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24<sup>th</sup> July 2018

## **WWU response to Ofgem consultation Switching Programme: Proposed modifications to regulation and governance**

Dear Rachel,

Thank you for the opportunity to respond to the consultation. Wales & West Utilities is a gas transporter serving 2.5 million supply points in Wales and south west England. We are broadly supportive of the proposals and our responses to the questions are below; however we would like to highlight three key concerns namely:

- consideration of whole industry costs,
- responsibility for funding and ensuring implementation of changes to CDSP systems,
- licence changes.

We recognise that the implementation of faster and more reliable switching is a key Ofgem objective. Although this consultation is primarily around the Retail Energy Code (REC), we think that the proposals need to take account of other industry change which is in progress. The Central Data Services Provider (CDSP) is currently about to undertake significant activity to implement one of the 0621 series of proposals which make fundamental changes to NTS charges to achieve compliance with an EU directive. There is also considerable activity in the area of Unidentified Gas (UIG) which is a key industry concern. The timetable for the faster and more reliable switching programme envisages go live by the end of 2020. To achieve this, the CDSP will need to initiate a change programme to enable it to work with the Central Switching Service (CSS). They will also need to make consequential changes and there are also likely to be changes that while not essential are very desirable to enable processes to function smoothly. There is therefore a significant volume of change on the horizon. To minimise the impact on industry we suggest that the DCC procurement of the CSS should consider not just the direct costs to DCC but also the wider industry costs of adjusting to work with the various potential service providers.

WWU has some key concerns regarding responsibility for ensuring implementation of changes to the CDSP systems and the funding of these changes. In summary our view is that the proposals do not recognise the changes introduced by the Funding, Governance and Ownership (FGO) review of Xoserve that created the CDSP. These changes mean that Gas

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Transporters no longer control the CDSP. We recognise that that this is different from the arrangements in electricity where DNOs still control Meter Point Administration Systems (MPAS); however it is important that the responsibility for ensuring the necessary changes are made and funded rests with the correct party in gas. Our view is that Suppliers should be responsible for both funding and ensuring that CDSP systems are changed and they would achieve this through their contracts with their Shipper who are party to the Data Services Contract with the CDSP and who can ensure the necessary changes are made.

We note the proposed licence changes but suggest that this should also include transporter licence condition A31.

## **Chapter 2: Transitional requirements**

### **Q2.1: Do you support our proposal to introduce a high level duty upon licensees to cooperate, where appropriate, in delivering the outcome of a significant Ofgem-led programme, such as a SCR?**

Yes, we support this proposal. One of the lessons from Project Nexus was that Xoserve could not force parties to co-operate and when Ofgem took on a leadership function all the decisions were done by consensus. While we believe that consensus is the best way to manage these industry wide issues due to the interactions between parties it is important that there is some obligation on parties to co-operate with the programme.

We note the comment in paragraph 2.8 of the consultation that:

“... we would expect the Gas Transporters to ensure that whatever permissions may be required for Xoserve as the gas Central Data Service Provider to share data with or migrate it to the CSS are in place as and when required.”

As explained later, in our answer to Q4.1, we do not agree that Gas Transporters should have this responsibility, it should be the responsibility of Gas Suppliers discharged through their contract with Gas Shippers who share the governance of Xoserve with Gas Transporters. Gas Transporters should not be responsible for having to ensure that the CDSP delivers changes required to facilitate a Supplier centric project. We also note that there is no mention of funding and WWU is clear that this project should be funded by Suppliers.

To this end modifying Gas Shipper licences to include the duty to co-operate should assist with our proposed model.

We note the use of “co-operate”, our view is that this means that licensees will work in good faith with Ofgem; however it does not preclude genuine disagreement.

### **Q2.2: Do you agree that the RECCo should be established earlier than REC v2 in order to assist with the successful delivery of the Switching Programme?**

Yes we agree. It is important to set up the structures and organisation in advance. The lesson from the Xoserve FGO programme was that the new Data Services Contract committees and various other enabling documents needed to be in place in advance of go-live. In practice industry parties collaborated to make it happen but it had to be done outside industry governance which was not desirable. Setting RECCo up in advance should address these problems.

