

Stage 03: Draft Modification Report

0505S:

Update to UNC TPD Section G & M to correct anomalies arising from the implementation of UNC Modification 0463S “Recognition of the ‘2nd January’ Scottish Bank Holiday as a Business Day for Supply Point related transactions”.

The modification will amend UNC TPD Sections G & M; in accordance with the legal text of Modification 0463S it will reinstate parts of Section G & M that were incorrectly amended by the implementation of 0463S.



Responses invited by 21 July 2014.



High Impact:
None



Medium Impact:
None



Low Impact:
Transporters and Shippers

At what stage is this document in the process?



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About this document:

This Draft Modification Report is issued for consultation responses, at the request of the Panel on 19 June 2014. All parties are invited to consider whether they wish to submit views regarding this self-governance modification.

The close-out date for responses is 21 July 2014, which should be sent to enquiries@gasgovernance.co.uk. A response template, which you may wish to use, is at <http://www.gasgovernance.co.uk/0505>.

The Panel will consider the responses and agree whether or not this self-governance modification should be made.



Any questions?

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1 Summary

Is this a Self-Governance Modification?

The Modification Panel determined that this is a self-governance modification because it is not expected to have a material impact on competition or consumers.

Why Change?

This modification will amend UNC TPD Section G & M in accordance with the legal text that was produced for Modification 0463S and reinstates those parts of Section G & M that were incorrectly amended. This modification will ensure that the text implemented for Modification 0463S aligns with previous changes to TPD Section G & M the legal text changes will focus on the introduction of the definition "Supply Point Systems Business Day" which replaced the term "Business Day".

Solution

Amend certain references to "Supply Point System Business Day" back to "Business Day" in UNC TPD Section G & M to reflect the intention of MOD463.

Relevant Objectives

The modification will have a positive effect on relevant objective (f); promotion of efficiency in the implementation and administration of the code.

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. There are no implementation costs applicable to the modification.

2 Why Change?

This modification will amend UNC TPD Section G & M in accordance with the legal text that was produced for Modification 0463S and reinstate those parts of Section G & M that were incorrectly amended. These parts were unfortunately incorrectly amended as part of 0463S even though they were out of scope as they do not refer to Xoserve system related activities.

This modification will make changes to TPD Section G & M to ensure that the text fully reflects the intention of the original UNC Modification 0463.

3 Solution

The modification will make changes to UNC TPD Section G & M to reverse some of the changes incorrectly introduced by 0463S by amending certain references to “Supply Point System Business Day” back to “Business Day” where that reference is not related to Xoserve system related activities i.e. was out of scope for 0463S. A list of amendments can be found below.

Section G Legal Text Amendments

- 1.8.4 (b) (iii) Change back to Business Day
- 4.1.1 (b) – Change back to Business Day
- 4.1.2 – Change back to Business Days
- 4.1.3 (a) & (b) – Change back to Business Days
- 4.1.4 (b) – Change back to Business Days
- 5.1.5 (a) & (b) – Change back to Business Day
- 5.1.6 – Change back to Business Days

Section M Legal Text Amendments

- 2.4.4 (a) & (b) – Change back to Business Days
- 2.5.3 (a) – Change back to Business Days
- 2.6.2 (b) (iii) – Change back to Business Days
- 2.7.2 (f) – Change back to Business Days
- 2.7.4 – Change back to Business Days
- 2.7.6 – Change back to Business Days
- 3.2.3 – Change back to Business Days
- 3.2.15 – Change back to Business Days (unless already amended as per 0455 legal text)
- 4.1.10 (a) & (b) – Change back to Business Days
- 4.8.3 (a), (d) & (e) – Change back to Business Days
- 5.1.3 (e) – Change back to Business Day

User Pays

Classification of the modification as User Pays, or not, and the justification for such classification.

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.

N/A

Proposed charge(s) for application of User Pays charges to Shippers.

N/A

Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Xoserve.

N/A

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4 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 will have a positive impact on Relevant Objective (f); promotion of efficiency in the administration and implementation of the Code as it will correct errors arising from the process of incorporating the legal text from Modification 463S into the UNC TPD Section G & M.

