

Draft Modification Report
Provision of the identity of the incoming supplier to incumbent Meter Asset Managers and Meter Operators
Modification Reference Number 0664
Version 2.0

This Draft Modification Report is made pursuant to Rule 7.3 of the Modification Rules and follows the format required under Rule 8.9.3.

1. The Modification Proposal

Section V5.1 of the Network Code Principal Document identifies Transco's obligations with regard to the disclosure of Protected Information. Transco is currently prevented from releasing such information without the consent of the Protected Party.

Modification of the Network Code is therefore required to establish terms which permit Transco to disclose the supplier identity to the relevant Meter Asset Manager/Meter Operator (MAM/MO). These would be based on each User recognising that a request made by the registered MAM/MO (satisfying relevant safeguards) is authorised as a request by the MAM/MO being the User's agent.

2. Transco's Opinion

It is Transco's opinion that this Modification Proposal should be implemented.

Transco has been advised of a requirement for Meter Asset Managers ("MAMs") and Meter Operators ("MOs") to be able to obtain the identity of the gas supplier at a Supply Meter Point. MAMs/MOs have informed Transco that it is important for their business processes to identify this information at Supply Meter Points where they are the incumbent MAM/MO.

MAMs/MOs are not always informed by the outgoing gas supplier of the identity of the supplier for a Supply Meter Point as such information may not be known to the outgoing gas supplier. Given that the MAM/MO has no contractual relationship with the consumer they are also unable to obtain the gas supplier identity through that route. Without this information MAMs/MOs have expressed concern that they may be unable to contact and establish a contract for metering related services with a new gas supplier.

There are a number of reasons why Transco is not permitted to provide the identity of an incoming gas supplier to the incumbent MAM or MO:

1. Section 105 of the Utilities Act explains that where such information is obtained by Transco by virtue of Section 1 of the Gas Act and relates to the affairs of an individual, Transco must not disclose it except with the consent of that individual.
2. The supplier identity is classified as Protected Information as defined by Network Code Principal Document Section V5. Where the supplier identity has been provided by a User it becomes the Protected Information of that User.

The prohibition on disclosure of Protected Information, as set out within Section V5 of the Network Code and by Section 105 of the Utilities Act, does not apply where the disclosure is made :

- in compliance with the conditions of the Transco Licence - Network Code Section V5.5.2.(c)(ii).
- by a Licence holder and is required to be made by a condition of his licence. - Utilities Act Section 105(3)(c).

Transco's Standard Licence Condition 31 does provide for such disclosure under specific conditions which if met would release Transco from Network Code and Section 105 liabilities.

Section V 5.5.2 (a) of the Network Code permits disclosure of Protected Information to which the Protected Party has consented in writing. However, obtaining such consent in each and every case would be complicated and time consuming and therefore impractical.

Consequently, to enable the incoming suppliers identity to be issued to the incumbent MAM/MO Modification of the Network Code is required to permit disclosure in accordance with Standard Condition 31 para 2(d)(i). To ensure Condition 31 compliance it should be clarified that Transco would need to disclose supplier identifiers to MAM/MOs, each of which would request such data in its capacity acting on behalf of the relevant User. For the purposes of Network Code each User would be recognising that a request made by the registered MAM/MO (satisfying relevant safeguards) is authorised as a request by its agent. These measures avoid the need for individual authorisation in each case by a User.

Release of the supplier information would be managed through Transco's Request for Information (RFI) bureau by request. Users have expressed a desire for relevant safeguards to be established to prevent the inappropriate release of data. It has, for example, been cited that some MAMs/MOs are suppliers and could use this service as a way of obtaining marketing information.

A registration scheme for MAMs/MOs is therefore being developed by Transco. Passwords would be issued on request and Transco would have the ability to monitor the information requests and where it suspected that the information was being used inappropriately, could revoke access.

