

**UNC Distribution Workgroup Minutes**  
**Thursday 25 February 2021**  
**via Microsoft Teams**

<b>Attendees</b>		
Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
Ellie Rogers	(ER)	Xoserve
Fiona Cottam	(FC)	Xoserve
Fraser Mathieson	(FM)	SPAA/Electralink
Gareth Evans	(GE)	Waters Wye Associates
Heather Ward	(HW)	Energy Assets
Hilary Chapman	(HC)	SGN
John Welch	(JW)	PAFA
Kate Lancaster	(KL)	Xoserve
Lorna Lewin	(LL)	Orsted
Mark Jones	(MJ)	SSE
Max Lambert	(ML)	Ofgem
Michael Lain	(MLa)	E.ON
Najaah Jamalkhan	(NJ)	Corona Energy
Oorlagh Chapman	(OC)	Centrica
Owen Mason	(OM)	Bulb Energy
Paul Bedford	(PB)	Drax
Richard Pomroy	(RP)	WWU (0664V and AOB only)
Rose Kimber	(RK)	CNG Ltd
Steve Britton	(SB)	Cornwall Insights
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: [www.gasgovernance.co.uk/dist/250221](http://www.gasgovernance.co.uk/dist/250221)

## 1. Introduction and Status Review

Alan Raper (AR) welcomed everyone to the meeting.

### 1.1. Approval of Minutes (28 January 2020)

The minutes from the previous meetings were agreed.

### 1.2. Approval of late papers

AR advised Workgroup that all material for Workgroup to consider were received within the timeline set.

### 1.3. Review Outstanding Actions

**Action 0101: Draft Request: Advanced Analytics NDM Demand Modelling** - MP to forward a Word version of the Request to SM in order for him to review it.

**Update:** This was completed and the Request has now been raised: [www.gasgovernance.co.uk/0754/230321](http://www.gasgovernance.co.uk/0754/230321). **Closed**

#### 1.4. Modifications with Ofgem

Max Lambert (ML) provided an update regarding the outstanding modifications that are awaiting an Authority Decision and confirmed that Ofgem are undertaking a prioritisation exercise. He confirmed the modifications that relate to Distribution Workgroup which are:

##### **0687 - Creation of new charge to recover Last Resort Supply Payments**

This has been deprioritised whilst an alternative system for recovery of levy payments is developed under the REC. ML advised that contact was made with the RECCO in December 2020 and Ofgem are looking to move this forward.

GE expressed his disappointment that it has not been made clear that Ofgem was thinking of going through the REC route and expressed his concern that this is not being done through consultation. He also pointed out this has been with Ofgem for 14 months. He also noted that, to date, this topic has not been discussed as part of REC governance.

AR asked ML to provide further clarification of how Modification 0687 is going to be progressed.

It was confirmed, in terms of how the solution would be delivered, this would still be through Xoserve for system changes.

**New Action 0201:** *Modifications with Ofgem - ML to consider and update Workgroup with the more detail around the strategy for Modification 0687 - Creation of new charge to recover Last Resort Supply Payments.*

Paul Bedford (PB) asked how current UNC Modifications that are not yet approved and may have an implementation date after the REC go-live would be accommodated. Steve Mulinganie (SM) advised that these modifications all Shipper related and REC are being informed in order to consider any consequential impacts on suppliers for the REC drafting.

##### **0696V - Addressing inequities between Capacity booking under the UNC and arrangements set out in relevant NExAs**

A DSC change has been implemented which flags sites with a NExA so some benefit to sites already, therefore this modification has been deprioritised.

SM agreed with the comments that TS made in relation to Modification 0701 and asked for both modification 0696V and 0701 to be considered at the same time.