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**Q2.3: Do you agree that the bodies constituted under the REC could suitably play a formal part in the programme governance?**

While, in principle, this seems a sensible idea, we are not clear how it could work in practice. In reality it seems to be proposing that DCC invite a representative of the SPAA Executive and MRA Executive to be a member of the DCC procurement process. We have not considered the implications in detail but our initial thought is that the only way to put this into effect would seem to be by a DCC licence change.

One problem with using the SPAA executive is that I&C suppliers are not mandated to accede to SPAA and generally do not do so (except for the Theft Risk Assessment Service). This means that the SPAA executive committee only has one I & C Supplier member, this may mean that it is not fully representative for the purposes of supporting the DCC.

**Q2.4: Do you agree that our definition of 'large supplier' in REC v1 is suitable for ensuring an adequate level of engagement with User Entry Process Testing?**

We note that there is currently increasing focus on differences in the obligations of large and small Suppliers. We can see that it is reasonable to expect the large players to be ready at the start of testing but it is important that all players participate adequately in testing to demonstrate their readiness to participate in the market.

**Q2.5: Do you agree that it would be appropriate to have in place interim governance arrangements prior to REC v2 coming into effect?**

We agree that the SPAA executive committee and MRA executive committees could act as an advisory committee. This would be the same approach that was used to manage the introduction of the Xoserve FGO arrangements before the Data Services Contract came into existence.

What needs to be understood is that this group would have no formal status and would only be able to give a view to guide the programme, it would not be able to make binding decisions.

We note that I&C suppliers are not mandated to accede to SPAA and generally do not do so (except for the Theft Risk Assessment Service). This means that the SPAA executive committee only has one I & C Supplier member and therefore may not be considered as fully representative for the role of interim governance.

**Chapter 3: REC Governance**

**Q3.1: Do you agree with the proposed powers and functions of the RECCo Board, REC Panel and REC Manager, and how they would be distributed amongst them?**

We understand the aspiration for the REC to facilitate innovation, and promote consumer benefit; nevertheless we find it strange and slightly concerning that paragraph 3.13 that lists the key powers of the RECCo Board lists the key statutory functions of a board of directors as the last items on the list. It gives the impression that the responsibilities of a board of directors have not been given sufficient priority.

A board of directors has to act in the interests of the company and is appointed by its shareholders. The directors do not act as representatives of consumer interests, nor any other party, although they may wish to consider the impacts of their decisions on consumers.

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It is clear that the RECCo board will need to approve the contract with the REC manager and set the strategic direction but in our view some of the key powers that the paragraph lists as being RECCo board powers, other than those that are legally the responsibility of company boards, (for example (a) and (b) in the list) should actually be fulfilled by the REC panel.

We would have expected that the REC Panel would be the body that assessed changes and voted on them but this is not made clear.

**Q3.2: Do you agree with our proposal that independent Non-Executive Directors (NEDs), potentially from outside of the energy industry, should be present on the RECCo Board and that the composition of the RECCo Board should be subject to thorough review, both periodically and/or whenever the scope of the REC/RECCo Board responsibilities changes substantively?**

We note that independent Non-Executive Directors do not come cheaply and we question the benefit of incurring this additional cost. That stated, experience with SPAA Executive Committee and the UNC modification panel has demonstrated the benefit of having an independent chair person.

We do agree that the composition of the RECCo board should be different from the composition of the REC Panel. The experience of SPAA is that SPAA executive members tend to have regulatory and commercial backgrounds and this skill set is not wide enough for an effective company board. Board members have significant duties as directors of a company and it is important that they are appointed as directors and do not become board members because they were appointed as members of another body. Boards also need to ensure that they have sufficiently diverse skills and experience to adequately govern a company.

