

Stage 01: Modification

At what stage is this document in the process?

0469S: Transporter Gas Safety Visit Reporting

- 01 Modification
- 02 Workgroup Report
- 03 Draft Modification Report
- 04 Final Modification Report

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



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



Medium Impact to Transporters, Shippers and Suppliers

0469











Modification

22 January 2014

Version 3.0

Page 1 of 7

© 2014 all rights reserved

Contents		
1	Summary	3
2	Why Change?	4
3	Solution	5
4	Relevant Objectives	6
5	Implementation	7
6	Legal Text	7
7	Recommendation	7
About this document:		
This modification will be presented by the proposer to the Workgroup on 10 December 2013.		 Any questions?
		Contact: Code Administrator
		 enquiries@gasgovernance.co.uk
		 0121 288 2107
		Proposer: Andrew Margan
		 andrew.margan@centrica.com
		 07789 577327
		Licence Holder: Wales & West Utilities
		
		
		Systems Provider: Xoserve
		 commercial.enquiries@xoserve.com
		Additional contacts: Dave Addison
		 david.addison@xoserve.com.
		 07886 856590

0469

Modification

22 January 2014

Version 3.0

Page 2 of 7

© 2014 all rights reserved

1 Summary

Is this a Self-Governance Modification?

The Modification Panel determined that this is a self-governance modification.

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 Transporters 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.
- 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.

The impact of this 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

[Development of the reporting requirements and the implementation are expected to take 6 months after implementation].

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.

“(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
2. the status of sites following the Transporter visit

0469

Modification

22 January 2014

Version 3.0

Page 4 of 7

¹ Gas Installation and Use Regulation <http://www.legislation.gov.uk/uksi/1998/2451/made> © 2014 all rights reserved

3 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.

The industry reporting, by Network area, should break down the number of visits and AQ volume of the sites and include the following data items -

- Total Number of sites requiring a GSUI visit
- No. of sites the same meter identified, in situ capable of flowing gas
- No. of sites a different meter identified, in situ capable of flowing gas
- No. of services permanently suspended
- No. of services temporarily suspended
- No. of sites action not taken – service not suspended

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.

Report data items	Explanation
Total Number of sites requiring a GSUI visit	Total number of sites requiring a Gas Safety Visit - 12 months after meter removal
No. of sites the same meter identified, in situ capable of flowing gas	Same meter* previously registered on industry system identified as in situ. (Mod 424)
No. of sites a different meter identified, in situ capable of flowing gas	Different meter* to that previously registered identified in situ. (Mod 425)
No. of services permanently suspended	Service pipe removed
No. of services temporarily suspended	Service pipe remains in place, but action taken (to make gas safe)
No. of sites action not taken - service not suspended	Service remains in place - no action taken

* Meter primarily identified by Meter Serial Number

User Pays
Classification of the modification as User Pays, or not, and the justification for such classification.
<i>TBC</i>
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.
<i>TBC</i>
Proposed charge(s) for application of User Pays charges to Shippers.
<i>TBC</i>
Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Xoserve.
<i>TBC</i>

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.	
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

0469

Modification

22 January 2014

Version 3.0

Page 6 of 7

© 2014 all rights reserved

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 to the Transporters who have rights of access. This modification will improve Shipper's visibility that this obligation is being performed appropriately by the Transporter and the 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 placed, a different one is in place, or the service is left in place. Information is provided regarding the Shipper performance 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 where we believe this will better improve performance and improve effective completion between Transporter parties.

5 Implementation

No implementation date has been proposed. Any implementation timetable would be contingent on any system and process development timescales.

6 Legal Text

TBC

7 Recommendation

The Proposer invites the Workgroup to:

- Assess the modification.

0469

Modification

22 January 2014

Version 3.0

Page 7 of 7

© 2014 all rights reserved