

Modification proposal:	Supply Point Administration Agreement (SPAA) Change Proposal (CP) 08/110 (CP08/110): Review of SCOGES Schedule 23.		
Decision:	The Authority ¹ directs that this proposal be made ²		
Target audience:	SPAA Parties and other interested parties		
Date of publication:	23 April 2008	Implementation Date:	June 2008 scheduled release

Background to the change proposal

On 30 June 2006 the Authority consented to SPAA Change Proposal 06/057, which introduced a new product into the SPAA, the '*Single Centralised Online Gas Enquiry Service (SCOGES)*', and made it subject to a new mandatory schedule. This mandatory schedule placed an obligation on all Gas Transporters to implement and operate the SCOGES service and provide the necessary data to support it on an ongoing basis. The schedule also obliges all suppliers to use the service in the first instance when seeking to resolve a query, before resorting to telephone or email contact.

The modification proposal

This change proposal was raised following a review of the SCOGES documentation by the SPAA expert group. Whilst the change proposal does not seek to make any amendments to the SCOGES service itself, it does seek to provide further clarity and improve the formatting of Schedule 23.

The large Gas Transporters obligations in respect of SCOGES are currently discharged by their agent, xoserve. Whilst xoserve has recently introduced a new 'User Pays' form of contract for SCOGES (also referred to as the Internet Access to Data (IAD) service) this change proposal is not itself impacted by that development. However, a further SPAA Change Proposal, CP07/109: 'Changes to SPAA Schedule 23 to facilitate User Pays services' is still being progressed.

The Authority's decision

The Authority has considered the issues raised by the change proposal and has taken into account responses to the SPAA consultation and the views of the subsequent SPAA Change Board held on 21 February 2008. The Change Declaration form was submitted to the Authority on 17 March 2008 following the elapse of the SPAA appeal window. The Authority has concluded that:

1. implementation of the change proposal will better facilitate the achievement of the relevant objectives of the SPAA³; and,

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 As set out in Standard Condition 30 of the Gas Suppliers Licence, see:

http://epr.ofgem.gov.uk/document_fetch.php?documentid=13010

2. consenting to the change proposal being made is consistent with the Authority's principal objective and statutory duties⁴.

Reasons for the Authority's decision

We note that this proposal received unanimous support both at the consultation stage and at the subsequent SPAA Change Board. The weighted voting results show that 100% of those parties able to vote support the implementation of this change proposal. The threshold for acceptance of change proposals is set at 65%.

Only one party, Independent Pipelines, submitted comments at the initial voting stage. We note that these comments subsequently resulted in a number of minor drafting amendments, accepted by the SPAA Change Board, which clarified the current role of iGTs and their obligations. We welcome this additional clarity and the flexibility of the arrangements in allowing such post-consultation revisions, with approval of the Change Board.

In terms of the change proposal itself, whilst there was little justification provided for each of the revisions to Schedule 23, we accept the unanimous views of the SPAA Parties that that the revisions in their entirety provide for a smoother, clearer and more efficient operation of the SCOGES, by improving the underpinning documentation.

To the extent that this proposal is an improvement to the SCOGES service, we agree with the proposer and those respondents who considered that it will further facilitate (albeit marginally) relevant objective a) of the SPAA: *'the development, maintenance and operation of an efficient, co-ordinated and economical change of supplier process'*.

However, we consider that the proposal is largely good housekeeping, and in providing further clarity of the current arrangements, will more obviously better facilitate relevant objective c) of the SPAA *'the promotion of efficiency in the implementation and administration of the supply point administration arrangements'*.

To the extent that the SCOGES service facilitates the customer switching process, we also consider that consenting to this change proposal will be consistent with our primary objective to protect the interests of consumers, wherever appropriate by promoting effective competition.

Decision notice

In accordance with Standard Condition 30 of the Gas Suppliers Licence, the Authority, hereby consent that change proposal CP08/110: *'Review of SCOGES Schedule 23'* be made.



Mark Feather
Director, Industry Codes and Licensing

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

⁴ The Authority's statutory duties are wider than the relevant objectives and are detailed mainly in the Gas Act 1986.