

UNC Modification

At what stage is this document in the process?

# UNC 0608S:

Implementation of 'single service provision' arrangements for iGT connected system exit points (Project Nexus transitional modification)

- 01 Modification
- 02 Workgroup Report
- 03 Draft Modification Report
- 04 Final Modification Report

**Purpose of Modification:**

This 'transitional' UNC Modification Proposal identifies changes to the UNC to facilitate an orderly transition from the existing arrangements governing unmetered connected Independent Gas Transporter (iGT) systems (Connected Systems Exit Points - CSEPs) to the new 'single service provision' UNC framework to be implemented under UNC Modification 0440 'Project Nexus – iGT Single Service Provision'.

	<p>The Proposer recommends that this modification should be:</p> <ul style="list-style-type: none"> <li>• <u>Assessed by the Workgroup; and</u></li> <li>• issued to consultation</li> </ul> <p>This modification <u>js to be</u> assessed by a Workgroup and the proposer recommends it is issued to consultation.</p>
	<p>Low Impact: Large and Small Transporters, Shippers</p>

Deleted: has been

Deleted: 2  
Deleted: 27 February

Contents	
<b>1 Summary</b>	<b>3</b>
<b>2 Governance</b>	<b>3</b>
<b>3 Why Change?</b>	<b>3</b>
<b>4 Code Specific Matters</b>	<b>4</b>
<b>5 Solution</b>	<b>4</b>
<b>6 Impacts &amp; Other Considerations</b>	<b>4</b>
<b>7 Relevant Objectives</b>	<b>6</b>
<b>8 Implementation</b>	<b>6</b>
<b>9 Legal Text</b>	<b>7</b>
<b>10 Recommendations</b>	<b>7</b>

  

Timetable	
<b>The Proposer recommends the following timetable:</b>	
Initial consideration by Workgroup	26 January 2017
Amended Modification considered by Workgroup	<b>10 March 2017</b>
Workgroup Report presented to Panel	16 March 2017
Draft Modification Report issued for consultation	16 March 2017
Consultation Close-out for representations	06 April 2017
Final Modification Report available for Panel	10 April 2017
Modification Panel decision	20 April 2017

 Any questions?

Contact:  
**Joint Office of Gas Transporters**

 [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk)

 0121 288 2107

Proposer:  
**Andy Clasper**

 [andy.clasper@nationalgrid.com](mailto:andy.clasper@nationalgrid.com)

 07884 113385

Transporter:  
**National Grid Gas Distribution Limited**

Systems Provider:  
**Xoserve**

 [commercial.enquiries@xoserve.com](mailto:commercial.enquiries@xoserve.com)

Deleted: 20 February

Deleted: 2

Deleted: 27 February

## 1 Summary

### What

It is necessary to introduce transitional UNC terms to ensure an orderly transition to the new arrangements on the Project Nexus Implementation Date (PNID), presently 01 June 2017.

### Why

Modification 0440, directed for implementation by the Authority on 14 January 2015, introduces the new UNC iGT Arrangements Document (iGTAD) which replaces the Generic LDZ CSEP Network Exit Agreement (NExA) which is presently a UNC code referenced document.

The cutover to iGTAD entails the transition of services/data transfer arrangements, which need to be detailed to ensure nothing is lost in the transition.

### How

Modification of the UNC Transition Document is required to facilitate transition from the LDZ CSEP NExA to iGTAD during implementation of Project Nexus. This will be in the form of a series of rules setting out the treatment of arrangements pertaining to both documents during that period.

## 2 Governance

### Justification for Self-Governance

The Modification Panel determined that this modification should be subject to self-governance as the Modification, if implemented, would not have a material effect on relevant commercial activities as set out in the Uniform Network Code (UNC) or on consumers. This is because the proposed arrangements simply clarify the transition to the already-approved iGTAD.

### Requested Next Steps

This modification should:

- issued to consultation

## 3 Why Change?

UNC Modification 0440 'Project Nexus – iGT Single Service Provision' was directed for implementation by the Authority on 14<sup>th</sup> January 2015. It is due to become effective on the PNID.

