

Jon Dixon
Ofgem – Industry Codes & Licensing
9 Millbank
London
SW1P 3GE

Wales & West House
Spooner Close
Celtic Springs
Coedkernew
Newport NP10 8FZ
T. 029 2027 8500
F. 0870 1450076
www.wwutilities.co.uk

Tŷ Wales & West
Spooner Close
Celtic Springs
Coedcernyw
Casnewydd NP10 8FZ

Cc: Andrew Wallace (Ofgem)
Cc: Joint Office

4th July 2011

Re: Further Consultation and Supplemental Report for UNC Modification Proposals 0353
("Population and Maintenance of the Market Sector Code within the Supply Point Register")

Dear Jon,

Following the 'Further Consultation' and publication of the 'Supplemental Report' for Modification Proposal 0353 we, WWU as the Proposer, believe it may be helpful to comment on the responses, the report and the matter regarding the draft legal text that we have previously provided.

Legal Text

Ofgem's view is that the definition used within Modification Proposal 0353 may be confusing and that it would be beneficial to remove the words "*at the relevant Supply Point*". Having reviewed this further, and considering the responses to the further consultation, we do not see that the removal of these words will cause any issues and the amended text would still reflect the nature and intent of the Modification Proposal. We will therefore revise the legal text and submit this to the Joint Office in order for a revised Final Modification Report (FMR) to be issued.

Supplier Licence definition

The main concern that Ofgem have highlighted is the slight difference between the definition of 'Domestic' within the Supplier Licence and that proposed within Modification Proposal 0353. We would like to take the opportunity to make a few comments/points on this matter:

1 – Modification Proposal 0353 was not raised to facilitate Supplier compliance with their licence. As detailed within the proposal, the definition of domestic is contained within

24 hour gas escape number
Rhif 24 awr os bydd nwy yn gollwng

0800 111 999*

*calls will be recorded and may be monitored
caiff galwadau eu recordio a gellir eu monitro

numerous pieces of legislation, licences and industry codes; none of which contain a definition that is consistent with the Supplier licence. This includes (but is not limited to the following):

- Gas Transporter Licence
- Gas Shipper Licence
- The Gas (Standards of Performance) Regulations 2005 (& 2008a)
- The Uniform Network Code (UNC) Transportation Principal Document (TPD)
- The Gas and Electricity (Consumer Complaints Handling Standards) Regs 2008
- The Supply Point Administration Agreement (SPAA)
- The Consumers, Estate Agents and Redress Act 2007
- The Electricity & Gas (Carbon Emissions Reduction) Order 2008

2 – As a Gas Transporter and an industry party, the Market Sector Code (MSC) should be used to ensure our own compliance and ability to work with the obligations placed upon us by the above. In our opinion, the additional clause within the Supplier Licence is only there to allow for complex contractual / commercial arrangements, we do not believe the intent was ever to then treat those customers in this way for other purposes.

3 – Gas Suppliers/Shippers are subject to the majority of the documents above and therefore should already be accustomed to dealing with the different definitions. Modification Proposal 0353 does not create any obligation on Shippers to maintain additional domestic/non-domestic values within their systems.

4 – We welcome and agree with the pragmatic view given by British Gas on this matter. Their concern that future UNC processes may not be available to a small number of customers is valid but, as they confirm, this can be managed and is not a material issue. We will happily work with Shippers and UNC parties to mitigate this risk when developing or amending any UNC processes.

5 – On the 15th April 2011 Ofgem directed the implementation of Modification Proposal 0296 (*“Facilitating a Supply Point Enquiry Service for Non-domestic Supply Points”*). Implementation of this proposal on the 16th April 2011 inserted a definition of a non-domestic Supply Point which is entirely consistent with the one proposed within Modification Proposal 0353. This definition was key to the Modification Proposal as it was required to deal with the different data protection / customer data confidentiality arrangements that differ between domestic and non-domestic customers. We do not believe that a domestic customer that has a legacy non-domestic supply contract should be treated as non-domestic for data / confidentiality purposes or any other matter that is subject to the standard definition based on usage alone.



Hopefully these comments are helpful to you, please do not hesitate to contact me should you have any question relating to this matter.

Yours sincerely

{By email}

Simon Trivella
Commercial Manager
Wales & West Utilities
Tel: 07813 833174
E-Mail: simon.trivella@wwutilities.co.uk