5 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.

6 Legal Text

Section G

- 1.8.4 (b) (iii) where reasonably practicable, the Meter Reads for all Non-Daily Read Sub-deduct Supply Meters shall be undertaken on the same Day as a Meter Read in relation to the primary Non-Daily Read Sub-deduct Supply Meter; and a Meter Reading in respect of any Non-Daily Read Sub-deduct Supply Meter shall not be a Valid Meter Reading unless Meter Reads were undertaken for all Non-Daily Read Sub-deduct Supply Meters within a period of 5 ~~Supply Point Systems~~-Business Days commencing on the Day 2 ~~Supply Point Systems~~-Business Days before the Day of a Meter Read in relation to the primary Non-Daily Read Sub-deduct Supply Meter;
- 4.1.1(b) periods within which the Transporter is to respond to a Supply Point Nomination run from the ~~Supply Point Systems~~-Business Day after the Supply Point Nomination was submitted; and
- 4.1.2 The Transporters will respond within 12 ~~Supply Point Systems~~-Business Days to not less than 97% of the referred Supply Point Nominations submitted by each User in any calendar month.
- 4.1.3 (a) is the number of referred Supply Point Nominations submitted by the User in that month;
- (b) is the number of referred Supply Point Nominations submitted by the User in that month to which the Transporters did respond within 12 ~~Supply Point Systems~~-Business Days; and
- 4.1.4 The Transporter will (subject to the further provisions of this paragraph 4) pay to the User £50 in respect of each referred Supply Point Nomination submitted by a User, if the Transporter does not respond within 17 ~~Supply Point Systems~~-Business Days provided that the Transporter will not be liable to pay such amounts where:
- (b) the Transporter was unable to perform such site visit within 17 ~~Supply Point Systems~~ Business Days as a result of failure, acting reasonably, to obtain any consents necessary to undertake such site visit (and the Transporter shall not be required to seek any such consent after the 15th ~~Supply Point Systems~~-Business Day).
- 5.1.5 (a) except in paragraph (b), 5 ~~Supply Point Systems~~-Business Days; or
- (b) where it will (in accordance with paragraph 5.5) be necessary for the Transporter to assess the feasibility of making gas available for offtake, 21 ~~Supply Point Systems~~-Business Days,
- 5.1.6 A User may withdraw a Capacity Revision Application by notice to the Transporter not less than 2 Supply Point Systems Business Days before the date specified pursuant to paragraph 5.1.4(d).

