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Rachel Clark  
Programme Director, Switching Programme  
Ofgem  
10 South Colonnade  
Canary Wharf  
London  
E14 4PU

15 January 2021

Dear Rachel,

**Switching Programme and Retail Code Consolidation: Proposed licence modifications**

Thank you for the opportunity to respond to this consultation. Northern Gas Networks (NGN) continues to actively engage with both the Switching Programme and the Retail Code Consolidation Significant Code Reviews (SCRs) and welcomes the opportunity to provide feedback at this point in the programmes. NGNs response is primarily in relation to the proposed Gas Transporter (GT) Licence modifications.

We note the proposed changes to the Shipper Licence includes removal of Standard Condition 13 which is a direct response to GT Licence Standard Special Condition (SSC) A31, which Ofgem are no longer proposing to change, as the service will no longer be provided by Transporters. We believe that it would be more appropriate to make all corresponding Licence changes at the same time rather than utilising the proposed derogation approach to the GT Licence and removal of the corresponding Shipper obligation. This would ensure that the enduring arrangements are clear and transparent for all parties and consistent across Licences where obligations rely on another party.

We have no comments in relation to the minor changes in SSC A33, SC14 and SSC D17. We do not believe that these changes will substantially change GT obligations and ensures that they are consistent with the code arrangements.

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the network**

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Registered office: 1100 Century Way, Thorpe Park Business Park, Colton, Leeds LS15 8TU



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+44 (0) 113 397 0034



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We do not believe that the derogation approach proposed for SSC A31 meets the requirements, and consider this to add risk to Transporters in relation to duplication of service provisions or being required to provide services over which we have no direct control. The use of a derogation would require the same level of detailed work to make enduring changes to the Licence and therefore there is no benefit to this approach.

Having carried out detailed analysis of SSC A31, we believe that some elements will continue to be required on an enduring basis as they do not relate to switching activity provided by Xoserve in their capacity as the Central Data Service Provider (CDSP). We also believe that delivery of services through the Retail Energy Code would not be compliant with the Licence obligations which are predicated on them being delivered in accordance with SSC A15A/A15 – provision of the CDSP.

We have provided a detailed annex of the analysis carried out by NGN and shared with other Gas Distribution Networks. We therefore propose that SSC is amended rather than derogations created, to improve transparency and reduce regulatory risk for transporters.

It should also be noted that the Data Enquiry Service which is proposed to be moved to Retail Energy Code (REC) as the Gas Enquiry Service is not delivered as a direct result of SSC A31, but in response to operational requirements for Shippers and Transporters and in compliance with SPAA Schedule 23 for services to Suppliers.

Please contact me should you have any queries about this response.

Yours sincerely

Joanna Ferguson  
Head of Market Service & Regulatory Compliance




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## Annex 1: SSC A31 Analysis and Proposed Amendments

SSSC A31	Description	UNC/DSC delivery	REC implications	Additional notes	Proposed amendment
Para 1	Requirement to establish, procure, operate and maintain the Supply Point Information Service consistent with A15	N/A	This is an overarching obligation for the services listed below. As A15 requires Services to be delivered by CDSP, this means that CSS/ REC service not compliant	If the policy intent is for the services to be provided under REC then the obligation needs to reflect that the GTs cannot control REC provision, they can only influence it.	Amend licence to 1) Reduce level of obligation on GTs "The licensee shall make reasonable endeavours to establish....." 2) remove requirement for service to be consistent with A15 to allow it to be provided by REC
Para 2 (a)	Maintain a register of specific data (contained in para 3)	UK Link used to provide register	Data will be sourced through REC and the CSS data flows	Data will continue to be held in UK Link	Amend licence to remove obligation as the information will be sourced through REC GTs will not have control and therefore it is not reasonable to have an licence obligation to keep a register
Para 2 (b)	Amend data to reflect change of supplier	UK Link updates through UNC data flows	Data will be sourced through REC and the CSS data flows	Data will continue to be amended in UK Link	Amend licence to remove obligation.  For CSS Supply Points the data will be mastered in by REC and so the GTs should not have a licence obligation to maintain this information.  As there are very few non-CSS Supply Points most of which are directly connected to the NTS there seems little benefit in retaining this obligation for non-CSS Supply Points
Para 2 (c)	Provide a service to domestic customers for certain data items (defined in para 3)	Who's my Supplier telephone and web service delivered through DSC ASGT-NC SA16-06 (ASGT-NC SA12-06 from 1/4/21)	REC delivery of a direct domestic consumer service does not discharge obligation, so will need to continue to be provided by Xoserve	As GTs are required to procure the service, procurement of the identical service by REC Co would not discharge GT obligation, potentially leading to duplication	Amend licence to remove obligation. (As all domestic connections will be CSS Supply Points there is no need to retain this obligation for non-CSS Supply Points as none will be domestic.
Para 2 (d)	Provide a service to Shippers, persons defined in UNC and non-domestic consumers	Xoserve telephone service provided to shippers through DSC ASGT-NC SA16-07 (ASGT-NC SA12-07 from 1/4/21)	REC delivery of a service to suppliers not compliant with requirements to provide information to shippers or other parties	GTs may be required to continue to provide a shipper facing service as shippers not party to REC. Shipper service can be delivered by UNC obligation As there are very few non-CSS Supply Points most of which are directly connected to the NTS there seems little benefit in retaining this obligation for non-CSS Supply Points	Amend licence to remove obligation.  Introduce a UNC obligation to provide information to Shippers
Para 2 (e)	Maintenance of the domestic service free at the point of delivery	Who's my Supplier telephone and web service delivered through DSC ASGT-NC SA16-06 (ASGT-NC SA12-06 from 1/4/21)	REC delivery of a direct domestic consumer service does not discharge obligation, so will need to continue to be provided by Xoserve	As GTs are required to maintain the service, service by REC Co would not discharge GT obligation, potentially leading to duplication	Amend licence to remove obligation. (As all domestic connections will be CSS Supply Points there is no need to retain this obligation for non-CSS Supply Points.
Para 2 (f)	Advertise the service adequately	Xoserve advertise service in phone book and through website	REC Co would need to advertise their service (which may differ)	Only CDSP service discharges GT obligation	Amend licence to remove obligation.  If 2(e) is removed as proposed then 2(f) is no longer required
Para 3 (a) (i)	Identity of Shipper responsible under UNC	UK Link holds shipper short code and name as provided by the shipper through the nomination/ confirmation UNC flows	Identification of shipper will be sourced through a new CSS data flow, other than non-CSS supply points	Process for non-CSS supply points needs to be maintained through UNC	Amend licence to remove obligation.  Introduce a UNC obligation to provide service for non-CSS Supply Points.

