

Representation - Draft Modification Report 0565 0565A 0565B

Central Data Service Provider: General framework and obligations

Responses invited by: 5pm 08 December 2016

To: enquiries@gasgovernance.co.uk

Representative:	Andy Low
Organisation:	Indigo Pipelines Limited
Date of Representation:	8 December 2016
Support or oppose implementation?	<p>0565 – Oppose</p> <p>0565A - Support</p> <p>0565B – Oppose</p>
Alternate preference:	<p><i>If either 0565, 0565A or 0565B were to be implemented, which would be your preference?</i></p> <p>0565A</p>
Relevant Objective:	<p>Indigo Pipelines believes that UNC0565A has a positive impact on the following objectives:</p> <p>c) Positive – this allows IGTs a say in the Data Services Contract (DSC) related matters, particularly where a decision is to be made that impacts GDNs and IGTs as a restricted class change.</p> <p>d) Positive – the voting model will effectively promote competition between parties.</p> <p>f) Positive – it will promote greater use of self-governance by reducing the need to rely on an appeals process.</p> <p>We believe UNC0565 and UNC0565B have a negative impact on Objectives C, D and F for the following reasons:</p> <p>Objective C – Indigo Pipelines believes that the DSC change arrangements for restricted class change under UNC0565 and UNC0565B do not support the requirements of Part A of condition A15A that require non RGT Users <i>“the opportunity to participate in the decision making process in respect of matters that will have an effect on the appointment and ongoing operation of the CDS”</i>.</p> <p>Objective D - Due to the ability of GDNS to impose change under the DSC voting models as proposed by UNC0565 and UNC0565B, Indigo Pipelines believes that this does not promote competition (albeit under the relevant objective this is between DNs).</p> <p>Objective F – Indigo Pipelines believes that potentially relying on an appeals process under the DSC (as a Code referenced document) will result in inefficient implementation and administration of the Code.</p>

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

Indigo Pipelines believes that UNC0565A is the best model for iGTs as it does not exclude them from the decision making process governed by DSC and the various committees and workgroups which will oversee its governance.

The major concern is that under restricted class changes, which only has an impact on iGTs and GDNs, under the voting models proposed by UNC0565 and UNC0565B, regardless if the iGT position, the GDNs by having superior voting rights and will therefore always have an advantage in any proposed change.

Indigo Pipelines therefore supports UNC0565A as is the only voting model that does not allow decisions to be imposed on iGTs, furthermore it is the only model which promotes the use of self-governance thereby potentially reducing the need to enforce the appeals process and subsequently making the change process far more efficient for all industry parties.

Self-Governance Statement: Please provide your views on the self-governance statement.

Indigo Pipelines agrees that these modifications should not be subject to self-governance arrangements and should instead go to the Authority for final approval.

Implementation: What lead-time do you wish to see prior to implementation and why?

Indigo Pipelines agrees that UNC0565 (or variant) should be implemented for 1st April 2017, although iGTs will not be a UNC signatory until NEXUS go-live date.

Impacts and Costs: What analysis, development and ongoing costs would you face?

Funding Governance and Ownership brings an uncertainty around costs to iGTs who will be unable to pass through any overspend by the CDSP. Indigo Pipelines believes that UNC0565A will allow iGTs to have some control over any potential changes to these costs (and the allocations of these costs) whereas UNC0565 or UNC0565B would potentially enhance this uncertainty.

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

iGTs have worked with the UNC0565 work group throughout the legal drafting and are satisfied that the legal text will deliver the intent of the solution of this modification.

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.

None identified.

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

N/A.