

Modification proposal:	Supply Point Administration Agreement (SPAA) Change Proposal (CP) 07/74 (CP07/74): Principles for granting access to SCOGES.		
Decision:	The Authority ¹ directs that this proposal be made ²		
Target audience:	SPAA Parties and other interested parties		
Date of publication:	18 June 2007	Implementation Date:	June 28 2007

Background to the change proposal

In June 2006 Ofgem approved the implementation of SPAA CP 06/057³, 'Updated Mandatory Schedule and Requirements for Single Centralised Online Gas Enquiry Service (SCOGES) and other Supply Point Information Services'. This proposal introduced a Mandatory Schedule (SPAA Schedule 23 'Procedure for Resolution of Disputed Readings on Change of Supplier') into SPAA which placed an obligation on all Gas Transporters (GTs) to implement and operate an online enquiry service to support suppliers through the customer transfer process.

Subsequent to this, in November 2006 the Authority approved Uniform Network Code modification UNC UNC087⁴. In essence, this modification removed certain provisions from the UNC relating to the 'Supply Point Information Service', thereby avoiding dual governance of the same issue in both the UNC and SPAA.

In February 2007 the Authority approved MRA Change Proposal MAP CP0054. This change introduced rights and conditions of access to the ECOES (Electricity Central Online Enquiry service) system for non-MRA parties.

The modification proposal

At the present the provisions contained within SPAA Schedule 23 do not include access for non-SPAA parties.

This change proposal seeks to introduce set of principles similar to those introduced via MRA CP0054, into SPAA Schedule 23 (the Procedure for Resolution of Disputed Reading on Change of Supplier), to enable access by agents of a supplier or customer who are not ordinarily signatories to the SPAA.

The Proposer of this change considers that it will better facilitate effective competition between gas suppliers and relevant agents.

¹ The terms 'the Authority', 'Ofgem' and 'we' are used interchangeably in this document. Ofgem is the Office of the Gas and Electricity Markets Authority.

² This document is notice of the reasons for this decision as required by section 38A of the Gas Act 1986.

³ J:\Mods\SPAA\Archive\SPAA 06-057\CP06-057D.pdf

⁴ J:\Mods\SPAA\Archive\SPAA 087D.pdf

The Authority's decision

The Authority has considered the issues raised by the change proposal and the Change Report (CR) dated 14 May 2007. The Authority has considered and taken into account the responses to the SPAA consultation on the change proposal which are attached to the CR. The Authority has concluded that:

1. implementation of the change proposal will better facilitate the achievement of the relevant objectives of the SPAA⁵; and,
2. directing that the change proposal be made is consistent with the Authority's principal objective and statutory duties⁶.

Reasons for the Authority's decision

The threshold for a change proposal being accepted is 65% of relevant SPAA parties being in favour of the change. The change report shows that 100% of the weighted votes for each of the domestic supplier, industrial and commercial supplier and GT constituencies were in favour of implementing this proposal.

The Proposer has suggested that this change proposal will further effective competition between suppliers and their relevant agents through the provision of consistent rules for access to the SCOGES service.

Whilst we do not consider that alignment with processes currently used under other governance systems is of itself justification for the approval of a change proposal, we do recognise that such alignment could result in efficiency gains for all parties. As such, we consider that this proposal would further facilitate relevant objective c) of the SPAA, *the promotion of efficiency in the implementation and administration of the supply point administration arrangements.*

In addition, we consider that the inclusion of objective criteria against which the SPAA Executive Committee can approve or reject non-SPAA parties' access to SCOGES will be a more equitable and transparent solution than what could otherwise be a rather subjective process.

Decision notice

In accordance with Standard Condition 34A of the Gas Suppliers Licence, the Authority, hereby directs that change proposal [CP07/74]: *'Principles for granting access to SCOGES'* be made.



Mark Feather.
Associate Director, Industry Codes & Licensing

Signed on behalf of the Authority and authorised for that purpose.

⁵ As set out in Standard Condition 34A of the Gas Suppliers Licence, see: http://epr.ofgem.gov.uk/document_fetch.php?documentid=4257

⁶The Authority's statutory duties are wider than the relevant objectives and are detailed mainly in the Gas Act 1986.