<b>SSSC A31</b>	<b>Description</b>	<b>UNC/DSC delivery</b>	<b>REC implications</b>	<b>Additional notes</b>	<b>Proposed amendment</b>
Para 3 (a) (ii)	Metering equipment	UK Link holds meter technical details (MTD) as provided by the shipper through RGMA flows	RGMA flows unchanged	For CSS/REC service this data would need to be provided by Xoserve	No change
Para 3 (a) (iii)	Unique and accurate address	Provided by GTs on MRPN creation	REL and MPL may be different in REC, but MPL address continues to be provided by GT	In REC, GTs will only be able to change the MPL address, not the REL, and may not be have permission to view the REL	Insofar as this relates to the Retail Energy Location then the obligation should be removed as this is provided by the Central Switching Service by its Address Service Provider.  Insofar as it relates to the Meter Point Location, amend licence to clarify that the address relates to the location of the end of the network (MPL address) Suggested wording "a unique and accurate address of for the location of the end of the network serving such premises"
Para 3 (b) (i)	Information for managing supply of gas				No change
Para 3 (b) (ii)	Information for assessing the accuracy of charges	Billing data – AQ, SOQ, consumption from meter reads, CV. Currently held in DES or provided in IX data flows to shippers	Not included	GTs will be required to continue to provide data to shippers to verify charges – provided under UNC. Once DES is removed then GTs will not control what is provided by CSS GES	Amend licence to remove GTs will not control information provided by CSS GES
Para 3 (b) (iii)	Information to enable switching	We sometimes get consumer/supplier queries about things like MSC or meter point status which is preventing a switch, but there is no detailed specification	CSS Gas Enquiry Service (GES) should provide sufficient data for suppliers	GES would not discharge GT obligation as not procured through CDSP, potentially leading to duplication	Amend licence to remove GTs will not control information provided by CSS GES
Para 3 (b) (iv)	Information identifying the supplier	Supplier Short Code and name as provided by Shipper through nomination/confirmation flows	Information provided by supplier to CSS will need to be passed to CDSP	No change to GT data flows, just source of information changed except for non-CSS supply points	Amend licence to remove this information will be controlled by REC and will be passed to GTs so GTs have no control over it.
Para 4	Not restrict, distort or prevent competition in metering or supply services	Use of standard UNC processes ensures this	REC service could ensure this other than it needs to be a CDSP service	Standard clause found in many conditions	No change
Para 5 (i)	Provide pressure information associated with new connections	Provided by GTs through GT1 (for services) and connections processes	N/A	Will continue in-house by GTs	No change
Para 5 (ii)	Provide information required for chargeable reinforcement	Provided by GTs through connections processes	N/A	Will continue in-house by GTs	No change
Para 6 (a)	Grounds for refusal if prejudicially affecting commercial interests	N/A	N/A	N/A	No change
Para 6 (b)	Grounds for refusal if person refuses to enter into contract	N/A	N/A	s10 Gas Act, UNC, UIP FCA, connections agreements	No change
Para 6 (c)	For 2 (e), grounds for refusal if pre-notified costs not paid (by non-domestics)	Not currently chargeable	N/A		No change
Para 7	For 5, not required to produce information that could not be compelled for court	N/A	N/A	N/A	No change