##### **0701 - Aligning Capacity booking under the UNC and arrangements set out in relevant NExAs**

ML asked Workgroup what the appetite is for this modification to be prioritised. The proposer, Tracey Saunders (TS), advised that if a delayed approval for this modification is made, it is likely to miss the November 2022 System Release and if this happens, it is unlikely the changes will go ahead. She added, as a Transporter, there have been instances and issues that, if implemented, this modification would have resolved. Therefore, TS advised, there is a degree of urgency in seeking a resolution. TS wondered if this could be implemented in

stages and noted that there are some elements of the modification that are very similar to Modification 0696V.

### **0730V - COVID-19 Capacity Retention Process**

When SM asked for a view on a decision timeline, ML advised Ofgem are looking to make decision as soon as possible, possibly during March 2021.

A further non-Distribution modification was also briefly discussed:

### **0686 - Removal of the NTS Optional Commodity Rate with adequate notice**

TS advised this modification has now timed out as Modification 0678A has been implemented and asked if there is a possibility that a decision can be made as soon as possible as it is no longer implementable. ML advised he will revisit the decision to be made on this.

## **1.5. Pre-Modification discussions**

### **1.5.1. Temporary extension of AUGÉ Statement creation process**

Gareth Evans (GE) introduced the draft of the modification and advised it will seek to allow the new AUGÉ sufficient time to develop a robust AUG Statement in accordance with the Framework for the Appointment of an Allocation of Unidentified Gas Expert, (AUGÉ), and to rollover the existing AUG Table, repeating the process undertaken previously for the 2013/14 & 2016/17 AUG Years.

*Post Meeting update:* This modification is being proposed by Andy Knowles of Utilita.

GE advised the modification would be a transitional one; is straightforward in nature and would include some suggested draft legal text.

GE then proceeded to elaborate on the sections of the modification:

#### **Why change:**

GE explained that over the course of recent AUG Sub-Committee meetings, the I&C Shippers and Suppliers (ICoSS) Group have raised a number of concerns that the framework document has not had sufficient time to be fully discharged and that the new AUGÉ has not had the opportunity complete what is necessary within the time allowed.

GE advised that the previous (original) Allocation of Unidentified Gas Expert (AUGÉ), DNV-GL, did an interim basic solution, they then spent two years coming up with a more detailed process and during that time rolling over of the table was then repeated.

He added that the process that is in place for the new AUGÉ, Engage Consulting Limited, who have been in post for just under a year, is too fast and constrained.

#### **Solution**

The solution is intended to be a transitional process which will take the AUG Table factors for the AUG Year from 2020/21 and move them across for the AUG Year 2021/22 albeit amended to take into account the new format of the AUG Table.

#### **Relevant Objectives**

d) Securing effective competition and f) Promotion of efficiency in the implementation and administration of the Code.

Owing to the limited time which was available for its development, the AUG Table and accompanying statement that were presented to the industry on 30 December 2020 did not represent as detailed an assessment as the AUG Table in place for 2020/21. Extending the AUG Table for 2020/21 to cover the AUG Year 2021/22 would result in more accurate cost targeting and so further competition between shippers and will give

further time for the requirements of the Framework for the Appointment of an Allocation of Unidentified Gas Expert to be discharged.

### **Implementation**

The modification will need to be implemented as soon as possible to provide certainty to shippers on the AUG Table for the AUG Year 2021/22.

Michael Lain (MLa) relayed some feedback from his colleagues, noting:

- The work carried out so far by Engage Consulting Limited was not started from scratch, there was an extensive handover period;
- It is proposed bottom-up methodology which is a positive starting point rather than a top-down methodology.

In response, GE advised he disagrees with the view that this is not from scratch and that the new AUG Statement is a radical departure from the previous methodology. He added that if it was not an operational Statement, he would be of the view that this is better than nothing, however, there is a statement that has gone through several years of processing. GE clarified the message is not saying get rid of the AUG process; the message is saying give AUG more time to deliver something that is more robust.

Oorlagh Chapman (OC) echoed the views of E.ON.

SM added it is unlikely a unanimous decision, (as required from the UNCC to vary a Statement), will be reached so ultimately a decision on the modification would be a matter to the regulator.