**Q3.3: Do you agree with the proposed composition, powers and functions of the REC Panel?**

Having independent members on the REC panel should add some wider views and help it reflect consumer interests and promote innovation. With regard to industry members, the independent members would need to be able to commit to the necessary preparation. We assume that the independent members will not be paid but this is not clear. As the consultation notes it is important to get the balance right between different industry participants and independent members as well as keeping the panel to an appropriate size. Our view is the panel should not be larger than the UNC modification panel which now has 14 voting members, including 2 non UNC parties. We suggest that the panel should have no more than one third of members from non REC parties. This will mean that proposals need to have a wide base of support to progress.

Our response to questions 3.1 and 3.2 show that we do not agree with the allocation of power and functions between RECCo board and REC panel laid out in the consultation.

**Q3.4: Do you agree that there should be entry and systems testing requirements placed on new entrants, comparable to those that we expect incumbent suppliers to undergo as part of the transition to the new switching arrangements?**

The fundamental assumption behind the lack of liabilities between parties in industry codes is that the parties involved all have a significant stake in the success of the market as a whole and are stable businesses which can absorb shocks. The arrival of new entrants challenges that assumption. We are aware that the issue of robustness of small suppliers and the scope of their

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obligations is a current issue. With regard to REC, given the importance of switching for consumers, it seems entirely reasonable that new entrants should have to satisfy entry and systems testing requirements comparable to those that incumbents have to undergo as they transition into the new arrangements.

#### **Chapter 4: REC Content**

##### **Q4.1: Do you agree with the proposed minimum content for REC v2 (as listed in Appendix 3)? Is there any other content we should consider for inclusion in REC v2? If yes, please provide further details.**

We do not agree with the proposals for the REC interpretation schedule. In particular we do not agree that the Gas Transporters should be responsible for ensuring that the Gas Retail Data Agent (GDRA) (which will be Xoserve, as CDSP) meets its obligations. The Xoserve FGO, introduced in April 2017, gave Shippers a direct role in governing Xoserve. Gas Transporters no longer control Xoserve. Faster switching is a supplier centric project and therefore the responsibilities for delivery and funding should be with Suppliers who can discharge their obligations through their contracts with Shippers. We note that the consultation envisages precisely this approach to ensuring that MAMs and other supplier sub-contractors meet their obligations. We accept that in electricity the arrangements differ and the DNOs control the Meter Point Administration Systems; however our view is that the obligation should be on Suppliers and if industry structures preclude Suppliers being able to discharge this obligation then an exception should be made in the electricity arrangements. The design suggests that the electricity arrangements were taken as the model and gas fitted to them.

Our concern is that if the Gas Transporters have the obligation to ensure changes are made then there is the risk that they would end up funding it. If the obligation is solely with Gas Transporters we would need changes to Condition A15A to give us rights to instruct the CDSP in this matter and IGTs may want similar provisions. However while this would address the compliance risk it would not address the funding risk.

Finally we observe that National Grid which operates the gas transmission system is included in this transporter obligation as proposed. Since transmission connected supply points are out of scope of the faster switching project it seems unreasonable to include them in the scope of the obligation proposed notwithstanding our objection to it as a whole.

##### **Q4.2: Do you agree with our proposal that the REC Code Manager should collate Switching Domain Data and make it available to Market Participants? Or do you consider that the Data Master for each element of Switching Domain Data should make it available to Market Participants?**

It seems preferable that the Data Master for each element of Switching Domain Data should make it available to Market Participants, this will minimise the risk of errors. The REC Code Manager may be able to support users by providing a list of data elements and a link to the Data Master's web site for each data element.

##### **Q4.3: Paragraphs 4.20-4.24 suggest that the DCC should be subject to a data quality objective and performance standards around the quality of REL Addresses. Do you have suggestions on the quality measure areas and levels quality measures will take? Do you believe that the REC Panel should have a role in setting these targets (initially and/or on a periodic basis)?**

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WWU has no direct interest in the Retail Energy Location Address and therefore will not be commenting on this question. We do have an interest in the address for the Emergency Control Valve which the consultations calls the Meter Point Location (MPL).

With regard to the address management schedule, Our view is that Suppliers should be entirely responsible for all costs associated with improving REL addresses. As described above Gas Transporters need to know the Meter Point Location and while we would assist Suppliers if we reasonably could, the cost of resources used by Gas Transporters to establish REL addresses would be chargeable to Suppliers.

