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Modification Panel Secretary
Joint Office of Gas Transporters
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Dear Julian,

Modification Proposal: 0172 Transporter Obligations Pertaining to Void and Vacant Sites.

Thank you for the opportunity to comment on this Modification Proposal.

SGN has been involved in numerous industry discussions surrounding this proposal. We are generally supportive of arrangements which simplify processes and improve efficiency of arrangements, but in this particular instance we do not believe the proposal achieves either objective. As such we do not support implementation.

SGN currently sends notification to Shippers by D+10 of any occasion where an MPRN status has been set to "DEAD". The report is not limited to disconnections related to demolition but as it is wider, we believe it delivers the required benefits of the proposal and more.

xoserve also issues a report to Shippers on a monthly basis, providing a list of MPRNs set to the status of "DEAD" in the previous month. Again this is wider than that required by this Proposal, but meets the necessary objectives. This report has been available for some time, but has only been utilised by a small number of Shippers. Following discussion regarding this proposal in Workstream, xoserve now sends a copy of this report to all Shippers. This process has been running since November 2007.

It is not clear to us why this particular Proposal concentrates on demolitions only. We believe it has not been demonstrated that the requirement to provide a more limited report would provide any additional benefit. Also if the obligation were to be discharged through xoserve there would be additional cost in producing a report on an ad-hoc basis rather than on a monthly basis. Again, it has not been demonstrated that this would improve overall efficiency of compared to current arrangements. Indeed we would argue it would result in additional and unnecessary cost.

We believe current services have not been fully utilised or given time to work. We believe a more efficient outcome would be to make full use of reports that are currently provided through xoserve. If it can then be demonstrated that they do not meet requirements then incremental changes could be considered following meaningful discussion and based on experience.

In the meantime, a report as proposed under this proposal could be requested as a commercial service and from the 1st of April this would be provided under a User Pays contract; Ofgem are promoting the user pays process to facilitate Shippers requests and enhanced requirements. However we do not believe it has been demonstrated that it would be efficient or cost effective to provide such a report as an industry standard. Indeed we believe it would be a backward step.

We hope you find these comments helpful.

Yours sincerely

Bali Dohel
Network Officer