GE asked for British Gas and E.ON to provide evidence on continuity between Statements for consideration but added that from his assessment, there is very little linkage between the two Statements and would be happy to consider any evidence that suggests otherwise.

OC asked if this will be a one-time change or if GE is looking to change the governance to a 2-year process. On this point, he commented that when a new party is appointed, the contract only allows a new party the same time as one that has already produced a Statement and asked if this is sufficient time to deliver. It was suggested that to make the framework more flexible, there could be consideration to the timing of the appointment in order to make sure, going forward, if the AUG is new to the role, they have sufficient time to deliver their first Statement.

GE suggested this would be more of a DSC Contract Committee type of discussion.

GE advised he is going to append an assessment of the process against the current statement against the framework which should provide further information.

SM advised there is an AUG review process and compliance with the framework is what you expect the AUG to do. History suggests a year 1 cycle creates issues for the new incumbent, but acknowledged there is the counter argument that if more resource is applied, it could be achieved.

AR noted that if the modification is raised for the March UNC Panel, with the quick turnaround, (as suggested), it would return to Distribution Workgroup in March, the suggested timeline is very tight to get the Workgroup Report completed in just one visit, in the meantime, the Statement will have been presented to UNCC for approval. AR

suggested that sufficient time is spent on Workgroup Report to ensure all comments are captured.

GE clarified this is a simple change which he is aware will not get universal agreement for but there is a hard deadline of 01 October 2021 for its implementation.

GE agreed the timetable is very tight and noted that a Urgent mod could be considered to establish a timeframe, but this was not the preferred option at the moment.

This concluded the pre-modification discussion.

### **1.5.2. Innovation Derogations**

Tracey Saunders (TS) presented 'Introducing Innovation Derogation as a concept in UNC' as a pre-modification for discussion. For a full detailed update, please refer to the published slides on the meeting page.

The key points discussed by the Workgroup are noted below:

- Currently whilst the UNC (Uniform Network Code) does not have the concept of derogation, it is present in other Codes such as SPAA (Supply Point Administration Agreement) and DCUSA (Distribution Connection and Use of System Agreement) and is also used by Ofgem.
- TS noted that she wanted to introduce this concept to the UNC to facilitate the UK target of reaching Net Zero by 2050 as well as related projects to Net Zero to exercise innovation to trial solutions.
- TS explained that whilst this Modification would introduce the concept of derogations to the UNC, she was proposing to limit its scope to specific funded projects. The Modification would introduce an Innovation Derogation Guidance Document which would outline the application & approval process including evidence required to apply for Derogation. Any Derogation approval would also require unanimous approval by the UNC Panel members.
- TS added Ofgem would also reserve the right to review any Derogation projects and suggested this could be done through an appeal mechanism. She noted she would review how Ofgem carries out Derogation reviews under other Codes and that she would follow the same standard process.

### **Options**

TS advised of the options available:

- To do nothing could hamper Net Zero innovation projects and timescales.
- Progression without derogations could result in a breach of obligations in UNC or Licence.
- Introduce derogation for Net Zero innovation via progression of this modification proposal.

### **Solution**

TS clarified that she intends to introduce the concept of derogation for Net Zero innovation projects as a defined process into UNC. The Modification is being worked on, there are quite a lot of business rules and a comprehensive guidance document that would accompany it would define the application & approval process, (including the evidence that would be required), and the grounds for consideration by UNC Panel members (who would be required to give [unanimous] support in order to grant a derogation).

SM asked if TS would support consideration of a broader process with a common set of rules in relation to competition. TS advised it could be potential for it to be extended and that she would engage with SM regarding this, but was conscious this was a

focussed exercise and was mindful that any projects prozed through it should not be unduly discriminatory.

### **Recommended Steps**

TS advised the modification should be subject to Authority Direction because the modification would cause a material change to the UNC governance procedures and Modification Rules by introduction of the concept of derogation, and, whilst this modification in itself is not of material impact to competition or operation on the pipeline system, should this modification be approved, derogations could have material impact may and that is why materiality need to be considered now.

