

Record of Determinations: Panel Meeting 20 December 2018

Modification	Vote Outcome	Shipper Voting Members						Transporter Voting Members					IGT Voting Member	Consumer Voting Member	Consumer Voting Member	Determination Sought	
		AG	DF	GW	MB	RF	SM	CW	DL	HC	RP	TS	JCo	JA (MS)	EP		
0673 (Urgent) - Amendment of UNC and DSC arrangements to enable Xoserve to bid for and provide CSS Services	The topic of Modification 0673 (Urgent) not to be issued to the Distribution Workgroup - <i>majority vote against (13 votes for and 1 abstention)</i>	X	X	X	X	X	X	X	X	X	X	X	X	X	NV	X	Should the topic of Modification 0673 (Urgent) be issued to the Distribution Workgroup with a report presented to the March 2019 Panel?
0675 – Enabling changes to the BBL Interconnection Agreement to facilitate physical reverse flow	Not related to the Significant Code Review - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	Is Modification related to Significant Code Review?
	Is a Self-Governance Modification - <i>unanimous vote favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Does Modification satisfy Self-Governance criteria?
	Modification issued to Workgroup 0675 - <i>unanimous vote favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be issued to Workgroup with a report by the 21 February 2019 Panel?
0651- Changes to the Retrospective Data Update provisions	Consideration of Modification 0651 deferred to 17 January 2019 Panel - <i>majority vote in favour (13 votes for and 1 abstention)</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NV	✓	Should consideration of Modification 0651 be deferred to the 17 January 2019 Panel?	
0674 - Performance Assurance Techniques and Controls	Consideration of Modification 0674 deferred to 17 January 2019 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should consideration of Modification 0674 be deferred to the 17 January 2019 Panel?
0652 – Introduction of winter read/consumption reports and associated obligations	Modification 0652 returned to Workgroup for further assessment - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	Should Modification 0652 be sent back to Workgroup for further consideration, with a report back to 17 January 2019 Panel?	
0668S - Amendment of the Data Permission Matrix to add Alt Han Company as a new User type	Modification 0668S to be considered at Short Notice - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification 0668S be considered at Short Notice?
	Modification 0668S issued for consultation - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification 0668S be issued for consultation with a close out date of 10 January 2019 and considered at Short Notice at the January Panel?

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Modification	Vote Outcome	Shipper Voting Members						Transporter Voting Members					IGT Voting Member	Consumer Voting Member	Consumer Voting Member	Determination Sought	
		AG	DF	GW	MB	RF	SM	CW	DL	HC	RP	TS	JCo	JA (MS)	EP		
0655S - Requiring a Meter Reading following a change of Local Distribution Zone or Exit Zone	Workgroup 0665 to Report to the 21 February 2019 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	To extend Workgroup Reporting date?
0667 - Inclusion and Amendment of Entry Incremental Capacity Release NPV test in UNC	Workgroup 0667 to Report to the 21 March 2019 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	To extend Workgroup Reporting date?

In favour	Not in Favour	No Vote Cast	Not Present
✓	X	NV	NP

UNC Modification Panel

Minutes of the 235 Meeting held on Thursday 20 December 2018

at

Elexon, 4th Floor, 350 Euston Road, London NW1 3AW

Attendees

Voting Members:

Shipper Representatives	Transporter Representatives	Consumer Representatives
A Green (AG), Total D Fittock* (DF), Corona Energy G Wood* (GW), British Gas M Bellman (MB), Scottish Power R Fairholme (RF), Uniper S Mullinganie (SM), Gazprom	C Warner (CWa), Cadent D Lond (DL), National Grid NTS H Chapman* (HC), SGN R Pomroy (RP), Wales & West Utilities T Saunders (TS), Northern Gas Networks J Cooper* (JC), BUUK	E Proffitt (EP), MEUC

Non-Voting Members:

Chairperson	Ofgem Representative	Independent Supplier Representative
M Shurmer (MS), Chair	J Dixon (JD)	

Also in Attendance:

E Rogers (ER), Xoserve; M Bent (MB), National Grid; P Garner* (PG), Joint Office; R Fletcher (RFI), Secretary; R Hailes (RHa), Joint Office and S Britton* (SBr), Cornwall Insight

**by teleconference*

Record of Discussions

Introduction

MS welcomed all attendees to the meeting and then set out the order of business for the meeting. MS asked Members to note Jon Dixon was attending as the Ofgem representative.

