

0512S:

Amendment to Section M to be consistent with Faster Switching proposals

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

This modification seeks to align Section M 3.2.9 of the UNC with the proposals set out in Modification 0477 - Supply Point Registration - Facilitation of Faster Switching



The Workgroup recommends that this self-governance modification should now proceed to consultation.



Low Impact:
Shippers and Transporters



Medium Impact:



Low Impact:

Contents

- 1 Summary
- 2 Why Change?
- 3 Solution
- 4 Relevant Objectives
- 5 Implementation
- 6 Legal Text
- 7 Recommendation

About this document:

This report will be presented to the panel on [20 November] 2014.

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

	
	3 Any questions?
Contact: 	4 Code Administrator
	5 enquiries@gasgovernance.co.uk
	5 0121 288 2107
Proposer: 	6 Proposer: Graham Wood British Gas
	graham.wood@britishgas.co.uk
	07979 567686
Transporter: 	Transporter: National Grid Distribution
	chris.warner@nationalgrid.com
	01926 653541
Systems Provider: 	Systems Provider: Xoserve
	commercial.enquiries@xoserve.com

1 Summary

Is this a Self-Governance Modification?

The Modification Panel determined that this is a self-governance modification because it is unlikely to have material impact on competition or consumers.

Is this a Fast Track Self-Governance Modification?

Fast track self-governance does not apply as this modification is not a housekeeping modification required as a result of some error or factual change.

Why Change?

Modification 0477 set out a new minimum transfer period of 14 Business Days and as such contained an accompanying Supply Point Confirmation window of 2 System Business Days prior to the transfer taking place. This means that meter information cannot be sent to the incoming shipper until this point in time. UNC Section 3.2.9 currently states that the metering information should be sent to the Shippers 7 days prior to the Proposed supply Point Registration Date. This would be within the new Objection Window and as such the transfer would not be assured.

Solution

In order to reflect the spirit of Modification 0477 the UNC should be amended so that relevant Meter Information should not be sent by the Transporter to the Proposing User until the Objection Deadline. This will be no less than 2 System Business Days prior to the Proposed Supply Point Registration Date.

Implementation

As Self Governance is proposed implementation could be 16 Days after a Panel decision to do so. It is however proposed that implementation is in line with the delivery of Modification 0477 changes, which is due on 07 November 2014.

Does this modification affect the Nexus delivery, if so, how?

The proposed changes to legal text will need to be considered alongside those approved under Modification 0477 to ascertain any further impacts to the Nexus design.

2 Why Change?

Modification 0477 set out a new minimum Confirmation period of 14 Business Days and as such contained an accompanying Supply Point Confirmation window of 2 System Business Days prior to the transfer taking place. This means that meter information cannot be sent to the incoming shipper until this point in time. UNC Section 3.2.9 currently states that the meter information should be sent to the Shippers 7 days prior to the Proposed supply Point Registration Date. This would be within the new Objection Window and as such the transfer would not be assured.

3 Solution

The UNC should be amended so that relevant Meter Information should not be sent by the Transporter to the Proposing User until the Objection Deadline which will be no less than 2 System Business Days prior to the Proposed Supply Point Registration Date.

The Transporter will send the relevant Meter Information to the Proposing User by 2 Systems Business Days prior to the Proposed Supply Point Registration Date in 90% of instances of changes of Supply Point ownership measured annually and by the Proposed Supply Point Registration Date in 100% of instances of changes of Supply Point ownership measured annually.

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

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.	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.	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.	None
f) Promotion of efficiency in the implementation and administration of the Code.	None
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

Implementation of this modification, alongside Modification 0477, would facilitate Relevant Objective d) Securing of effective competition. The modification will reduce the timeframe for the change of supplier process, providing benefits for consumers as they will be able to change their supplier considerably faster than under the incumbent arrangements. A quicker process will increase consumer confidence and engagement in the change of supplier process and thus positively assist effective competition between suppliers.

5 Implementation

As Self Governance is proposed implementation could be 16 Days after a Panel decision to do so. It is however proposed that implementation is in line with the delivery of Modification 0477 changes, which is due on 07 November 2014.

6 Legal Text

The following Text has been prepared by National Grid Distribution, [and no issues were raised by the Workgroup regarding its content.]

Text Commentary

The proposed legal text reflects the solution proposed in Modification 0512S to correct the omission in the legal text for Modification 0477 in Section M3.2.9.

Text

Amend Section M3.2.9 to read as follows:

In respect of a Supply Meter Point comprised in a Proposed Supply Point in respect of which the Supply Point Confirmation has become effective, the Transporter will provide to the Proposing User the Meter Information (as held on the Supply Point Register):

- (a) on not later than the ~~7th~~2nd Supply Point Systems Business Day before the Proposed Supply Point Registration Date in at least 90% of instances in any calendar year; and
- (b) in any case, not later than the Proposed Supply Point Registration Date in all instances.

7 Recommendation

The Workgroup invites the Panel to:

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