Modification 0440 introduces the new UNC iGTAD which replaces the Generic LDZ CSEP NExA which is presently a UNC code referenced document.

It is necessary to introduce provisions within the UNC Transition Document (TD) to facilitate an orderly transfer of commercial arrangements before, during and after the PNID.

## 4 Code Specific Matters

### Reference Documents

- iGT Arrangements Document (iGTAD)
- Generic LDZ CSEP NExA (including Annex A part 13)

### Knowledge/Skills

Specific knowledge of the arrangements to be implemented under UNC Modification 0440 would be useful.

## 5 Solution

Modification of the UNC is required as follows:

- To introduce iGTAD/Transportation Principal Document (TPD) transitional terms associated with:
  - DN CSEP connection arrangements
  - iGT data migration
  - Preparation and use by DNs of iGT Supply Point Register Data (iGTSPRD) data sets and iGT Licence Data
    - Daily files to be provided to Xoserve from 24<sup>th</sup> April 2017 to 23<sup>rd</sup> May 2017 inclusive on the basis of the prevailing agreement
  - Provision of iGT portfolio reports to CSEP Users
  - Provision of data (iGTAD Sections D3.2) by the DNO to the iGT
  - Treatment of classification of CSEP Supply Meter Points at PNID
- To set out iGTAD Committee terms
  - Provision of member contact details
  - Convening of meetings
- To amend the CSEP Network Exit Agreements including:
  - Provision of iGTSPRD datasets
  - Provision of iGT Licence Data
- To amend the Transporters Framework Agreement and Data Services Contract (DSC) Agreement to address:
  - Application of the Transporter Framework Agreement
  - iGT accession to the DSC
- To incorporate terms to enable Termination of the CSEP Network Exit Agreement including:
  - Termination details
  - Provision of information/communication transition arrangements

Deleted: 31

Deleted: st

Deleted: 2

Deleted: 27 February

## 6 Impacts & Other Considerations

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

This Modification is essential to the implementation of the UK Link Replacement programme (which incorporates the changes required for 'Project Nexus').

This Modification contains transitional terms and obligations, which will expire over time.

### Consumer Impacts

There are no consumer impacts.

### Cross Code Impacts

It is not expected that there would be any cross-code impacts although it would be beneficial for the iGT UNC to be assessed for any consequential effects.

### EU Code Impacts

No impacts have been identified.

### Central Systems Impacts

There are no central systems impacts. However, the Modification is required to facilitate implementation of the UK-Link Replacement programme.

User Pays	
Classification of the modification as User Pays, or not, and the justification for such classification.	Costs arising from the UK Link replacement and including enhancements to the existing UNC regime have been considered when price controls were set and funding provided. On this basis, no User Pays service would be created or amended by implementation of this modification and it is not, therefore, classified as a User Pays modification.
Identification of Users of the service, the proposed split of the recovery between Gas Transporters and Users for User Pays costs and the justification for such view.	Not applicable
Proposed charge(s) for application of User Pays charges to Shippers.	Not applicable
Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Xoserve.	Not applicable

## 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) 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

This Modification is required to provide clear rules and guidance to Distribution Network Operators (DNOs), iGTs and Shipper Users on the contractual arrangements pertaining to the UNC before and during implementation of the UK-Link Replacement Programme (including Project Nexus). The measures identified can be expected to facilitate relevant objective f) 'Promotion of efficiency in the implementation and administration of the Code.

## 8 Implementation

As self-governance procedures are proposed, implementation could be sixteen business days after a Modification Panel decision to implement subject to no Appeal being raised. However, it would be desirable if this Modification were implemented by no later than the end of April 2017 to add certainty to the transition process.

## 9 Legal Text

### Text Commentary

To be provided.

### Text

To be provided.

## 10 Recommendations

### Proposer's Recommendation to Workgroup

Workgroup is asked to:

- Assess the modification and agree it should be issued to consultation.

Deleted: Panel

Deleted: Panel

Deleted: 1

Deleted: 2

Deleted: 27 February