**Q4.4: Paragraph 4.25 outlines that the REL Address data quality indicator is currently intended to be an internal measure for the CSS. Do you believe there is value in making this available to other market participants? If so, please provide your rationale for this and outline which market participants should have access.**

WWU has no direct interest in the Retail Energy Location Address and therefore will not be commenting on this question. We do have an interest in the address for the Emergency Control Valve.

**Q4.5: Paragraph 4.25. suggests that the DCC should set out the methodology it will apply to meet the REL Address data performance standards on an annual basis. Do you agree that it would be beneficial to make this methodology publicly available?**

WWU has no direct interest in the Retail Energy Location Address and therefore will not be commenting on this question. We do have an interest in the address for the Emergency Control Valve.

We suggest that encouraging use of MPRN or MPAN which are unique is preferable to using addresses which can be ambiguous.

**Q4.6: Do you support the creation of an Enquiry Services Schedule in REC v2? If so, which of the options around the requirements (in paragraph 4.32) do you prefer? Please provide details to explain your answer.**

One point of detail is important, paragraph 4.29 of the consultation refers to interfaces between CSS and DES. There will be interfaces between CSS and the CDSP and the CDSP will then populate DES. We understood that this had been changed in the system design to avoid the CDSP having to build separate CSS / DES interfaces.

With respect to governance of data items and the options in 4.32, we do not support Option 1 as it would result in data items that are not required for switching being governed by the REC to which Shippers would not be signatories. We do not support Option 2, which would move the governance of switching related items to the REC. It would move the governance of data items that are used for other purposes, such as settlement, to the REC when these other purposes are arguably more crucial purposes. For example AQ is crucial for settlements and network planning and although it is used for switching our view is that governance should remain in the UNC. We therefore support option 3.

Where there are data items that are used solely for switching such as the Retail Energy Location they should be governed by the REC.

We support the provision of a Management Information Service by Xoserve and Gemserv based on DES and ECCOES.

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**Q4.7: Do you agree with our proposal to create a REC Exceptions Schedule to be contained in REC v2, with the scope outlined in Figure 3? If not, please provide further details.**

We agree that a robust switching process needs to cater for exceptions and that these need to be well defined and managed. We are aware that Gas Suppliers are making efforts to improve the processes in SPAA that address exceptions.

**Q4.8: Do you agree that the grey areas highlighted in Figure 3 should be out of scope of an Exceptions Schedule for REC v2? If not, please provide further details.**

We are not directly impacted by this but observe that in the future when most consumers have some sort of smart meter then a Smart Prepayment Switch Exception is a switching exception and therefore it seems sensible to have it under REC governance. We realise that there is a potential conflict with the Smart Energy Code but this is irrelevant to consumers. Further, unless all smart meters are enrolled in DCC systems there will be one set of processes under SEC for SMETS2 Prepayment Switch Exceptions and presumably another under REC for SMETS1 Prepayment Switch Exceptions. That cannot be sensible from a customer point of view.

**Q4.9: A list of suggested content for a set of REC Technical Documents can be found in section 4.44. Do you believe that any of the content listed is unnecessary or is there any content that you would expect to be included? If so, please provide details.**

Our only comment on this is about the status of these documents under the REC and whether they will be subject to the full REC modification process or whether they will be REC subsidiary documents.

**Q4.10: Do you believe that table 1 captures all of the items that should become a REC subsidiary document? If not, please provide details of the additional items that should be included and why.**

We agree that these documents should not be subject to the full REC modification process and suggest the UNC process for modifying the UK Link manual is a sensible model.

Although we agree that the RECCo Articles of Association should be produced by the switching programme, it is clearly incorrect to describe them as a REC subsidiary document. They are a fundamental part of RECCo Limited and are governed by company law and not by the terms of the REC.

**Q4.11: Do you believe we have assigned the correct responsibility for producing each REC subsidiary document? If not, please provide further details.**

Yes we consider that the correct responsibilities have been assigned.

With regard to the CSS procurement documents, the consultation notes that the documents could be utilised by the REC panel for any future re-procurements. This is correct as long as the DCC licence clearly requires the DCC to hand over copyright of this document to REC panel or to provide a royalty free licence in perpetuity. This applies to all the documents produced by DCC that the REC panel will own going forward.

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## Chapter 5: The DCC licence

### Question 5.1: Do you agree with the role we have set out for DCC during the DBT phase and steady state operations? If not, why not?

We agree that there should be scope for another party to provide the Central Registration Service (CRS), which includes the CSS, in future. To facilitate this there needs to be clear identification of the costs of the CRS service. In addition the services provided to support CRS need to be clearly defined and contracts need to be written with the view that they could need novating. Any shared services provided to support CRS and smart metering need to be easily severable. To achieve this there need to be strong obligations in the licence. Putting these obligations in at the start will reduce costs and time required to achieve separation in the future. Experience from the sale of the distribution networks by National Grid shows that even after the sale of half the networks in 2005, the sale of Cadent still required significant work.

### Question 5.2: Do you believe that our proposed drafting to amend LC 15 of DCC's licence would, if implemented, accurately reflect our expressed intentions? If not, why not?

We recognise that Ofgem does not have the powers to create new classes of licence and therefore it is not possible to create a CRS licence (which will include the CSS) which would have been the best option in our opinion. This means that amending the current DCC licence is the only option. The facility to issue a new licence needs to be acquired by Ofgem otherwise there is no possibility of moving the CRS from the DCC in the future.

We have two detailed comments below.

15.4 c (iii) this clause has been added to enable the separation of the CRS from the smarter switching function but makes no mention of the cost. We assume that the intent is that the DCC organises itself so that this separation is easy and costless. We think that this clause may need strengthening to ensure that this intent is achieved.

We think that a specific requirement is required to ensure that the documents produced under 15.4b are available to RECCo should they re-procure the CRS service in future. This could be achieved by requiring DCC to provide a royalty free licence in perpetuity to RECCo to use all documentation produced under 15.4b (and other clauses if applicable).

### Question 5.3: Do you agree with our proposal to add new CRS specific price control terms. Do you think any of these terms are unnecessary or are there other terms we should consider adding?

We agree that there should be CRS specific price control terms; however we do not agree that the DCC should only have one price control as we believe that there should be one for Smart Metering and one for Central Registration Service (CRS). There are two reasons for this.

- 1) The funding parties for Smart Metering are Suppliers and electricity DNOs and Gas DNs (although GDN charges are currently set at zero); for CRS the funding parties are Suppliers. Having one price control means that there is potentially cross subsidy between the two separate activities.
- 2) The consultation signals that in the future the CRS function may be separated from DCC. If this is to happen it is sensible to ensure that easy separation is facilitated by design and to this end having separate price controls will require costs to be separated from the start. A key area of concern in achieving an orderly separation is shared services and achieving a clear separation and cost allocation from day one will be beneficial in the longer term.

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**Question 5.4: Do you agree with the high-level programme outcomes we believe the programme should look to incentivise? Can you suggest further areas we should look to include and are there aspects you believe should be prioritised?**

The key requirements for a programme are to deliver the agreed requirements, on time and within the forecast cost. In so far as “timely delivery of quality outcomes” and “management of the delivery process in a way that is economic and efficient” covers these requirements then the proposed outcomes achieve this. We agree that in terms of programme management regular, open and clear communication and engagement is required.

**Chapter 6: The SCR process**

**Q6.1: Do you agree with the changes that we propose to make to the scope of the Switching SCR?**

We opposed the extension of Ofgem SCR powers when the new powers were taken by Ofgem. We remain concerned that one legal text provider will not be sufficiently familiar with all the codes to draft changes that implement the necessary changes, capture all the consequential impacts and very importantly not leave loose ends.

Nevertheless given that Ofgem has started down this path extending the scope of the SCR as proposed is probably the only feasible way to progress.

Note that paragraph 6.5 of the consultation and its associated footnote asserts that “unique sites” are typically connected to the NTS and are therefore out of scope of the switching programme. This is not correct as there are unique sites connected to DN networks.

**Q6.2: Are there any further changes that you consider we should make, either to bring something into scope, or to explicitly rule it out of scope?**

The consultation states that the development, documentation and procurement of the Central Registration Service (CRS) will be funded by users of DCC Services. It does not deal with funding of other related changes listed below. Our view is that as switching is to become a supplier activity all changes should be funded by Suppliers either directly or through their Shippers. This includes the following changes:

- Changes to enable CSS (those changes that are required to enable the CSS to be established)
- Changes needed when CSS goes live (Changes to systems that are required to enable those systems to work with CSS for example changes to UK Link or Gemini to fit in with the shorter timescales)
- Consequential Changes that could / should be made as a result of CSS go live. (For example changes to process to notify Shippers of transportation charges due to the removal of the nomination process)

It is important that Ofgem provides a clear decision as soon as possible on this rather than leave it for further discussion when the system changes are raised. If a party has responsibility for ensuring that the changes are made or has responsibility for funding them then it will rightly want a say in decisions about that change.

**Q6.3: Do you agree with our proposed approach of publishing the drafting of all SCR related changes circa Q1 2019, but waiting until systems have been proven through testing before submitting the proposals into the modifications process?**

No.

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The contractual obligations need to be established and put into the various industry agreements before the systems are designed to deliver them.

### **Other matters not covered by questions**

#### **Licence changes**

We note the discussion about whether to insert the SCR process into licences or the REC. For consistency we suggest that if the SCR provisions are in the Gas Supply licence then they should be in the Electricity Supply licence as well.

We also note that in Appendix 5 that Ofgem asks in the context of Supplier licences whether there are opportunities for simplifying text. We believe that the Gas Transporter license Standard Special Condition A31 needs revising. Making switching a Supplier obligation means that A31 should be reviewed to ensure that the obligations on Gas Transporters continue to be appropriate. We attach A31 in an appendix to this response containing comments on clauses that we think need revising to reflect the change from a Shipper centric switching arrangement to a Supplier centric switching arrangement.

We note the proposed change to Gas Transporter license to add the Retail Energy Code to the obligation to accede and comply. We agree that this is appropriate but suggest that the phrase "that are relevant to it" is redundant. If a part of the Retail Energy Code does not apply to a Gas Transporter then it will not be required to comply with it.

Yours sincerely,



Steve Edwards  
Director of Regulation  
Wales & West Utilities

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## Appendix

### Standard Special Condition A31: Supply Point Information Service

1. The licensee shall establish, or procure the establishment of, and subsequently operate and maintain, or procure the subsequent operation and maintenance of, an information service (the “**supply point information service**”) consistent with its obligations under Standard Special Condition A15 (Agency) until 1 April 2017 (or such later date as the Authority may direct pursuant to paragraph 3 of Standard Special Condition A15A) and Standard Special Condition A15A (Central Data Services Provider) from 1 April 2017 (or such later date as the Authority may direct pursuant to paragraph 3 of Standard Special Condition A15A)<sup>1</sup>.
  
  2. The licensee shall ensure that the supply point information service fulfils, for all premises connected to the pipe-line system to which this licence relates, including secondary sub-deduct premises, the following functions:
    - (a) the maintenance of a register containing the data set out in paragraph 3  
  
 (“**relevant data**”);
  
    - (b) the amendment of relevant data to reflect changes of supplier in respect of any such premises;
  
    - (c) in respect of domestic consumers or persons acting on their behalf, other than gas shippers or their agents, the provision, in a timely and efficient manner, of such of the relevant data as is referred to in sub-paragraphs 3(a)(iii), 3(b)(iii) and 3(b)(iv) as is reasonably required and requested by that person;
- WWU view: is it not more appropriate that this is provided by the CSS, notwithstanding that the CSS is not providing the information service.
- (d) in respect of the following applicants:
    - (i) any relevant shipper or agent thereof;

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<sup>1</sup> Modification from Kersti Berge dated 16.12.16 to modify SSCA31 with effect on and from 11.2.17

- (ii) any person identified in the network code as an appropriate person for the receipt of data for balancing and change of supplier purposes; and
- (iii) any customer (other than a domestic customer) of a gas supplier or person acting on his behalf entitled to such data for the purpose of facilitating changes of supplier in respect of that customer's premises;

the provision, in a timely and efficient manner, of such of the relevant data as is reasonably required and requested by the applicant;

- (e) the maintenance, subject to sub-paragraphs 6(a), 6(c) and paragraph 7, of an enquiry service for the provision to any customer of a gas supplier, on request and free of charge at the point of use to domestic consumers, of such of the relevant data in respect of the supply of gas to premises which are (or which are about to be) owned or occupied by that customer; and
- (f) the taking of such steps as will in the opinion of the licensee secure adequate publicity for the operation of the enquiry service mentioned in sub-paragraph 2(e).

3. The data referred to in sub-paragraph 2(a) above is:

- (a) such technical and other data as is necessary to facilitate supply by any gas supplier to any premises connected to the pipe-line system to which this licence relates, including secondary sub-deduct premises, and to meet the reasonable requirements of gas shippers in respect of such premises for information for balancing and change of supplier purposes, including (where so required):
  - (i) the identity of the gas shipper responsible under the network code for

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the supply point at such premises;

- (ii) the type of metering equipment installed at each such premises where the licensee has been supplied with details of such equipment; and
- (iii) a unique and accurate address of each such premises so far as is reasonably practicable, having regard to the nature and source of the information provided to the licensee; and

**WWU view:** this obligation should relate to the Retail Energy Location which is a Supplier data item under the REC. It should therefore not be included in the Transporter licence. The transporter needs to know the location of the emergency control valve which is the end its network but this is not relevant for the Supplier as part of a change of supplier process.

(b) such information which is in the possession of the licensee as may be necessary and which is reasonably required for the purpose of –

- (i) managing the supply of gas to the premises of the customer;
- (ii) assessing the accuracy of those components of the charges relating to the conveyance of gas to such premises which are specific to the premises of that customer;
- (iii) enabling that customer to contract with another supplier for the supply of gas; or

**WWU view:** surely this should be an obligation to provide information to the CSS rather than through an enquiry service.

- (iv) identifying the supplier to the customer's premises.

**WWU view:** Gas Transporters can only provide this to the extent the CSS provides the information to the transporter

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4. In fulfilling its obligation in accordance with paragraph 1 the licensee shall not restrict, distort or prevent competition in the provision of meter services or gas supply.
5. Subject to paragraphs 6 and 7 below, the licensee shall provide to owners or occupiers of premises or sites on which premises are to be constructed or to persons acting on their behalf, who may require a connection to the pipe-line system to which this licence relates on request:
  - (i) such information as is in the possession of the licensee regarding predicted gas pressures on the pipe-line system to which this licence relates as is necessary for the purpose of the design, construction or maintenance of a connecting pipe-line by or on behalf of the connecting party; and
  - (ii) such information as may be required by the requesting party to verify the licensee's requirement to reinforce the pipe-line system to which this licence relates where the requesting party is required to contribute to the cost of that reinforcement.
6. The licensee shall be entitled to refuse to provide information on the grounds that-
  - (a) its disclosure would seriously and prejudicially affect the commercial interests of the licensee, and any question as to whether such interests would be so affected shall be determined by the Authority;
  - (b) a person to whom information is to be provided has refused to enter into an agreement with the licensee that that person will not use the information in question other than for the purpose of facilitating those activities referred to in paragraph 5 above, nor further disclose the information; or
  - (c) in relation to sub-paragraph 2(e), save where the request is made by or on behalf of a domestic customer for the purposes of that customer, the person requesting the information has declined to pay the licensee, having been

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requested in writing to do so, a fee equal to the reasonable cost to the licensee of complying with the request save to the extent that such reasonable cost is recoverable from elsewhere. The licensee shall publish, in such manner as shall be appropriate to bring it to the attention of persons likely to be affected by it, a statement setting out the circumstances in which a fee is payable and the amount of any such fee.

7. Paragraph 5 shall not require the licensee to produce any documents or provide any information which it could not be compelled to produce or give in evidence in civil proceedings before the court.

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