AR asked if the rules for derogations rely on existing arrangements, TS confirmed this and advised the Ofgem derogation has been used in the structure of the guidance, and she is exploring what DCUSA and SPAA use. TS also confirmed there would be a high bar for evidence when applying for funding.

When AR asked if each derogation required would take the form of a modification, TS confirmed this would be done by way of an application form via the Joint Office and the guidance document would confirm what evidence is required.

When AR asked if the application failed, would a modification then be raised, TS advised there is no right to appeal, if it needed to go ahead despite failure, it would need a modification.

This pre-modification discussion will next be taken to NTSCMF; DSC Change and Transmission Workgroup.

## **2. Workgroups**

### **2.1. 0734S – Reporting Valid Confirmed Theft of Gas into Central Systems**

(Due to report to Panel 15 April 2021)

<https://www.gasgovernance.co.uk/0734>

### **2.2. 0746 - Clarificatory change to the AQ amendment process within TPD G2.3**

(Due to report to Panel 15 April 2021)

<https://www.gasgovernance.co.uk/0746>

### **2.3. 0664V - Transfer of Sites with Low Valid Meter Reading Submission Performance from Classes 2 and 3 into Class 4**

(Due to report to Panel 15 April 2021)

<https://www.gasgovernance.co.uk/0664>

## **3. UIG Update**

### **3.1. UIG Update**

Ellie Rogers (ER) advised there is no specific items to report on and asked if this agenda item can be taken the agenda going forward. As UIG is almost BAU now, and there are no UIG Workgroups now, AR agreed to take it off as a standard agenda item. If in the future there is something to bring to Workgroups attention, it will be raised as an AOB item.

## **4. COVID-19 Issues**

AR advised that Modification 0726 – COVID-19 Liquidity Relief Scheme for Shippers was discussed at the February UNC Panel where it was noted that one of the Shippers that has taken advantage of the liquidity relief scheme, does not appear to be repaying in accordance with their repayment schedule.

## **5. CSS Consequential Changes – Detailed Design Report**

DA provided a detailed walkthrough of the changes to the Central Switching System (CSS) Legal Text compared to 31 March 2020 version of UNC Code. He advised that he would be taking the

Workgroup through the changes section by section and would be presenting items for discussion; information and observations.

In parallel with the walkthrough, the marked up Legal Text is available and published on the meeting page here: <https://www.gasgovernance.co.uk/dist/250221>.

DA explained the REC v3 Go-Live with the CSS is currently planning for Summer 2022 and the Significant Code Review (SCR) is for UNC to align, mainly to Registration from UNC for CSS Sites, but also it needs to define rules for association of Settlement details to registration.

DA clarified that a version of the UNC was submitted to Ofgem on 31 March 2020, this version was developed following Modification 0630 - Review of the consequential changes required in UNC as a result of the Ofgem Switching Programme, Industry walkthrough at Dentons office in February 2020.

In explaining how the text will be compiled, DA advised the actual SCR version of Code would be based on text as at Code Freeze UNC text on 28 February 2021 and would include approved modifications that will be implemented before CSS implementation. This will include modifications:

- 0651 Changes to the Retrospective Data Update provisions;
- 0692S Automatic updates to Meter Read Frequency;
- 0711 Update of AUG Table to reflect new EUC bands;
- 0691S CDSP to convert Class 2, 3 or 4 Supply Meter Points to Class 1 when G1.6.15 criteria are met;
- 0710S CDSP provision of Class 1 read service;
- 0727 (Urgent) Increasing the Storage Transmission Capacity Charge Discount to 80%.

