

iGT UNC / iGT INC Consultation Response

Date	29 th February 2012
Reference	iGT042 EU 3rd Package - 3 Week Switching DMR Consultation
Title	EU 3rd Package - 21 day switching with flexible objection period
Respondee	Dan Simons - EDF Energy
Position on the Modification	Qualified support for Modification (see additional information and comments)

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.

Relevant Objective	Yes/No
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	Yes
d. so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition between relevant shippers and between relevant suppliers	No
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?

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None

Implementation issues including impact on your systems

Implementation of either IGT041 or IGT042 would impact both Pipeline Users and Pipeline Operators systems.

We believe that implementation of IGT041 would require slightly less change to our systems than IGT042.

To minimise change and reduce costs, it would be sensible to align with implementation of any equivalent UNC modification UNC0396 / UNC0403.

Additional Information and Comments

Whilst we agree that implementation of either IGT041 or IGT042 would meet the objective of compliance with the EU 3rd Package obligations in relation to 21 day switching, we consider the solution detailed in IGT041 to be a more efficient way to meet these obligations.

We do recognise that there are advantages and disadvantages to either proposed solution.

Implementation of IGT041 would lead to a significant reduction in the objection window which would reduce the amount of time that suppliers have to raise and resolve objections. There is a risk that a reduced objection window could also have a detrimental impact on erroneous transfers.

In comparison, IGT042 would only see a reduction in the objection window at certain times of the year, thus reducing the potential impact on objection resolution and the erroneous transfer process.

However, IGT041 would also enable suppliers to register customers within a significantly reduced time period in the majority of instances. This reduced switching period could potentially lead to increased alignment with electricity switching which in turn should lead to an improved experience for customers when changing supplier.

IGT042 would not deliver the same benefit in switching timescales.

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On balance, whilst we support both proposals, our preference would be for implementation of IGT 041.

We also note that there are currently two open UNC equivalent modifications to address this issue, UNC0396 and UNC0403. We consider that whichever modification is directed for implementation under the UNC should also be directed for implementation under the IGT UNC and would urge the authority to consider these proposals and implementation timescales together.

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