

Modification proposal:	Uniform Network Code ("UNC") 180V: Replacement of file formats contained within Annex A Part 7 of the LDZ CSEP NExA (UNC180V)		
Decision:	The Authority ¹ directs that proposal UNC180V be made ²		
Target audience:	The Joint Office, Parties to the UNC and other interested parties		
Date of publication:	31 March 2008	Implementation Date:	To be confirmed by the Joint Office

Background to the modification proposal

Independent Gas Transporters (IGTs) are responsible under Annex A of the Local Distribution Zone (LDZ) Connected System Exit Point (CSEP) Network Exit Agreement (NExA) for passing Supply Point related data to Gas Distribution Network operators (GDNs). The electronic file formats relating to this activity are contained within Annex A of the LDZ CSEP NExA.

Provisions of the CSEP NExA which are entirely between the GDN and the IGT can be amended on a bi-lateral basis; the latter being referred to in the context of the UNC as the Connected System Operator. However, changes to the provisions which are relevant to shippers are precluded by Section J 6.4 'Amendment of Network Exit Provisions' of the UNC, unless they have been approved by all shippers who use that connected system, or where the modification rules (under either the GDN's or IGT's UNC) have been followed.

The modification proposal

The file formats contained within the current version of the NExA do not reflect those in use by IGTs and GDNs. They are also incomplete as only Annual Quantity (AQ) update formats are detailed. It is therefore proposed that the entire contents of Annex A Part 7 of the NExA are removed and replaced with the file formats set out in the appendix of the Final Modification Report (FMR).

UNC Panel³ recommendation

At its meeting held on 20 December 2007 the UNC modification panel voted to unanimously recommend that UNC180V be implemented.

The Authority's decision

The Authority has considered the issues raised by the modification proposal and the FMR version 2.0 dated 20 December 2007. The Authority has considered and taken into account the responses to the Joint Office's consultation on the modification proposal which are attached to the FMR⁴ and has concluded that:

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 The UNC Panel is established and constituted from time to time pursuant to and in accordance with the UNC Modification Rules

⁴ UNC modification proposals, modification reports and representations can be viewed on the Joint Office of Gas Transporters website at www.gasgovernance.com

1. implementation of modification proposal UNC180V will better facilitate the achievement of the relevant objectives of the UNC⁵; and
2. directing that modification UNC180V be made is consistent with the Authority's principal objective and statutory duties⁶.

Reasons for the Authority's decision

We note that each of the six respondents to the Joint Office consultation on this proposal were supportive of its implementation.

Whilst we have no particular views on what should be contained in the file formats which pass between IGTs and GDNs, we consider that it is inappropriate for there to be an enduring inconsistency between the file formats which are used in practice and the contract which purports to prescribe those file formats.

To the extent that the file formats currently in use have developed over time we agree with the proposer and those respondents who commented that the NExA should be amended to reflect the prevailing custom and practice rather than vice versa. This will codify the transfer of the additional data items provided for in the new file formats, and in clarifying the obligations upon respective parties will ensure the prompt, accurate and timely transfer of information between GDNs, IGTs, xoserve and Shippers.

On this basis we consider that the accurate codification of file format data relating to supply points would also help secure effective competition between shippers in so far as it supports the transfer and exchange of accurate data which, amongst other things, governs the allocation of gas to shippers through the settlements process. This should better facilitate objective (d), namely the securing of effective competition between relevant shippers and between relevant suppliers. We also agree with those respondents who suggested that the implementation of this proposal will better facilitate relevant objective f), *so far as is consistent with sub-paragraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code.*

Decision notice

In accordance with Standard Special Condition A11 of the Gas Transporters Licence, the Authority, hereby directs that modification proposal UNC180V: *'Replacement of file formats contained within Annex A Part 7 of the LDZ CSEP NExA'* 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 Special Condition A11(1) of the Gas Transporters Licence, see: http://epr.ofgem.gov.uk/document_fetch.php?documentid=6547

⁶The Authority's statutory duties are wider than matters which the Panel must take into consideration and are detailed mainly in the Gas Act 1986.