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Section M

- 2.4.4 (a) within 2 ~~Supply Point Systems~~-Business Days following the Day on which such discontinuance occurred, the Registered User shall notify the Transporter of the following information:
- (b) within 15 ~~Supply Point Systems~~-Business Days following the Day on which cessation occurred, the Registered User shall notify the Transporter of its estimate of gas used in accordance with paragraph 2.4.5 or 2.4.6 where such estimate is 10,000 kWh (340 therms) or greater.
- 2.5.3 (a) the Transporter shall be entitled (without liability to the Registered User) to take any reasonable steps to ensure the restoration of supply to the consumer through the Supply Meter Installation until the end of the next following ~~Supply Point Systems~~-Business Day (making such assumption as to the rate of offtake as shall appear reasonable);
- 2.6.2 (b) (iii) such access, at all reasonable times and in any event between 08:00 and 17:00 hours on any ~~Supply Point Systems~~-Business Day, to the Supply Point Premises as shall be required to enable the Transporter to carry out all Meter Installation Works required pursuant to sub paragraph (a);
- 2.7.2 (f) in relation to any relevant Supply Meter Point, any period within which the Transporter is to comply with paragraph 2.7.1 runs from the ~~Supply Point Systems~~-Business Day after the relevant Meter Installation Works (therein referred to) were completed.
- 2.7.4 The Transporter will comply with paragraph 2.7.1 within 5 ~~Supply Point Systems~~-Business Days in respect of at least 95% of relevant Supply Meter Points in relation to each User, in relation to each calendar month.
- 2.7.6 If, in relation to a Supply Meter Point which is a relevant Supply Meter Point in any calendar month and of which the User continues to be the Registered User until the end of such 20 ~~Supply Point Systems~~-Business Day period, the Transporter does not comply with paragraph (a) within 20 ~~Supply Point Systems~~-Business Days, the Transporter will pay to the User the relevant percentage of £30 in relation to relevant Supply Meter Points comprised in Supply Points whose Annual Quantities exceed 293,000 kWh (10,000 therms), and of £5 in relation to relevant Supply Meter Points comprised in Supply Points whose Annual Quantities do not exceed 293,000 kWh (10,000 therms).
- 3.2.3 Within 6 ~~Supply Point Systems~~-Business Days from the Day on which the Registered User receives Meter Information in respect of the installation, removal, exchange or repositioning of a Supply Meter Installation the Registered User shall provide the Transporter with such information by means of a Meter Information Notification and/or Meter Information Update Notification as appropriate.
- 3.2.15 Where at any time in respect of any Supply Meter Point the Transporter becomes aware that the Meter Information held in the Supply Point Register is incorrect within 6 ~~Supply Point Systems~~-Business Days of the Day upon which it becomes aware of this, the Transporter will so notify the Registered User or the Relevant Registered User (as the case may be) and provide all relevant details and the Registered User or the Relevant Registered User (as the case may be) will as soon as reasonably practicable review such details, and where necessary update the Meter Information and submit to the Transporter a Meter Information Notification or a Meter Information Update Notification containing such update in respect of such Supply Meter Point. In the event that:

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- 4.1.10 (a) the Registered User will use reasonable endeavours, to notify the Transporter at least two ~~Supply Point Systems~~ Business Days prior to the commencement of such works:
- (i) of the date when disconnection of Transporter Daily Read Equipment from such Supply Meter Installation will occur and subject to (ii) such date will be the date when reconnection of Transporter Daily Read Equipment to the Supply Meter Installation is required:
 - (ii) of the date when reconnection of Transporter Daily Read Equipment to the Supply Meter Installation is required if different from (i);
- (b) the Transporter will within two ~~Supply Point Systems~~ Business Days of the reconnection date stated in (ii) use reasonable endeavours to reconnect and resynchronise its Daily Read Equipment with the Supply Meter Installation.
- 4.8.3 Where a User gives a Daily Read Error Notice in relation to Transporter Daily Read Equipment:
- (a) the Transporter will, as soon as reasonably practicable and wherever possible within 3 ~~Supply Point Systems~~ Business Days after such notice, ascertain whether the elements of UK Link referred to in paragraph 4.8.1(e) are functioning correctly, and (if they are) visit and (subject to being given sufficient access) to the Supply Meter Installation and/or the Daily Read Equipment) inspect the Transporter Daily Read Equipment;
 - (d) subject to paragraph (c), and unless otherwise agreed, the Transporter's statement under paragraph (b) will be final and its estimate will apply for the purposes of paragraph 4.8.10 unless within 5 ~~Supply Point Systems~~ Business Days after the Transporter's notice under paragraph (b) the User gives notice ("rejection notice") to the Transporter that the User does not accept the Transporter's judgement under paragraph (b)(i) or its estimate under paragraph (b)(ii);
 - (e) upon receiving the rejection notice, the Transporter will enter into a dialogue with the User to attempt to resolve the difference. Where such resolution is not promptly achieved and in any event within 5 ~~Supply Point Systems~~ Business Days following receipt of the rejection notice, paragraph 4.8.6 will apply;
- 5.1.3(e) with effect from the Day of the Transporter's inspection, or if later from the ~~5th Supply Point Systems~~ Business Day before the Transporter's notification to the User under paragraph (a), and until such time as the Supply Meter Installation has been repaired or replaced and resynchronised, the Supply Meter will not be a Performance Relevant Supply Meter.

7 Recommendation

The Panel have recommended that this report is issued to consultation and all parties should consider whether they wish to submit views regarding this self-governance modification.