235.1 Note of any alternates attending meeting

Members noted that MS r is providing pre-registered votes for J Atherton (Citizens Advice).

MS advised that as previously agreed at Panel, he would vote on a Consumer Representatives behalf where they were unable to identify a suitable Alternate and provided clear voting instructions.

235.2 Record of Apologies for absence

J Atherton

235.3 Minutes and Actions of the Last Meeting(s)

Members then approved the minutes from the previous meetings on 15 and 22 November 2018.

Action PAN 01/11 – Members to provide a view the identification of suitable candidates as Consumer Representatives

See item 235.12 (d) below. **Action Closed**

Action PAN 02/11 – RE to seek clarification on the definition of a non-domestic Consumer Representative.

See item 235.12 (d) below. **Action Closed**

Action PAN 03/11 – The CDSP to provide regular updates on progress of the SPAA MDD Migration Working Group.

See item 235.12 (b) below. **Action Closed**

235.4 Consider Urgent Modifications

a) Modification 0673 (Urgent) - Amendment of UNC and DSC arrangements to enable Xoserve to bid for and provide CSS Services

MS asked Members to note that this Urgent Modification had been implemented, therefore there was an opportunity to request a Workgroup to provide a report on the topic of this Modification to ensure no further work was required.

SM felt that as this Modification simply facilitated the CSS bid, no further work was required. BF advised that this Modification allows the bid to progress but also implements the service should the bid be successful. RP agreed it was a significant change to the UNC, however until the result of the bid was known, it would be difficult to identify follow up activities.

For the Topic of Modification 0673 (Urgent) Members determined:

- That the topic of Modification 0673 is not to be issued to Workgroup by majority vote.

235.5 Consider New Non-Urgent Modifications

a) **Modification 0675 – Enabling changes to the BBL Interconnection Agreement to facilitate physical reverse flow**

DL introduced the Modification and its aims.

SM asked why the proposed implementation date was October 2019, when BBL had requested July 2019. DL was unaware of the change and agreed to provide a response to Workgroup.

RP asked if the units proposed would be changed for all categories. DL advised that the units were additional for this agreement only.

Panel Questions:

- Provide a view on the proposed implementation date and reasons for this date.

For Modification 0675 Members determined:

- It is not related to the Significant Code Review by unanimous vote;
- The criteria for Self-Governance are met as this Modification is not likely to impact competition as it is a facilitating Modification and requires not amendments to the UNC by unanimous vote;
- That Modification 0675 is issued to Workgroup 0675S for assessment with a report to be presented to the 21 February 2019 Panel, by unanimous vote.

235.6 Existing Modifications for Reconsideration

a) **Modification 0651 - Changes to the Retrospective Data Update provisions**

MS asked Members to note that Modification 0651 has been with Ofgem for 4 months and that there was an opportunity for Members to seek further industry views by issuing the Modification to consultation. Alternatively, consideration could be deferred.

JD advised that he doesn't have an update confirming an Ofgem decision at this time. However, there were no issues preventing a decision being made and the aim to get a decision made prior to the January 2019 Panel meeting.

For Modification 0651 Members determined:

- Defer consideration to the January 2019 Panel, by majority vote.

b) **Modification 0674 - Performance Assurance Techniques and Controls**

MS asked Members to note that Modification 0674 was deferred at the

November Panel meeting and that amendments were being prepared by the Proposer.

MB advised that an assessment of the Modification was still being undertaken and he had asked the PAFA to support this activity, with the aim of presenting the next version to the January or possibly February Panel.

SM suggested that the Modification is withdrawn until it is in a suitable state to be presented to Panel to prevent the need to revisit the subject on a regular basis. MB preferred to keep the Modification live as it would maintain visibility on the progress being made, although agreed to review this decision post the 09 January 2019 PAC meeting.

RH asked if the Modification is going to be substantially different to the original version. MB advise that the aims of the Modification will be the same but the content will be in a more advanced state and contain clearer explanations of the proposed changes and reasons for change.

SM suggested that the amended Modification should be judged by Panel as if it were a new Modification be presented.

