

iGT UNC / iGT INC Consultation Response

Date	06 March 2012
Reference	iGT041 DMR Consultation
Title	EU 3rd Package - 3 Week Switching
Respondee	Trevor Peacock, Fulcrum Pipelines
Position on the Modification	Qualified support for Modification

Facilitation of the relevant objectives

How this proposal will, if implemented, better facilitate the “code relevant objectives”, as defined in Standard Condition 9 of the Gas Transporters Licence. For those answered Yes to, please provide a detailed explanation below the table.

<i>Relevant Objective</i>	<i>Yes/No</i>
a. the efficient and economic operation of the pipe-line system to which this licence relates	No
b. so far as is consistent with sub-paragraph (a), the coordinated, efficient and economic operation of the pipe-line system of one or more other relevant gas transporters	No
c. so far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence	No
d. so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition between relevant shippers and between relevant suppliers	Yes
e. so far as is consistent with sub-paragraphs (a) to (d), the 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	No
f. so far as is consistent with sub-paragraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code referred to in paragraphs 2 and 5 respectively of this condition	No
g. so far as is consistent with sub-paragraphs (a) to (f), the 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	Yes

* Regulation 2009/715/EC of the European Parliament and of the Council of 13 July 2009

Relevant Objectives to be better facilitated:

Likely impact on environment?

How this proposal will, if implemented, impact on greenhouse gas emissions?

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Implementation issues including impact on your systems

Fulcrum have considered both of the proposed mods related to the 21 Day Switching scenario and whilst we like the look and the flexibility associated with iGT042, from a practical point of view iGT041 is the most appropriate proposal.

Whilst it puts a significant amount of responsibility on the shippers due to the reduced windows associated with objection & confirmation periods, it does make the development required within all parties systems easier and only requires a one off change.

The development associated with iGT042 would be considerably more onerous and would need additional amendments each year to adapt the data for the relevant bank holiday dates.

This modification is more likely to have an impact on processes rather than system changes and as such the impact should be fairly minor.

However, the most efficient method for the change of shipper process would for this to be fully automated with both Pipeline Users and Pipeline Operators systems processing files in the same format.

If the agreed format for processing these file flows was via csv files, then FPL would have to amend their systems to accommodate this. An estimated lead time of six months would be required to allow this amendment.

Additional Information and Comments

The aim of the EU directive seems to be to place an “obligation to complete a supply transfer within three weeks.”

Has consideration been given to customers who wish to initiate a supply transfer but do not want it to happen in three weeks, i.e. end users who may be changing homes and approach their existing supplier to become the registered supplier of the new property on the day that they take ownership of the property.

Does the directive allow for scenarios such as this or would the shippers only be able to submit their change requests on such a date that would

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ensure that the whole process is completed within three weeks?

As a consequence of this modification there is a general perception that the volume of erroneous transfers is likely to increase due to the reduced timescales associated with the change of shipper transactions.

In order for this process to work efficiently and accurately it would be essential to ensure that all of the relevant file flows associated with the change of shipper process are processed urgently.

The only way that this could work to its maximum potential would be for all parties to make their systems automated for these transactions. The potential negative impact of this situation would be that the validation rules associated with these file flows would have to be stringent and could cause more rejections.

The development time associated with automating systems are likely to be considerably longer than any initial development put in place to meet the requirements of this particular modification.

Completed forms should be returned to the iGT UNC Representative, Gemserv Ltd at iGT-UNC@gemserv.com or faxed to 020 7090 1001