DA drew attention to the modifications that are awaiting Ofgem Decision and some inflight modifications which may need to be reflected at SCR implementation:

#### **Awaiting Ofgem Decision**

- 0686 Removal of the NTS Optional Commodity Rate with adequate notice
- 0687 Creation of new charge to recover Last Resort Supply Payments
- 0696V Addressing inequities between Capacity booking under the UNC and arrangements set out in relevant NExAs
- 0701 Aligning Capacity booking under the UNC and arrangements set out in relevant NExAs
- 0714 Amendment to Network Entry Provision at Perenco Bacton terminal
- 0728A/B/C/D (Urgent) - Introduction of a Conditional Discount for Avoiding Inefficient Bypass of the NTS
- 0729 Applying a discount to the Revenue Recovery Charge at Storage Points
- 0737 Transfer of NTS Entry Capacity from a Capacity Abandoned ASEP
- 0738 Incremental NTS Entry Capacity Surrender
- 0730V COVID-19 Capacity Retention Process

#### **Inflight (including Review Groups)**

- 0646R Review of the Offtake Arrangements Document
- 0664V Transfer of Sites with Low Valid Meter Reading Submission Performance from Classes 2 and 3 into Class 4
- 0674 Performance Assurance Techniques and Controls
- 0676R Review of Gas Transporter Joint Office Arrangements
- 0705R NTS Capacity Access Review
- 0734S Reporting Valid Confirmed Theft of Gas into Central Systems
- 0735VS UNC Changes as a consequence of the United Kingdom's exit from the European Union
- 0739 Aggregate overrun regime for Original Capacity held at the Bacton ASEPs
- 0741S Updating specific gender references to neutral terms
- 0742 Not Used
- 0743S Revisions to User Termination Provisions

0745	Mandatory Setting of Auction Bid Parameters
0746	Clarificatory change to the AQ amendment process within TPD G2.3
0749R	Increased DM SOQ Flexibility
0751	Capping price increases for Long-Term Entry Capacity
0752	Introduction of Weekly Entry Capacity Auction
0753 (Urgent)	Removal of Pricing Disincentives for Secondary Trading of Fixed Price NTS System Entry Capacity

DA went on to provide the Walkthrough referred to in his presentation, in parallel with the published marked up Legal Text, all of which are published here: <https://www.gasgovernance.co.uk/dist/250221>:

### **TPD-M Supply Point Metering**

The sections affected and the main discussion points are as follows:

M5.3.4 – in an earlier draft, it was defined out the detailed circumstances that the Inner Tolerance Range would not be applied. A further instance has been identified in the context of Must Reads, therefore, removing from Code and placing in the UNC Validation Rules. The process for must reads is the same as now;

M5.13.3 - Omitted opening meter reads – only the proposing User can provide opening reads. Now made it clear opening reads are still necessary for Class 1.

M5.13.4 – Amended to make it clear that if a candidate Meter Reading was received not on the Opening Meter Reading Date – this would be estimated for the Opening Meter Reading Date;

M5.13.5 (a) - agreed that NDM Meter Reads must be notified as Opening Meter Readings in order to be accepted – therefore such Meter Reads are to be excluded from 'events' in M5.13.4;

M5.13.5 (c) - a subsequent Registered User may submit either an Opening or Non-Opening Meter Reading;

### **TPD-G Supply Points**

G2.2.3 - amended to allow Change of Class within 2 months if:

- CSS Request effected a Change of Shipper or Supplier (31/03/20 version – allowed a Change of Class as part of any CSS Request)
- Original Class Change was as a result of CSS Request where there was a Change of Shipper or Supplier, including where the Class was elected by default.
- Where the Requested Class in the BRN would have been the default Class value had the 2-month validation applied (e.g. this prevents default to Class 4 and defaulting of all Settlement detail, when the User was requesting the site in Class 4)

G4.2.3 indicates that the Isolation Flag must be set in order to perform Deregistration, in CSS the RMP status must be Dormant. Where a Meter has never been fitted, the SMP will never be Isolated and the text needs to be amended to accommodate such instances.

SM asked if this relates to the Withdrawal process, DA clarified that deregistration is the CSS term for Withdrawal. DA also confirmed he will liaise with Ofgem to clarify and will inform SM of the outcome.

