

UNC Modification Panel
Minutes of Meeting 257 held on
Thursday 30 April 2020
via teleconference

Attendees

Voting Members:

| Shipper Representatives | Transporter Representatives | Consumer Representatives |
|--|---|--|
| A Green (AG), Total Gas & Power (joined late) M Bellman (MB), ScottishPower D Fittock (DF), Corona Energy M Jones (MJ), SSE S Mulinganie (SM), Gazprom | A Travell (AT), BU UK H Chapman (HC), SGN G Dosanjh (GD), Cadent D Lond (DL), National Grid NTS R Pomroy (RP), Wales & West Utilities T Saunders (TS), Northern Gas Networks | N Bradbury, EIUG S Horne, Citizens Advice |

Non-Voting Members:

| Chairperson | Ofgem Representative | Independent Supplier Representative |
|--------------------------|-----------------------------|--|
| W Goldwag (WG), Chair | L King (LK) J Dixon (JD) | (None) |

Also, in Attendance:

D Addison (DA), Xoserve;
S Britton (SB), Cornwall Insight;
G Evans (GE), Waters Wye Associates
J Ferguson (JF), Northern Gas Networks
B Fletcher (BF), Joint Office;
P Garner (PG), Joint Office;
A Jackson (AJ), Gemserv - IGT Representative;
K Jones (KJ), Panel Secretary;
R Kealley (RK), British Gas;
E Rogers (ER), Xoserve - CDSP Representative;
S Rouse (SR), Gemserv - PAFA Representative.

Record of Discussions

257.1. Introduction

WG welcomed all attendees. Stew Horne explained that from May his colleague Lauren Snoxell would be attending as the Citizens Advice representative.

257.2. Note of any alternates attending meeting

Dan Fittock for Richard Fairholme.

Steve Mulinganie for Andrew Green (up to agenda item 257.4 (a) voting)

257.3. Record of apologies for absence

Richard Fairholme.

257.4. Final Modification Reports

Votes held for the Final Modification Reports were 14 out of 14 Panel Members (with one Modification Panel member not present for the vote for agenda item 257.4 (c)).

PG stated that all the late responses had been included in the Final Modification Reports.

WG set the framework for the discussions highlighting the importance of the changes proposed and the complexity of the Modifications. She reminded Modification Panel Members of the need to provide a recommendation to Ofgem that will allow them to decide on implementation. Modification Panel Members were also asked to consider the linkages between the Modifications and any knock-on implications if one Modification is recommended for implementation, but another is not.

Finally, WG reminded Panel Members of the recent Ofgem letter setting out Ofgem's overarching objectives to ensure that customer needs are met, particularly the most vulnerable; to maintain secure, reliable and safe supplies of energy to consumers in the short to medium term (i.e. through to the end of next winter); and to ensure the safety and protection of consumers and the workforce.

Ofgem have acknowledged that the COVID crisis is creating unprecedented challenges for the energy sector and is requiring prioritisation across the industry.

a) Modification 0721 (Urgent) – Shipper submitted AQ Corrections during COVID-19

PG explained the purpose of the Modification before highlighting that of the 21 representations received, 10 supported implementation, 2 provided qualified support, 3 provided comments and 6 were not in support.

TS explained and apologised for the late change to the Legal Text in relation to the change to 'Relevant Period' and clarified that the definition

has changed from LDZ to LDZ Supply Point.

MB pointed out that there may be an omission between the 2 conditions 1.1 (b) (i) (1) and 1.1 (b) (i) (2) and queried whether there should be an 'and' or 'or' or both between the two clauses. TS agreed to review and re-submit revised Legal Text.

Modification Panel discussion: see the Final Modification Report published at:

<https://www.gasgovernance.co.uk/0721>

Modification Panel Members then determined:

- To recommend implementation of Modification 0721 (Urgent), by majority vote (8 out of 14).

b) Modification 0722 (Urgent) - Allow Users to submit Estimated Meter Reading during COVID-19

PG explained the purpose of the Modification before highlighting that of the 23 representations received, 18 supported implementation, 3 provided comments and 2 were not in support.

Modification Panel discussion: see the Final Modification Report published at:

<https://www.gasgovernance.co.uk/0722>

WG summarised that Modification Panel Members agreed with the principle of the Modification but acknowledged that implementation and auditing need to be clarified. She asked if there was an appropriate Workgroup to look at these issues.

BF clarified that following the Ofgem decision, any of the Urgent Modifications determined for implementation would be discussed at the next Panel meeting in May. This will allow the Modification Panel the opportunity to discuss the Modification topic areas and issue those to an appropriate Workgroup for consideration.

MB suggested that these areas of concern could be addressed immediately by industry parties and suggested that a meeting is convened in the next few weeks.

Ofgem agreed that the main areas of concern would be in relation to the confidence around monitoring and auditing.

Modification Panel Members then determined:

- To recommend implementation of Modification 0722 (Urgent), by unanimous vote (14 out of 14).

c) Modification 0723 (Urgent) - Use of the Isolation Flag to identify

sites with abnormal load reduction during COVID-19 period

PG explained the purpose of the Modification before highlighting that of the 24 representations received, 19 supported implementation, 3 provided comments and 2 were not in support.

Modification Panel discussion: see the Final Modification Report published at:

<https://www.gasgovernance.co.uk/0723>

Modification Panel Members then determined:

- To recommend implementation of Modification 0723 (Urgent), by unanimous vote (13 out of 13).

d) Modification 0724 (Urgent) - Amendment to Ratchet charges during COVID-19 period

PG explained the purpose of the Modification before highlighting that of the 20 representations received, 17 supported implementation, 2 provided qualified support and 1 provided comments.

TS explained that the late change to legal text, to amend the calculation factor, was to bring it closer to the original intent of the Modification.

In response to a concern raised by RP that there might be an Ofgem send-back, Ofgem acknowledged that Urgent processes are being followed and Ofgem would be satisfied with the Legal Text changes where industry parties have shown that consensus has been achieved with the final Legal Text meeting the intent of the Modification. Ofgem pointed out that the approach agreed for the Legal Text amendments should not set a precedent for how future Modifications are governed.

Modification Panel discussion: see the Final Modification Report published at:

<https://www.gasgovernance.co.uk/0724>

Modification Panel Members then determined:

- To recommend implementation of Modification 0724 (Urgent), by unanimous vote (14 out of 14).

In closing discussions on the Final Modification Reports, Modification Panel Members agreed that the Modification Panel discussion in relation to the additional Performance Assurance Committee (PAC) requirements was included in all of the Final Modification Reports.

Modification Panel Members acknowledged the Joint Office's hard work in producing the Final Modification Reports within the very short timescales.

257.5. AOB

a) Ofgem letter on priorities and code activities

Panel Members noted the Ofgem letter published on 29 April 2020:

https://www.ofgem.gov.uk/system/files/docs/2020/04/letter_to_code_and_central_systems_bodies_regarding_priorities_and_our_views_on_code_activities_during_the_covid_crisis.pdf

257.6. Date of Next Meeting

09:30, Thursday 21 May 2020, by teleconference.

| Action Table (30 April 2020) | | | | | | |
|-------------------------------------|---------------------|-------------------|---|-------------------|------------------------|--------------------------------|
| Action Ref | Meeting Date | Minute Ref | Action | Owner | Status Update | Date of Expected update |
| PAN 04/11 | 21/11/19 | 250.11 | Code Administrator (JO) to draft a straw man template/dashboard showing Management Information for Modifications in flight for Panel to consider in January 2020. | Joint Office (PG) | Carried Forward | June |