

Stage 04: Final Modification Report

iGT071S:

Updating the iGT AQ Review Procedures Ancillary Document

This Modification seeks to amend the Ancillary Document for the iGT AQ Review Procedure to align with new processes expected to be introduced under Single Service Provision. It also recommends that the existing document be renamed.



Panel determined to implement/not implement the Modification (SG)



High Impact:



Medium Impact:



Low Impact:
All iGT UNC Parties

At what stage is this document in the process?

01

Modification Proposal

02

Workgroup Report

03

Draft Modification Report

04

Final Modification Report



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About this document:

This document is a Final Modification Report, to be presented to the Panel on 21st September 2016.

The Panel will consider the views presented and decide whether or not this self-governance change should be made.



Any questions?

Contact:
Code Administrator



igt-unc@gemserv.com



0207 090 1044

Proposer:
Amie Charalambous



Amie.Charalambous@npower.com



Telephone

07917271763

Workgroup Chair:
Code Administrator



igt-unc@gemserv.com



0207 090 1044

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1st December 2016

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1. Plain English Summary

Is this a Self-Governance Modification?

The Workgroup has agreed that this Modification meets the criteria for self-governance.

If so, will this be progressed as a Fast Track Modification?

No.

Rationale for Change

As a result of iGT039 - Single Service Provision, all Ancillary Documents are being reviewed and sections amended to reflect the legal text that has been prepared to support the implementation of Modification Proposal iGT039. As such sections of the 'IGT AQ Review Procedures Document' need to be reviewed and assessed as to what needs to stay and what needs to be removed.

Solution

The solution is to remove most sections in the 'IGT AQ Review Procedures Document', as these processes will be performed under the UNC rules. However Sections 9 part (e) (reporting > igt data collection) and Section 10 (annual updates to the AQ values within the CSEP NExA Table) shall be retained as these shall still fall under the scope of the iGT UNC.

Relevant Objectives

The Workgroup believes this modification better facilitates Objective (f) - Promotion of efficiency in the implementation and administration of the Code.

Implementation

The modification should be implemented post the Project Nexus Go Live date at an appropriate time to ensure that the production of the draft CSEP NEXA table by the iGTs uses the latest data that has been generated via the review of iGT Supply Point Aqs as carried out by the Pipeline Operator Agency under Single Service Provision.

2. Rationale for Change?

As a result of iGT039 - Single Service Provision, all Ancillary Documents are being reviewed and sections amended to reflect the legal text that has been prepared to support the implementation of Modification Proposal iGT039. As such sections of the 'IGT AQ Review Procedures Document' need to be reviewed and assessed as to what needs to stay and what needs to be removed.

3. Solution

The solution is to remove most sections in the 'IGT AQ Review Procedures Document' as these processes will be performed under the UNC rules. However, Sections 9 part (e) (reporting > igt data collection) and Section 10 (annual updates to the AQ values within the CSEP NExA Table) shall be retained as these shall still fall under the scope of the iGT UNC.

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There will also need to be changes to the rules by which an AQ is either EXCLUDED or INCLUDED when the AQ data is being collated (as set out in the current Section 9) together with the timings for the process (as set out in Section 10).

These have been developed by the workgroup and are set out in the proposed new Ancillary document (see Legal Text).

The solution was developed extensively by the workgroup over twelve workgroup meetings spanning fourteen months. The workgroup came together to agree the scope of the work required to publish a revised CSEP NExA table under Single Service Provision, the ability of the iGT to receive the information from Xoserve, the timescales associated with acquiring that information, and the associated impact on the existing timetable.

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.	None
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.	Positive
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

The Work Group were in consensus that this Modification would facilitate:

Objective F

Objective F) Promotion of efficiency in the implementation and administration of the Code.

Objective F) has been met as it will create an alignment between the codes and a single point of reference. It will also ensure that there is no confusion regarding the manner in which Aqs are reviewed under Single Service Provision.

5. Impacts and Costs

The Work Group agree that there are no impacts or significant costs of implementation.

6. Likely Impact on Consumers

The Work Group believe that there are no likely impacts on consumers.

7. Likely Impact on Environment

The Work Group agree that there are no likely impacts on the environment.

8. Implementation

The modification should be implemented post the Project Nexus Go Live date at an appropriate time to ensure that the production of the draft CSEP NEXA table by the iGTs uses the latest data that has been generated via the review of iGT Supply Point Aqs as carried out by the Pipeline Operator Agency under Single Service Provision.

The actual implementation date will depend on the Project Nexus Go Live date as it is essential that until the full AQ review process has been carried out under Single Service Provision processes by the Pipeline Operator Agency then the responsibility to directly provide the data to create a Proposed CSEP NEXA Table will remain with the iGTs under the existing procedure.

