




Draft Modification Report	At what stage is this document in the process?
<h2>IGT121:</h2> <h3>Clarify IGT AQ Review Reporting Procedure</h3>	<div style="display: flex; flex-direction: column; gap: 10px;"> <div style="border: 1px solid green; border-radius: 5px; padding: 5px; display: flex; align-items: center; gap: 5px;">01 Modification</div> <div style="border: 1px solid blue; border-radius: 5px; padding: 5px; display: flex; align-items: center; gap: 5px;">02 Workgroup Report</div> <div style="border: 1px solid purple; border-radius: 5px; padding: 5px; display: flex; align-items: center; gap: 5px;">03 Draft Modification Report</div> <div style="border: 1px solid orange; border-radius: 5px; padding: 5px; display: flex; align-items: center; gap: 5px;">04 Final Modification Report</div> </div>
<p>Purpose of Modification: Minor update to the AQ Review Reporting requirements to clarify arrangements post-Nexus.</p>	
	<p>This Draft Modification Report is issued for consultation responses at the request of the Panel. All parties are invited to consider whether they wish to submit views regarding this self-governance modification.</p> <p>The close-out date for responses is 15th April 2019, which should be sent to IGTUNC@Gemserv.com. A response template, which you may wish to use, is at the IGT UNC website.</p> <p>The Panel will consider the responses and agree whether or not this self-governance modification should be made.</p>
	<p>High Impact: None</p>
	<p>Medium Impact: None</p>
	<p>Low Impact: Pipelines Users</p>

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Timetable	
The Proposer recommends the following timetable:	
Initial consideration by Workgroup	5 th March 2019
Amended Modification considered by Workgroup	N/A
Workgroup Report presented to Panel	22 nd March 2019
Draft Modification Report issued for consultation	25 th March 2019
Consultation Close-out for representations	15 th April 2019
Variation Request presented to Panel	N/A
Final Modification Report available for Panel	22 nd April 2019
Modification Panel decision	17 th May 2019



Any questions?

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1 Summary

What

Section 1 of the IGT AQ Review Procedures Document deals with Post-Review reporting. Pipeline Operators have an obligation to collate and report the data from the AQ Review in accordance with inclusions and exclusions specified in the document. However, these inclusions and exclusions have not been updated to reflect post-Nexus arrangements.

Why

The current text assumes that Pipeline Operators still have visibility of meter reading data used for the AQ Review, but this is no longer the case now that Xoserve perform the review. This means that the current rules defining which data should be included or excluded are confusing and difficult to comply with.

How

Amend the EXCLUDED data list in Section 1 to remove the following defined exclusions:

- o There was no AQ change because the site became less than 9 months prior to the cut off read date for the potential revision of the FYAQ.
- o There were no reads with which to calculate the AQ.

And replace with:

- o The AQ has not changed from the previous year's FYAQ

2 Governance

This change reflects how Pipeline Operators agreed to select the data for last year's AQ Review reporting. As such, this Modification does not attempt to change the way in which data is selected for inclusion/exclusion in the report, it merely seeks to make the existing requirements in Code easier to understand and comply with. It is therefore proposed that this Modification be progressed as Self-Governance.

Requested Next Steps

This modification should:

- be subject to self-governance
- be assessed by Panel

Workgroup Comments

The Workgroup agreed with the Proposers view that this is a Self-Governance change.

3 Why Change?

Pipeline Operators have an obligation to collate and report the data from the AQ Review in accordance with inclusions and exclusions specified in the IGT AQ Review Procedures document. However, these inclusions and exclusions have not been updated to reflect post-Nexus arrangements.

The current text assumes that Pipeline Operators still have visibility of meter reading data used for the AQ Review, but this is no longer the case now that Xoserve perform the review. This means that the current rules defining which data should be included or excluded are confusing and difficult to comply with.

This change reflects how Pipeline Operators agreed to select the data for last year's AQ Review reporting. As such, this Modification does not attempt to change the way in which data is selected for inclusion/exclusion in the report, it merely seeks to make the existing requirements in Code easier to understand and comply with.

4 Code Specific Matters

Technical Skillsets

Knowledge of post-AQ Review Reporting

Reference Documents

IGT AQ Review Procedures Document

5 Solution

Amend the EXCLUDED data list in Section 1 to remove the following defined exclusions:

- o There was no AQ change because the site became less than 9 months prior to the cut off read date for the potential revision of the FYAQ.
- o There were no reads with which to calculate the AQ.

And replace with:

- o The AQ has not changed from the previous year's FYAQ

Workgroup Comments

The Workgroup agreed with the approach set out in the proposers suggested solution.

6 Impacts & Other Considerations

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

No

Consumer Impacts

None

Environmental Impacts

None

7 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) Co-ordinated, 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 agreements 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 Cooperation of Energy Regulators	None

This Modification is essentially a Housekeeping change to update Code to better reflect current practice. It will improve administration of the Code (Objective F) by clarifying the reporting requirements.

Workgroup Comments

The Workgroup agreed with the Proposers view that this modification will further support Relevant Objective F).

8 Implementation

June 2019

Workgroup Comments

The Workgroup agreed that the modification, if implemented, should be included in the June 2019 release.

9 Legal Text

Suggested Text

Proposed amendment to the IGT AQ Review Procedures Document

1. Reporting

The following report is generated for Industry analysis and debate as part of the process to conduct an Annual review of the values held within the CSEP NExA Table.

a) IGT data collation

IGTs will individually collate AQ data using template C1 using the following rules set out within the template.

- Use one tab per licence held, inputting the average AQ per property type for each of the three geographic areas. Next to this value, input the number of individual supply points used to derive that average.
- IGTs should be reporting from the Formula Year Annual Quantity review output files provided by the Pipeline Operator Agency, not from the overall portfolio. If an AQ has not been reviewed, it should not be part of the dataset.
- The AQ used should be the Formula Year Annual Quantity (FYAQ) that was taken as the revised Formula Year Annual Quantity for application from the 1st April of the year in which the CSEP NExA table is being reviewed.
- Where an IGT has no values for a type of property the cell AQ and NUMBER must

be left BLANK.

- The following should be EXCLUDED from the AQ data:
 - o Infill domestic property AQs.
 - o Non-domestic property AQs.
 - o **The AQ has not changed from the previous year's FYAQ.**
 - o ~~There was no AQ change because the site became less than 9 months prior to the cut off read date for the potential revision of the FYAQ.~~
 - o ~~There were no reads with which to calculate the AQ.~~

- The following should be INCLUDED in the AQ data:
 - o Only properties deemed to be new housing when first connected to a gas connection.
 - o All other AQ values calculated as part of the most recently completed revision of the Formula Year Annual Quantity using actual meter reads (for clarity it also includes those above the 2,500 therm threshold).
 - o Only house types that are listed in Section 2 Current Table of the IGT UNC Ancillary Document CSEP NExA Tables.

IGTs will collate the results of each IGT AQ review to create the Proposed CSEP NExA Table using template C2 by 31st May.

Workgroup Comments

The Workgroup agreed that the legal text fully supports the modifications solution and intention.

10 Recommendations

Workgroup's Recommendation to Panel

The Workgroup asks Panel to agree that:

- This self-governance modification should proceed to consultation.

11 Appendix 1

<https://www.igt-unc.co.uk/wp-content/uploads/2018/05/IGT-CSEP-NExA-Table-Review-procedures-document-1.5.pdf>