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| Modification proposal: | UGI038/GTC347/GPL047: 'Removal of SPA Fax Forms Appendix 2 from the INC' | | |
| Decision: | The Authority ¹ directs that this proposal be made | | |
| Target audience: | Gemserv, Parties to the iGT UNC and other interested parties | | |
| Date of publication: | 25 October 2012 | Implementation Date: | To be confirmed by GTC / the iGT UNC representative |

Background to the modification proposal

On 2 February 2012 Ofgem approved modification proposal iGT037 (Inclusion of SPA Fax Forms as a Ancillary Document)² to the independent Gas Transporters Uniform Network Code (iGT UNC). "Fax Forms" were created to provide for a standard set of information to be exchanged between Pipeline Operators and Pipeline Users for the change of supply processes.

Although the majority of Pipelines Operators have introduced electronic systems and processes to manage change of supply, the Fax Forms are used for Industrial and Commercial (I&C) transfers and are also the default forms in the event that other electronic communications fail.

iGT037 introduced the Fax Forms into the Ancillary Document to the iGT UNC allowing them to be mandated and also modified in a transparent manner. iGT037 was implemented in June 2012.

However, Appendix 2 of the Individual Network Codes (INCs) of Utility Grid Installations Limited (UGI), GTC Pipelines Limited (GPL) and The Gas Transportation Company Limited (GTC) currently also contain the fax forms. Now that iGT037 has been implemented, Appendix 2 of these INCs is no longer required and could lead to confusion amongst users.

This decision letter covers identical proposals to modify the Network Codes of UGI, GPL and GTC, all part of the GTC group.

The modification proposal

This modification proposal was raised by GTC on the 1 May 2012 and seeks to remove Appendix 2 from the INCs of UGI, GPL and GTC and refer users to the iGT UNC Ancillary Document.

GTC considers that this modification would facilitate relevant objective (b)³ of the Network Codes but provided no clarification on how.

iGT UNC Panel⁴ recommendation

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 iGT037 decision letter -

<http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=255&refer=Licensing/GasCodes/IGTCodes/Mods>

³ As set out in Standard Condition 9 of the Gas Transporters Licence as can be accessed from our website:

<http://www.ofgem.gov.uk/Licensing/Work/Pages/licence-conditions-consolidated.aspx>

This modification was considered at the iGT UNC Panel (the Panel) on 19 September 2012. The Panel voted unanimously in favour of implementing the modification.

The Authority's decision

We have considered the issues raised by the modification proposal and the Final Modification Report (FMR) dated 26 September 2012. We have considered and taken into account the responses to the Representatives consultation on the modification proposal, which are attached to the FMR⁵.

We have concluded that implementation of the modification proposal will better facilitate the achievement of the relevant objectives of the iGT UNC.

Reasons for the Authority's decision

The Panel agreed with the proposer that relevant objective (b) would be facilitated by this proposal but did not provide any reasoning as to how. The Panel considered that relevant object (f) would also be facilitated. They considered the modification would ensure that any future changes to the SPA Fax forms would only need to be carried out in one place and that code parties would only need to refer to a single document rather than both the iGT UNC ancillary document and each of the INCs.

We note that the one respondent to the modification report consultation agreed that the proposal would better facilitate Relevant Objective (b) by tidying up the INCs and making them more efficient.

We consider the modification would better facilitate Relevant Objective (b) and (f) and is neutral in relation to the other Relevant Objectives.

Objective (b): so far as is consistent with sub-paragraph (a), the co-ordinated, efficient and economic operation of the pipe-line system of one or more other relevant gas transporters

We consider this modification proposal should ensure that, should the Fax Forms be needed, the change of supplier processes are followed consistently. This would be because they would be set out in just one document for the user to refer to. This would prevent the potential for confusion should a user be required to refer to the iGT UNC Ancillary Document and the three INC codes. This should ultimately lead to the more co-ordinated and efficient operation of the pipe-line system.

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 referred to in paragraph 2 and 5 respectively of this condition

We agree with the Panel that this modification proposal would also facilitate relevant objective (f) by ensuring that future changes to the Fax Forms will only take place in one document, the iGT UNC, without the need to update another three INC documents. It

⁴ The iGT UNC Panel is established and constituted from time to time pursuant to and in accordance with the iGT UNC Modification Rules.

⁵ iGT UNC modification proposals, modification reports and representations can be viewed on the iGT UNC website at <http://www.igt-unc.co.uk/>

will also mean that users will only have to refer to one document for the fax forms rather than four.

Decision notice

In accordance with Standard Licence Condition 9 of the Gas Transporters Licence, the Authority, hereby directs that modification proposal UGI038/GTC347/GPL047: 'Removal of SPA Fax Forms Appendix 2 from the INC' be made.

Lesley Nugent

Head of Industry Codes and Licensing

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