G4.4.5 – Transporter Initiated Registrations – 31/03/20 Code states that no BRN or DRN will exist, and the Code needs to state that the CDSP will not submit either transaction.

G5.3.13 – 31/03/20 text specified the circumstances where the DRN will no longer be valid and omitted an existing reason where an Offer could be invalidated, for instance a change of Exit Zone and this has been rectified by adding 5.3.13 (b) i) B).

G5.4 Supply Point Capacity – moved the Winter Period Requirement down from being inferred as being validated at DRN receipt, to being part of the assessment of whether a BRN may become Operative (associated in UKL) – moves text from 5.4.2 to 5.4.4.

DA advised there is existing code never where the process was never built in the UKLink System – G3.4.7 – now there is an option to remove or option to leave in but there is no process to link it to. DA proposes to remove it.

DA drew attention to DNI details and advised now not differentiating the DNI details at DRN or BRN response and he is proposing to update this to make it clear that if the site is interruptible, no detail until the BRN response.

### **TPD – Annex G-1 Supply Point Registration Details**

DA provided a background for this new annex advising it includes a set of 4 very detailed tables that set out some very low-level detail from areas of TPD-G.

DA advised that post Modification 0678A NTS short haul needs to be removed as that is currently in Code, however, as SM suggested, Ofgem have stated they intend to re-establish short haul, therefore it could be time wasted to remove it. In any event, NTS Optional Commodity Tariff references need to be removed from all tables in Annex G-1 post Modification 0683 implementation.

Table A – Column 3: significant number of Non CSS data items missed as previously only NTS considered as Non-CSS but further amendments need to be added for LDZ level information.

Table A – Column 4: a review against IGTAD CSEP Supply Point has been completed.

Table B – is a detailed table that describes data released to Users at various stages of Registration. Still under review.

It is likely that this will include data specified in G3.2.6 which is expected to include:

- Priority Service Register data which includes Emergency (and Interruptible) Contact Details.

One level of detail discussed at last Distribution Workgroup was regarding the provision of DNI Detail which would only be available following BRN submission, (and not DRN submission).

G3.2.2.(a) i) C) states that the User may specify additional information to receive in the Enquiry Response (CSEP and Consumption).

DA noted the following points for discussion:

- 4.2 / 4.3 – references to DRN / BRN have been transposed.
- Table C sets out what data must be provided in DRN; BRN but also Default values in the absence of an Operative BRN.
  - Specific sections of this table require further detailed review regarding DRN / BRN population
- As discussed at last Distribution Workgroup, SMPs will only default to Class 1 where:
  - Class 1 Requirement applies
  - Class 1 Meter Read Requirement is satisfied
  - Existing SOQ / SHQ Details are available (i.e. existing DM details)
- 5.5 User definition may reference 'Relevant' User where relevant (see previous points in this presentation)
  - Table D sets out where changes may be made as Amendment to Registration Details and specific sections still require further detailed review.

### **TPD – GT-D**

DA advised this section has very limited changes.

New text will be going in to 2.6.2 (b), moving text out of B and trying to align the data permissions matrix against the REC data permissions matrix.

DA advised that the data that the REC allows to be released is currently called REC data and he would like an alternative wording, Workgroup agreed with the suggestion of REC Permitted Data.

## Conclusions

DA concluded that it mostly feels like the 31/03/20 version was in good shape. There are some minor amendments to improve readability / cross referencing and structure in this version and some functional amendments proposed:

- Revised Class 1 default.
- Amendment to the 2-month validation to restrict the UNC suggesting that any CSS Request resulting in a Class change, but also setting out the 'free hit' Class change.
- Still some detail in Annex G-1 to work through but this is bringing the UNC into alignment with the baselined system design.

## Still to do – not included in the SCR

DA advised the outstanding work left to do is as follows:

- UNC Validation Rules changes and to add Must Read rules)
- Draft and agree the CSS / Non-CSS UNCC documentation
- DSC Changes will be done via the DSC processes.
- Modification for Transition to CSS
- Modification for adding the Performance Assurance CM function to the DPM which is expected in advance of September 21( REC V2 go live).

