variant non-Business Days

The period of variant non-Business Days would include the PNID of 1st June 2017 and the subsequent day being 2nd June 2017.

These variant non-Business Days would have the following features¹:

- Such days would not constitute UNC Business Days.
- Supply Point Confirmations can be submitted.
- The variant non-Business Days are expected to apply to UNC TPD Sections G and M. Communications may be made by Users to Transporters: Supply Point Enquiry, Supply Point Nomination, Supply Point Offer, Supply Point Confirmation, Supply Point Objection, Supply Point Withdrawal, request for Isolation, application to increase or reduce Supply Point Capacity, Amend Supply Point Offtake Rate, Revisions to Annual Quantity or NDM Meter Reading and Meter Information Notifications and Meter Information Update Notifications.
- Communications may be made by the Transporters to Users, including response files to the above.
- Liability relief related to the processes described above being subject to the [variant non-Business Day] i.e. Supply Point Offers, Supply Point Nominations (specifically Referrals) and updates to the Supply Point Register where the Meter Installation Works is completed by the Transporter.
- Liability relief is also required for the period with respect to Query Resolution for Invoicing and Operational Queries.
- Liability relief related to non-availability of UK-Link Systems (TPD Section U 7.6.7 (c)) – specifically associated with non-availability of the Batch Transfer and systems and processes defined as unavailable or subject to an outage notification would be sought through UK-Link Committee as defined in TPD Section U.

Extension to Minimum Confirmation timescales to enable two day period for Supply Point Objections

Users have previously requested a minimum of two days with which to raise a Supply Point Objection which could only be accommodated by extending the minimum Confirmation timescale.

The proposal for two variant non-Business Days, in addition to the seven non-effective day period, means that for certain Supply Point Registration Dates the incumbent User would have less than two days to raise a Supply Point Objection where the proposing User provides the minimum Confirmation timescale as set out in UNC G 2.5.8(b).

For the Project Nexus Implementation Date of 1st June 2017, this Supply Point Registration Date range is between 2nd and 8th June 2017.

In order to accommodate a two day objection period a Shipper that requires a Supply Point Confirmation to become effective within the Supply Point Registration Date range referenced above would need to

submit the Supply Point Confirmation at an earlier date, effectively extending the minimum Confirmation timescale.

Sample timelines are provided to illustrate the timeline around a Change of Shipper event and the Project Nexus Implementation Date, and the contingency date:



Mod XXX June 2017
PNID NEDs - Sample 1

6 Impacts & Other Considerations

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This Modification Proposal impacts the industry programme for replacement of the UK-Link system. This is because it is necessary to make provision in the UNC for activities (such as those associated with Supply Point Administration) where non-availability of the UK-Link system has a direct consequence for Shipper Users, Suppliers and ultimately consumers.

It is essential to the success of the UK-Link Replacement Programme.

Consumer Impacts

This modification proposes a total of seven non-effective days and two variant non-Business Days. If the minimum Confirmation timescales are used the incumbent User would not have an opportunity to raise a Supply Point objection; in the past Users have requested a minimum of two days with which to raise any objections. In order to accommodate this objection period a Shipper that requires a Supply Point Confirmation to become effective within the Supply Point Registration Date range referenced above would need to submit the Supply Point Confirmation at an earlier date, effectively extending the minimum Confirmation timescale.

As a consequence of the above the amended Confirmation submission deadlines would be:

Supply Point Registration Date	Confirmation submission deadline (normal operation)	Confirmation submission deadline (extended Confirmation timescale)
2 nd June 2017	19 th May 2017	18 th May 2017
3 rd June 2017	20 th May 2017	18 th May 2017
4 th June 2017	21 st May 2017	18 th May 2017
5 th June 2017	22 nd May 2017	18 th May 2017
6 th June 2017	23 rd May 2017	19 th May 2017
7 th June 2017	24 th May 2017	22 nd May 2017
8 th June 2017	25 th May 2017	23 rd May 2017

With respect to the 1st June 2017 Project Nexus Implementation Date, the period where Users may not submit Code Communications shall mean that Users need to submit Confirmations by 24th May where the Supply Point Registration Date is 9th to 15th June 2017.

This potentially impacts consumers, but it is expected that switches can be completed within the timescales set out in the Supplier’s Standard Licence Condition 14A: ‘Customer Transfer’ which requires gas suppliers to ensure that customer transfers can take place within three weeks of the contractual cooling-off period ending.

Cross Code Impacts

An equivalent modification would be required within the iGT UNC.

While not part of formal UNC governance it is recommended that this modification is considered by the Supply Point Administration Agreement (SPAA) Expert Group. This is to check for any impacts to relevant SPAA schedules – for example Metering Schedules (22).

No impacts have been identified to any other Codes.

EU Code Impacts

None identified.

Central Systems Impacts

This modification proposal is essential for the implementation of the UK-Link System introduced as part of the UK-Link Replacement Programme.

User Pays	
Classification of the modification as User Pays, or not, and the justification for such classification.	No User Pays service would be created or amended by implementation of this modification and it is not, therefore, classified as a User Pays Modification.
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

7 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.	Impacted
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

This Modification is required to enable implementation of the UK-Link Replacement Programme. The measures identified can therefore be expected to facilitate relevant objective f) 'Promotion of efficiency in the implementation and administration of the Code.

Given that the effect of the Modification would be to extend the timescales for transfer of Shipper User within the transition period, there could be a minor negative effect on competition between Shippers. This Modification therefore does not facilitate relevant objective d) Securing of effective competition between Shipper Users.

8 Implementation

No implementation timescales are proposed. However, this Modification could be implemented upon direction and it would be desirable if this Modification were implemented by 1st February 2017 to add certainty to the transition process for the UK-Link replacement programme.

9 Legal Text

[Legal Text Guidance Document.](#)

Text Commentary

Insert text here

Text

Insert text here

10 Recommendations

Proposer's Recommendation to Panel

Panel is asked to:

- Refer this proposal to a Workgroup for assessment.

DRAFT