

Modification proposal:	<b>iGT UNC proposal: "Inspection Notification File Format and Response File" (iGT013)</b>		
Decision:	The Authority <sup>1</sup> directs that this proposal be made		
Target audience:	Independent Gas Transporters (iGTs), Parties to the iGT UNC and other interested parties		
Date of publication:	01 July 2008	Implementation Date:	To be confirmed

## Background to the modification proposal

Modification iGT013 was raised by ScottishPower Energy Management Limited. A variation<sup>2</sup> to the modification was raised on 15 January 2008. A further variation<sup>3</sup> to the modification was proposed on 4 March 2008.

In October 2003, a document "Operator Meter Reading (Cyclical Reads Only) & Meter Inspection File Formats" was produced following work undertaken by the Gas Forum Operator Workgroup. It recommended that for IGT purposes shippers adopt the unbundled meter reading file formats for transmitting meter reads and inspection notifications to IGTs. In addition, the report recommended that IGTs adopt unbundled meter read response file formats.

Currently, meter inspection notifications are provided by shippers to IGTs utilising a modified version of the N44 file format. Confirmation of receipt and acceptance of these notifications are not presently sent to shippers by all IGTs.

The lack of governance regarding formal notification of the acceptance or rejection of meter inspection notifications submitted by shippers causes a number of difficulties. In particular, users have no certainty that meter inspection notifications are being accurately recorded in IGTs' systems.

## The modification proposal

The Modification requires shippers to submit notifications of meter inspections to IGTs using file formats detailed in a new iGT UNC Ancillary document entitled "Inspection Notification File Format and Response File". The modification also introduces the text of this new UNC Ancillary document.

The UNC Ancillary document sets out the file formats and conventions for the submission of meter inspections by shippers and the acknowledgement of their acceptance/rejection by IGTs.

The Modification also seeks to mandate the acknowledgement of acceptance/rejection by Operators within prescribed timescales. In particular IGTs must respond to the shipper notification of a meter inspection within 2 business days.

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

<sup>2</sup> The purpose was to add further clarity by specifying the header, trailer and file naming convention of the file formats.

<sup>3</sup> It was proposed that the Inspection Notification File Format and Response File be inserted as an iGT Ancillary Document within the Code.

## Panel decision

The iGT UNC Modification Panel held on 21 May 2008 unanimously recommended the Modification for implementation, commenting that it supports the efficient and economic operation of the Pipeline Systems and the efficient discharge of the Licensees' Obligations.

The Panel recommended that the implementation date of the Modification should be the next release of the iGT UNC six months after Authority consent in accordance with clause 19.2(c) of section L of the IGT UNC.

## The Authority's decision

The Authority has considered the issues raised by the Modification and the Final Modification Report dated 2 June 2008. The Authority has concluded that:

1. implementation of the modification proposal would further the relevant objectives as defined in Standard Condition 9 of the Gas Transporters License<sup>4</sup>; and
2. directing that the modification be made and is consistent with the Authority's principal objective and statutory duties.

## Reasons for Authority decision

Ofgem considers that in particular, the implementation of the modification proposal would further relevant objectives (d) and (c). Our reasons are set out below.

*Relevant objective (d) - securing effective competition between relevant shippers and between relevant suppliers.*

The requirement to send meter inspection notification and response data in a consistent format will enable shippers to improve automation of their processes and reduce cost associated with managing their meter inspection submission requirements and any subsequent error resolution.

In addition, we consider that allowing shippers to send meter inspection notifications using the Unbundled Meter Reading File Formats, and for these files formats to be used for the acknowledgement of acceptance/rejection by IGTs, will allow them to manage meter readings on IGT networks in a consistent manner with those submitted to other Gas Transporters.

We further consider that the modification will increase certainty for both shippers and IGTs for when meter inspections have been accepted or rejected. The inclusion of a defined timescale for a response from IGTs will further increase clarity for shippers.

*Relevant objective (c) – the efficient discharge of the licensee's obligations under this licence.*

IGTs are obliged under SLC 5(8) of the Gas Transporters licence to record the date of the most recent meter inspection notified to them by the shipper. IGTs are also required to inform shippers that a meter inspection is due<sup>5</sup>. We consider that the modification will better meet relevant objective (c) by increasing certainty on whether meter inspections have been accepted or rejected by the IGT and allowing shippers to understand the

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<sup>4</sup> [http://epr.ofgem.gov.uk/document\\_fetch.php?documentid=13355](http://epr.ofgem.gov.uk/document_fetch.php?documentid=13355)

<sup>5</sup> SLC 12 of the Gas Supplier Licence requires that a meter inspection is carried every 2 years for each meter point.

reasons for rejection so that these can be either challenged or used to improve their processes going forward.

**Decision notice**

The Authority directs that modification proposal IGT013: "Inspection Notification File Format and Response File" be made.



**Kersti Berge**  
**Head of GB Markets**

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