For Modification 0674 Members determined:

- Defer consideration to the January 2019 Panel, by unanimous vote.

235.7 Consider Workgroup Issues

None

235.8 Workgroup Reports for Consideration

a) Modification 0652 – Introduction of winter read/consumption reports and associated obligations

MS noted the email received by Members concerning Legal Text and asked TS if she had any comments to make on the views presented.

TS advised that Legal Text was requested at the October Panel and this was subsequently provided, although this was 6 days late. TS apologised that the Legal Text had been provided late as this had coincided with the need to produce Legal Text for another Modification and an Urgent Modification which impacted their ability to produce this Legal Text on time. However, the since then the Modification and Legal Text had been amended a number of times with the aim of completing the Workgroup Report for the January Panel.

SM asked Members to note that he aims to submit a Request to review the Joint Office arrangements including a review of Legal Text production with the aim of submitting the Request to the January Panel.

MS noted the Ofgem/BEIS review of Code arrangements. SM advised that he had checked in terms of any conflicts and he was assured that there shouldn't be any issues.

RP noted several instances where Legal Text had been provided and the Modifications subsequently withdrawn which is a drain on resources and budgets. TS advised they had similar experiences, one of which was a Modification they had completed Legal Text for prior to Modification 0652.

For Modification 0652, Members determined:

- It should be referred to Workgroup 0652 for further assessment, with a report by the 17 January 2019 Panel, by unanimous vote.

b) Modification 0668S - Amendment of the Data Permission Matrix to add Alt Han Company as a new User type

HC confirmed that the Legal Text provided for Modification 0668S was suitable for consultation.

SM asked Members to note that the DSC Contract Committee had requested that Xoserve confirm reasons for the release of each data item requested and wondered if this Modification should be deferred until the DSC Contract Committee was satisfied.

RP suggested that this process was established by "Modification 0649S - Update to UNC to formalise the Data Permissions Matrix" and that this Modification was just facilitating the option for data release and not mandating it, the DSC Contract Committee could still refuse permission if it was not satisfied with the reasons provided by Xoserve.

ER advised that Xoserve were reviewing the data items and would provide and update to the DSC Contract Committee for the next meeting.

For Modification 0668S, Members determined:

- It should be considered at Short Notice, unanimous vote in favour, by unanimous vote;
- It should be issued to consultation with a close out date of 10 January 2019 and considered at Short Notice at 17 January 2019 Panel, by unanimous vote.

235.9 Consideration of Workgroup Reporting Dates and Legal Text Requests

Members determined unanimously to extend the following Workgroup reporting date(s):

Workgroup	New Reporting Date
0655S - Requiring a Meter Reading following a change of Local Distribution Zone or Exit Zone	February 2019
0667 - Inclusion and Amendment of Entry Incremental Capacity Release NPV test in UNC	March 2019

Members determined unanimously to request Legal text for the following modification(s):

Modification

None

235.10 Consider Variation Requests

None discussed.

235.11 Final Modification Reports

None discussed

235.12 AOB

a) Governance – Panel Members Code of Behaviour

PG advised that following inclusion of the introduction section by MS, the draft was being presented for approval by Members subject to a number of outstanding questions, although these should be reasonably straight forward to resolve.

PG asked Members to note that this Code of Behaviour, while not contractually binding is a sign of intent in terms of both Member and industry expectations.

MS agreed with the views provided and was supportive of the document in that it sets the scene in terms of managing expectations at meetings to ensure robust discussion while behaving in a professional manner.

AG suggested that the declaration should only need to be signed by a Member once even if re-elected unless the Code of Behaviour changes.

MB wanted to understand the consequences of failing to comply to the Code of Behaviour, is this down to the Chair to enact. He wanted to ensure there is value in having such a Code in place and not just create bureaucracy for no real benefit. MS noted the concerns and advised that he had discussed this point with various people and was comfortable that he would be able to raise issues with individual Members concerned or as an escalation with the Members employer, therefore the Code of Behaviour set out a minimum expectation or standard for him to work with.

MB agreed in part but felt this could be done without the Code of Behaviour being in place. PG asked Members to note that this was a statement of intent and any consequences would be down to MS to administer using the Code of Behaviour as a starting point.