3. Extent to which the proposed modification would better facilitate the relevant objectives

The purpose of this Modification Proposal is to permit Transco to disclose the supplier identity recorded on its Supply Point Register by request to the relevant Meter Asset Manager. This measure is consistent with Transco's GT Licence 'Relevant Objectives' of facilitating the efficient discharge of Transco's obligations under its Licence and facilitating competition between relevant shippers and between relevant suppliers.

4. The implications for Transco of implementing the Modification Proposal , including a) implications for the operation of the System:

No implications for the operation of the system have been identified.

b) development and capital cost and operating cost implications:

No such implications have been identified.

c) extent to which it is appropriate for Transco to recover the costs, and proposal for the most appropriate way for Transco to recover the costs:

Minor administrative costs would be incurred by Transco as a consequence of implementing this Modification Proposal. Transco does not propose any additional cost recovery.

d) analysis of the consequences (if any) this proposal would have on price regulation:

No such consequences have been identified.

5. The consequence of implementing the Modification Proposal on the level of contractual risk to Transco under the Network Code as modified by the Modification Proposal

Implementation of this Modification Proposal would not increase the level of Transco's contractual risk.

6. The development implications and other implications for computer systems of Transco and related computer systems of Users

No changes would be required to Transco's UK-Link system to facilitate implementation of this Modification Proposal. Transco is not presently aware of any changes which would need to be made to Users systems.

7. The implications of implementing the Modification Proposal for Users

It is expected that minor changes to relevant Users' processes would be required to accommodate implementation of this Modification Proposal.

8. The implications of implementing the Modification Proposal for Terminal Operators, Consumers, Connected System Operators, Suppliers, producers and, any Non-Network Code Party

No such implications have been identified.

9. Consequences on the legislative and regulatory obligations and contractual relationships of Transco and each User and Non-Network Code Party of implementing the Modification Proposal

No such consequences have been identified.

10. Analysis of any advantages or disadvantages of implementation of the Modification Proposal

Advantages:

- Enables relevant MAMs/MOs to establish the identity of an incoming supplier at a Supply Meter Point for the purposes of establishing contact and enabling a metering contract with the new gas supplier to be negotiated.

Disadvantages:

No disadvantages have been identified.

11. Summary of the Representations (to the extent that the import of those representations are not reflected elsewhere in the Modification Report)

Representations are now sought.

12. The extent to which the implementation is required to enable Transco to facilitate compliance with safety or other legislation

Implementation of this Modification Proposal is not required to enable Transco to facilitate compliance with safety or other legislation.

13. The extent to which the implementation is required having regard to any proposed change in the methodology established under Standard Condition 4(5) or the statement furnished by Transco under Standard Condition 4(1) of the Licence

This Proposal is not required to facilitate any such change.

14. Programme of works required as a consequence of implementing the Modification Proposal

Transco would need to introduce a procedure within its 'Request for Information' bureau to ensure the identity of requesting MAMs/MOs is verified prior to the issuing of relevant data. It is planned that that this would be based on a password system.

15. Proposed implementation timetable (including timetable for any necessary information systems changes)

This Modification Proposal could be implemented with immediate effect.

16. Recommendation concerning the implementation of the Modification Proposal

Transco recommends that this Modification Proposal be implemented.

17. Text

Section V paragraph 5

Insert new paragraph 5.11 to read:

“5.11 Disclosure of Supplier Identity

5.11.1 Where in respect of any Supply Point Transco is requested by a Registered Metering Applicant to disclose to such Registered Metering Applicant the identity of a supplier then the Registered User of such Supply Point agrees that any such request will be regarded as made on behalf of such Registered User and accordingly Transco is authorised by such Registered User to disclose such supplier identity to the Registered Metering Applicant in accordance with such request.

5.11.2

For the purposes of paragraph 5.11.1, “**Registered Metering Applicant**” is any person who has been registered to request and receive supplier identity from Transco pursuant to an appropriate registration scheme administered by Transco.

Representations are now sought in respect of this Draft Report and prior to Transco finalising the Report

Signed for and on behalf of Transco.

Signature:

Leah Fry
Customer Account Manager

Support Services

Date: