

# Section B: Change Proposal Initial Review

Where a Supplier short code is associated to a Shipper short code (as they are linked to the same organisation), reassignment of the supplier short code will mean that the link between the Supplier and Shipper will be broken. **Impact assessment is required to understand whether breaking this link will affect UK Link and market participant systems and each parties' processes.**

As referenced above, the design statement in DB4 acknowledged that the impact was unknown to gas Market Participant systems. This Change Pack seeks to solicit views from parties in parallel with the CDSP conducting assessment against UK Link systems and CDSP processes. This proposed approach would amend the treatment of organisation details. Currently the Short Code relates to a specific entity across all Market Roles. This revised approach would mean that the Market Role would need to be considered in order to identify the organisation entity. This could impact data structures within Market Participant systems.

For the avoidance of doubt, it is not intended that the reuse of a Shipper Short Code is proposed. A Change of Shipper activity will need to be undertaken via CSS in the event that the Shipper entity is changed.

Parties are invited to provide views upon this change. 'No impact' responses are also encouraged so that we are able to understand a balanced view across all participants of this change.

This change is proposing implementation in advance of the Faster Switching system, therefore participant views on the existing codes framework is required, in addition to that after Retail Code Consolidation and Faster Switching implementation.

Shipper views are particularly sought with respect to the management of the Commercial Alliances which will be introduced into the UNC at Faster Switching implementation, and what if any changes would be required such that the Shipper / Supplier relationship would be ratified.

## B1: User Details

User Contact Details:	Organisation:	EDF
	Name:	Eleanor Laurence
	Email:	eleanor.laurence@edfenergy.com
	Telephone:	07875117771

## B1: ChMC Industry Consultation

1. Do you think the change proposed poses a material risk/cost to your organisation and / or the market? Please can you provide the rationale for your response	
No	
2. Do you think the change proposed will benefit your organisation and / or the market? Please provide any quantifiable outputs as well as any assumptions.	
Yes. We do however believe this is the correct time and opportunity to explore the shipper ID side. 1 - what would happen in the even of a shipper of last resort situation, is there a way a bulk shipper change could happen without the need for SPA CoS processes? Or could a transfer of shipper ID be facilitated if SoLR chose this option? 2 - what would happen if supplier was also their own shipper. How could this be managed?	
3. Considering any functional changes as a result of this change, would your organisation support this to be implemented within a minor/major release as proposed in section A3 (Proposer Requirements / Final (redlined) Change)? Based on your answer how long a lead time would your organisation require to implement this change (for example minimum of 4 months, minimum of 6 months)	
We would support a minor release if changes only relate to supplier ID. If any changes are to be made to shipper ID as per my answer to Q2, we would need 6 months notice.	
4. Do you agree with the principles of this funding as indicated in section A6 (Service Lines and Funding)?	
Yes	
Change Proposal in principle:	Approve
Publication of consultation response:	Publish

## B1: User Details

User Contact Details:	Organisation:	NGN
	Name:	Helen Chandler
	Email:	HChandler@northerngas.co.uk
	Telephone:	07580704123

## B1: ChMC Industry Consultation

1. Do you think the change proposed poses a material risk/cost to your organisation and / or the market? Please can you provide the rationale for your response	
Yes – As Transporters may not have a Post Emergency Metering Services (PEMS) contract in place with the new Supplier, there is the risk that works will be carried out without the appropriate contractual arrangements and protections in place.	
2. Do you think the change proposed will benefit your organisation and / or the market? Please provide any quantifiable outputs as well as any assumptions.	
No - The history and traceability of each legal entity would become un-necessarily complex and the re-assignment of the short code would break the relationship between the Supplier and Shipper, potentially impacting existing operational and contractual processes.	
3. Considering any functional changes as a result of this change, would your organisation support this to be implemented within a minor/major release as proposed in section A3 (Proposer Requirements / Final (redlined) Change)? Based on your answer how long a lead time would your organisation require to implement this change (for example minimum of 4 months, minimum of 6 months)	
If this proposal were to be implemented, we believe it would require a Major Release with at least 6 months' notice for parties as we may need to make system as well as operational changes to enable us to endeavour to mitigate the traceability of contractual arrangements	
4. Do you agree with the principles of this funding as indicated in section A6 (Service Lines and Funding)?	
Unable to comment as Section A6 contains no information	
Change Proposal in principle:	Reject
Publication of consultation response:	Publish

## B1: User Details

User Contact Details:	Organisation:	National Grid Gas
	Name:	Richard Loukes
	Email:	Richard.Loukes@nationalgrid.com
	Telephone:	07342085565

## B1: ChMC Industry Consultation

1. Do you think the change proposed poses a material risk/cost to your organisation and / or the market? Please can you provide the rationale for your response	
We do not believe that this changes poses a material risk to National Grid Gas as we believe the impacts (at first sight) look minimal. However we await the results of a full impact assessment to further quantify our response regarding risk and costs.	
2. Do you think the change proposed will benefit your organisation and / or the market? Please provide any quantifiable outputs as well as any assumptions.	
We await the results of an full impact assessment to further quantify our response.	
3. Considering any functional changes as a result of this change, would your organisation support this to be implemented within a minor/major release as proposed in section A3 (Proposer Requirements / Final (redlined) Change)? Based on your answer how long a lead time would your organisation require to implement this change (for example minimum of 4 months, minimum of 6 months)	
National Grid believe the impacts (at first sight) look minimal, however we await the results of a full impact assessment to further quantify our response - only then would we be able to provide a accurate lead time for change - taking into account the complexity of change and when this change could be implemented considering the other changes either in flight or planned.	
4. Do you agree with the principles of this funding as indicated in section A6 (Service Lines and Funding)?	
No details of funding arrangements have been provided in order to provide a view - we await the results of a full impact assessment to further quantify our response.	
Change Proposal in principle:	Approve
Publication of consultation response:	Publish

## B1: User Details

User Contact Details:	Organisation:	SSE Energy Supply Limited
	Name:	Megan Coventry
	Email:	megan.coventry@sse.com
	Telephone:	02392277738

## B1: ChMC Industry Consultation

1. Do you think the change proposed poses a material risk/cost to your organisation and / or the market? Please can you provide the rationale for your response	
There will be costs to amend our systems and processes, however it is not possible to impact assess and quantify these costs without further detail of the proposed new process - what are the redlined changes to be applied to the MDD Market Participation Identity Verification Document? How will the reassigned supplier short codes and break with the associated shipper link be communicated/ via what changes to which flows? Until such detail is provided, it is not appropriate to assume the level of materiality.	
2. Do you think the change proposed will benefit your organisation and / or the market? Please provide any quantifiable outputs as well as any assumptions.	
This change may have a relatively high impact on supplier/ shipper systems and processes for what seems low overall benefit to the market. Other than the need to facilitate delivery of the new faster switching arrangements, the benefits to the market described in section A4 require more explanation as at present they do not provide specifics or clear justification for implementing this change ahead of CSS go-live.	
3. Considering any functional changes as a result of this change, would your organisation support this to be implemented within a minor/major release as proposed in section A3 (Proposer Requirements / Final (redlined) Change)? Based on your answer how long a lead time would your organisation require to implement this change (for example minimum of 4 months, minimum of 6 months)	
The change is proposed to be implemented ahead of CSS go-live, but it is not explained how far ahead this could be or why implementation before CSS go-live is of benefit. As such, it would seem more appropriate that the change should be a major release to align with CSS go-live date, with a minimum of 6 months for implementation.	
4. Do you agree with the principles of this funding as indicated in section A6 (Service Lines and Funding)?	
The funding allocation is not yet indicated in the document section A6 so it's not possible to comment on this.	
Change Proposal in principle:	Reject
Publication of consultation response:	Publish

## B1: User Details

	Organisation:	Wales & West Utilities
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User Contact Details:	Name:	Richard Pomroy
	Email:	richard.pomroy@wwutilities.co.uk
	Telephone:	07812973337

## B1: ChMC Industry Consultation

1. Do you think the change proposed poses a material risk/cost to your organisation and / or the market? Please can you provide the rationale for your response

We think that the change poses a material risk to WWU because we will use the link between Supplier short code and the legal entity. this will have a number of impacts on WWU. We think This proposal has been put forward to solve a small but urgent problem (speedy transfer in case a Supplier of Last Resort is appointed) but creates a much larger and enduring problem.

If Supply short code ABC moves from X ltd to Y ltd then unless a clear record is kept of exactly when this happened we will not have a clear view of the company history. It also means that any reports based on Supplier Short Codes would need to be checked in case there was a change of owner and the reports would fail to give a true picture. Over time it would mean that these reports would become unusable particularly if they were done over a few years where there were a number of movements of Supplier Short Codes.

There is no shortage of short codes there are 26 cubed or 17,576 available.

A specific financial impact relates to Supplier related debt for example for Post Emergency Metering Services. If short codes move between legal entities then it will be difficult to identify the legal entity that is liable for the debt. This will almost certainly lead to increased bad debt resulting in prices being higher than they otherwise would be.

When a Supplier fails and a SOLR is appointed one of 2 things can happen.

1. The SOLR becomes the holder of the failed Supplier's licence and the short-code moves across to the new supplier. Industry records do not need to be changed but we need an additional Supplier account to be set up for the Supplier taking on the failed Supplier's licence for the new extra short-code under their entity.
2. The licence is revoked and the supply points move under the SOLR's existing licence/short-code. This requires prompt notification of the short-code to which the the supply points are being moved.

The proposal is for a hybrid of these that would see the the failed Supplier's Short Code moved but without the licence being transferred to the new Supplier, thereby destroying any link between the legal entity and the short code.

2. Do you think the change proposed will benefit your organisation and / or the market? Please provide any quantifiable outputs as well as any assumptions.	
The change will not benefit WWU. At the very least it will make reports based on Supplier short codes unreliable and will require someone to know that short code ABC transferred from legal entity X to Y on a certain date. At worst it will mean increased PEMS bad debt. We would expect it to lead to more substantial risks for Shippers that ship for third party Suppliers.	
3. Considering any functional changes as a result of this change, would your organisation support this to be implemented within a minor/major release as proposed in section A3 (Proposer Requirements / Final (redlined) Change)? Based on your answer how long a lead time would your organisation require to implement this change (for example minimum of 4 months, minimum of 6 months)	
We do not support this progressing either as a major or minor release.	
4. Do you agree with the principles of this funding as indicated in section A6 (Service Lines and Funding)?	
This seems to have come out of the faster switching project and should be funded as a Shipper funded consequential change.	
Change Proposal in principle:	Reject
Publication of consultation response:	Publish

## B1: User Details

User Contact Details:	Organisation:	ScottishPower
	Name:	Claire Roberts
	Email:	Clairelouise.Roberts@ScottishPower.com
	Telephone:	01416145930

## B1: ChMC Industry Consultation

1. Do you think the change proposed poses a material risk/cost to your organisation and / or the market? Please can you provide the rationale for your response
More time is required to impact assess this change and identify what material risk/cost this could have on ScottishPower. Given the fact there is now a 6 months delay to the CSS

Programme, we would be appreciative of an extension to fully understand the impacts to our business system and processes.	
2. Do you think the change proposed will benefit your organisation and / or the market? Please provide any quantifiable outputs as well as any assumptions.	
No, the vast majority of SoLRs take responsibility of the ID going forward. If this change is approved, it would only add to confusion.  We would be looking for the change to include effective from AND to dates.	
3. Considering any functional changes as a result of this change, would your organisation support this to be implemented within a minor/major release as proposed in section A3 (Proposer Requirements / Final (redlined) Change)? Based on your answer how long a lead time would your organisation require to implement this change (for example minimum of 4 months, minimum of 6 months)	
Major release	
4. Do you agree with the principles of this funding as indicated in section A6 (Service Lines and Funding)?	
Yes	
Change Proposal in principle:	Defer
Publication of consultation response:	Publish

## B1: User Details

User Contact Details:	Organisation:	Southern and Scotland Gas Networks Ltd
	Name:	Sally Hardman
	Email:	sally.hardman@sgn.co.uk
	Telephone:	07970019027



## B1: ChMC Industry Consultation

1. Do you think the change proposed poses a material risk/cost to your organisation and / or the market? Please can you provide the rationale for your response	
<p>Yes – SGN as a Transporter believes the proposal to re-use the Supplier Sort Code may pose a material risk to our business.</p> <p>Re-use of the Supplier short code presents issues in relation to the current Post Emergency Metering Services (PEMS). Existing activity carried out under PEMS Contracts will impact the contractual relationships and billing due to the change in relationship which would be initiated by this proposal.</p>	
2. Do you think the change proposed will benefit your organisation and / or the market? Please provide any quantifiable outputs as well as any assumptions.	
<p>No - This will impact the ability to accurately identify a legal entity for contractual purposes. In addition, the wider implications to systems in breaking the relationship between the Supplier and Shipper have yet to be established.</p>	
3. Considering any functional changes as a result of this change, would your organisation support this to be implemented within a minor/major release as proposed in section A3 (Proposer Requirements / Final (redlined) Change)? Based on your answer how long a lead time would your organisation require to implement this change (for example minimum of 4 months, minimum of 6 months)	
<p>In the event that this change were to be implemented, we would request a Major Release with a minimum of 6 months lead time. This would enable impacted parties to make operational and system changes to mitigate consequential contractual relationships.</p>	
4. Do you agree with the principles of this funding as indicated in section A6 (Service Lines and Funding)?	
<p>No funding indication provided therefore no comment.</p>	
Change Proposal in principle:	Reject
Publication of consultation response:	Publish