

Ofgem Call for Input – Relative Price Control (RPC) Review

Questions

Scope of a potential IGT RPC review

1. To what extent do you support a review of the IGT RPC framework?

Answer:

We support a review of the IGT RPC framework to ensure it is fit for purpose in supporting the UK's current decarbonisation targets. It is anticipated that gas disconnections will increase, and there is currently no mechanism in the regulatory framework for IGTs to recover certain disconnection costs. It is crucial that GDNs and IGTs are aligned in their approach to prevent customers from facing inconsistent charges based on their network location. We acknowledge the Ofgem Call for Input on reviewing the gas disconnection process to ensure alignment. Furthermore, if IGTs are allowed to charge more than GDNs, the price cap will be insufficient to cover the costs.

2. To what extent does our proposed review scope meet your expectations?

Answer:

We agree with the proposed scope outlined in the review. However, we recommend a thorough examination of IGT RPC invoicing. Currently, RPC invoicing includes meter rental charges, which we believe should not be part of a transportation charge invoice. Instead, these charges would be better suited to a separate invoice. This approach would facilitate future code consolidation, considering that GDNs have distinct charges for metering and transportation.

Additionally, we encourage a review of IGT new connection AQs to ensure they are set at appropriate levels for the property type.

Furthermore, we request that RPC invoices be received via the IX, in alignment with GDNs and the recent Xoserve change XRN5720, which implemented RPC supporting information being received via the IX.

3. To what extent does our proposed approach meet your expectations?

Answer:

The proposed approach meets our expectations.

4. To what extent do you agree that the information and data suggested at paragraph 2.7 is reasonable and sufficient for the purposes of the proposed review?

Answer:

We agree that the information and data suggested at paragraph 2.7 is reasonable and sufficient for the purposes of the proposed review.