9. Legal Text

An updated Ancillary document is attached which has been developed through the discussions that have taken place at a number of iGT071 workgroup meetings. As the Ancillary document no longer relates to the actual AQ review process it is also suggested that the name of the Ancillary document be changed to the "*iGT CSEP NEXA Table Review Procedures Document*".

[Proposed new Ancillary Document \(v1.5\)](#)

There will also need to be changes to the references to the document in Part CI 6.4, in Part K re the name of the Ancillary document, Part M of the iGT UNC for the “AQ Review Work Group” and the Proposed CSEP NExA Table” together with changes to the NExA Table Reporting Template C1:

Part CI 6.4

For the purposes of this Clause 6:

(a) on the First Supply Point Registration Date the Formula Year Annual Quantity and Rolling Annual Quantity of a Supply Point shall be equal to the RPC Entry Annual Quantity.

(b) the "~~iGT CSEP NExA Table Review Procedures Document~~ ~~iGT AQ Review Procedures~~" is the iGT UNC Ancillary Document so entitled and issued from time to time by the Pipeline Operator and which for the purposes of the Part K 43 only shall be deemed to be incorporated into and form part of the Code and the Pipeline Operator must follow the process “Reporting” and “Annual updates to the AQ values within the CSEP NExA Table” as set out in the [iGT CSEP NExA Table Review Procedures Document](#). ~~iGT AQ Procedures~~.

APPENDIX K-2 iGT UNC Ancillary Documents

[iGT CSEP NExA Table Review Procedures](#) ~~iGT AQ Review Procedures~~

Part M

“~~CSEP NExA Table Review~~ ~~AQ Review Work Group~~” shall have the meaning as set out in Section ~~10-2~~ of the iGT UNC Ancillary Document entitled the [iGT CSEP NExA Table Review Procedures](#)~~iGT AQ Review Procedures~~;

"~~iGT CSEP NExA Table Review Procedures~~~~iGT AQ Review Procedures~~" shall have the meaning in Part CI 6.4(b);

“**Proposed CSEP NExA Table**” shall have the meaning as set out in Section ~~9-1~~ of the iGT UNC Ancillary Document entitled the [iGT CSEP NExA Table](#) ~~iGT AQ Review Procedures~~;

Associated Templates

[NExA-Table-reporting-template-C1](#)

[Collated-iGT-NExA-Table-AQs-C2](#)



10. Consultation Responses

Representations were received from the following parties:

Company / Organisation Name	Support Implementation or Not?
Scottish Power Energy Retail Limited	Support
RWE npower	Support
Brookfield Utilities	Qualified Support
E.ON	Support

Summary of Comments

Self-Governance Status

All respondents agreed that the Modification met the criteria for self-governance.

Support for implementation

The three Pipeline User respondents fully supported implementation, as the Modification sought to remove redundant elements of an Ancillary Document.

The Pipeline Operator respondent noted qualified support on the basis that the AQ process ‘cuts across’ Single Service Provision implementation, which may make the iGT AQ Review unfeasible during the period. The respondent supports on the grounds that a further Modification may need to be raised once the Nexus implementation date is known to dis-apply the AQ review in 2017, or a transition document to be put in place for the interim.

Relevant Objectives

All respondents agreed that iGT071 should better facilitate Relevant Objective (f) – Promotion of efficiency in the implementation and administration of the Code.

Impacts and Costs

No significant impacts or costs were identified, outside of minor system changes.

Legal Text

All respondents agreed that the legal text was fit for purpose.

Implementation

All consultation responses indicated that an implementation date could not be determined without surety of the Project Nexus Implementation Date. One respondent considered that the change should be implemented alongside Project Nexus changes. All other respondents recognised that a specific gap was required between the Project Nexus Implementation Date and the implementation date for iGT071S, dependent on confirmation of Project Nexus Implementation Date.

Further Comments

Brookfield Utilities noted that “within the ancillary document the installation reads have now been removed from the excluded criteria, and are therefore included within the process. We would like to highlight that previously installation reads were always excluded from the NExA table, regardless of the period between installation read and first cyclical read (this is due to the potential for properties to lie vacant for a period before occupancy meaning the consumption would not be an accurate reflection).

We acknowledge Xoserve have said they will not be able to undertake or support the AQ review for 2017, although this was confirmed after the Workstream meeting. We believe some form of derogation of our obligation may need to be considered.”

11. Panel Discussions

The Panel members unanimously **AGREED**:

- iGT071S met criteria for Self-Governance; and
- for iGT071S to be implemented.

12. Recommendation

Having considered the Modification Report for iGT071S, the Panel determines:

- That proposed self-governance Modification iGT071S be made;

The Panel recommends an implementation date of PNID which the iGTs have unanimously agreed on.

The current date for the Project Nexus implementation date is on 1st June 2017.