RP suggested the review period should be based on the new rules established with the implementation of “Modification 0656 - Changes to Modification Panel arrangements” and be once every 2 years.

SM agreed it should align with the election process although Members should be able to seek amendments at any time should the need arise.

Members agreed that Code of Behaviour should be amended based on the discussion at this meeting for implementation at the next Panel appointment year.

b) Joint SPAA & UNC MDD Migration Working Group

ER advised that the workgroup held its first meeting on 13th December and it was noted that an obligation is likely to be needed in UNC General Terms Section D, to establish a DSC/CDSP process for the management of this data

This process would be overseen by the DSC Change Management Committee and Contract Management Committees and any documentation made available for DSC parties.

The next meeting is planned for 28 January 2019.

SM asked if the dates were on the Joint Office website. ER agreed it would be beneficial to flag these meetings to industry parties.

c) UNC Consumer Representative process (RE/PG)

JD advised that Ofgem had considered the action to provide a definition for non-domestic consumer representative. It was felt that this should be an industry led initiative and not down to Ofgem to describe the industry need. JD noted that this issue might arise during the wider Codes review and might need to be addressed then.

MS noted the response and suggested that the action should be closed with further consideration of the process at a later date.

Members note the views and agreed the action should be closed.

d) BEIS/Ofgem Code Review

PG asked Members to note that a joint energy Codes review had been established and that Terms of Reference had been published. There were currently two Workshops planned for 04 and 18 February 2019. Consultation is targeted for May and the process is open to all industry participants.

PG advised that Aleena Fielding is to be invited to Panel in the near future as she is the lead representative at BEIS for the process.

JD advised that this work is outstanding from the CMA report where the industry was challenged that it was not changing quickly enough to support a competitive innovative environment.

JD clarified that BEIS have more powers than Ofgem and this is likely to lead to change in the market as a whole to ensure the industry is fit for purpose. This review will be related to activities such as Retail Energy Code and should include a sense check to maintain the consistent approach during March.

RP felt the scope might change in future as the wider impacts were

understood. JD felt this was more of one aspect of a package of work and would also be dependant parliamentary time and also the inclusion of non-licenced parties.

e) BREXIT Impact update

Members determined to consider this item at Short Notice.

DL provided a brief update on the progress to date to consider the impacts of BREXIT and a potential no deal scenario.

DL explained that the aim is to use Self Governance modifications where possible to change impacted sections of Code. However, Urgent Modifications might be required should the situation change at short notice.

RP noted that SPAA had been requested to do some assessment for no deal scenarios and wondered why this is not set out in the BEIS process.

RF asked if the interconnectors have been contacted. DL confirmed discussions were on going with impacted parties.

Members agreed that future updates would be beneficial.

f) Meeting Timings

PG questioned attendance at meetings, particularly with earlier start times or later finish times, as it was problematic that attendees were leaving meetings prior to the end of the meeting.

SM challenged that the meeting is subject to the needs of Workgroup attendees and not based on administrative staff working days – this is due to long commutes to get to different locations and to avoid extended rush hour travelling.

RP suggested that extended meetings will lead to more attendees dialling into the meeting which is not desirable in some circumstances.

TS suggested the Joint Office advise participants if they consider a meeting will run over a usual end time such as 3pm so that they can make arrangements to attend.

g) Modification 0621/A/B/C/D/E/F/G/H/J/K/L - Amendments to Gas Transmission Charging Regime

RF asked if there was an update on Modification 0621. JD confirmed that the implementation decision has been considered and should be published later that day.

Post Meeting Note:

It should be noted that an Ofgem Implementation Decision was received just after the Panel meeting and the Ofgem decision letter is published here - <https://www.gasgovernance.co.uk/0621>

235.13 Date of Next Meeting

- 10:30, Thursday 17 January 2019, at Elexon.

Action Table (20 December 2018)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
PAN 01/11	15/11/18	233.11 a)	Members to provide a view the identification of suitable candidates for Consumer Representatives.	Panel Members	Closed
PAN 02/11	15/11/18	233.12 a)	RE to seek clarification on the definition of a non-domestic Consumer Representative.	Ofgem (RE)	Closed
PAN 03/11	15/11/18	233.12 d)	The CDSP to provide regular updates on progress of the SPAA MDD Migration Working Group.	CDSP (ER)	Closed