This concluded a very detailed walkthrough; readers are advised to refer to the presentation material and the marked up Legal Text is available and published on the meeting page here: <https://www.gasgovernance.co.uk/dist/250221>.

## 6. Issues

None raised.

## 7. Any Other Business

### 7.1. H100 Fife Project Introduction

Lorna Archer (LA) joined the meeting to provide an overview of the proposed H100 Fife project and the establishment of a discreet hydrogen network as a support trial to demonstrate the decarbonisation of gas networks.

LA explained the H100 Fife Project will utilise 100% hydrogen in a discrete part of the network serving approximately 300 properties. Hydrogen is to be produced using electricity from a nearby coastal wind turbine farm.

The Network will duplicate an existing Natural Gas network so that consumers will have a choice of which Network they will be connected to during and after the trial.

### Key Dates & Next Steps

#### Ofgem deadline 17th March 2021 – H100 Fife Regulatory Framework Plan

- Plan for developing and executing project regulatory model.
- Scoped metering and billing solution for hydrogen customers.
- Understanding of potential changes required – Xoserve systems, industry code modifications, licences.
- Mapping of industry impacts.
- Engagement with industry.
- Timeline and next steps for implementing regulatory model.

#### Ofgem deadline April 2022 – H100 Fife Regulatory Model Agreed

- Continue engagement with industry to validate regulatory solution and ability to participate.
- Implement regulatory model before project operations end of 2022/start 2023.

For further information, please visit the H100 Fife video link - <https://www.sgn.co.uk/H100Fife>.

## 8. Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

<b>Time / Date</b>	<b>Venue</b>	<b>Workgroup Programme</b>
Thursday 10:00 25 March 2021	Teleconference	Distribution Workgroup standard Agenda
Thursday 10:00 22 April 2021	Teleconference	Distribution Workgroup standard Agenda
Thursday 10:00 27 May 2021	Teleconference	Distribution Workgroup standard Agenda
Thursday 10:00 24 June 2021	Teleconference	Distribution Workgroup standard Agenda
Thursday 10:00 22 July 2021	Teleconference	Distribution Workgroup standard Agenda
Thursday 10:00 26 August 2021	Teleconference	Distribution Workgroup standard Agenda
Thursday 10:00 23 September 2021	Teleconference	Distribution Workgroup standard Agenda
Thursday 10:00 28 October 2021	Teleconference	Distribution Workgroup standard Agenda
Thursday 10:00 25 November 2021	Teleconference	Distribution Workgroup standard Agenda
Thursday 10:00 13 December 2021	Teleconference	Distribution Workgroup standard Agenda

<b>Action Table (as of 25 February 2021)</b>						
<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Reporting Month</b>	<b>Owner</b>	<b>Status Update</b>
<b>0101</b>	28/01/21	1.5.1	<b>Draft Request: Advanced Analytics NDM Demand Modelling:</b> MP to forward a Word version of the Request to SM in order for him to review it.	<b>February 2021</b>	CDSP (MP)	<b>Closed</b>
<b>0201</b>	25/02/21	1.4	<b>Modifications with Ofgem:</b> ML to consider and update Workgroup with the more detail around the strategy for <i>Modification 0687 - Creation of new charge to recover Last Resort Supply Payments.</i>	<b>March 2021</b>	Ofgem (ML)	<b>Pending</b>

**UNC Workgroup 0734S Minutes**  
**Reporting Valid Confirmed Theft of Gas into Central Systems**  
**Thursday 25 February 2021**  
**via Microsoft Teams**

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Fiona Cottam	(FC)	Xoserve
Fraser Mathieson	(FM)	SPAA/Electralink
Gareth Evans	(GE)	Waters Wye Associates
Heather Ward	(HW)	Energy Assets
Hilary Chapman	(HC)	SGN
John Welch	(JW)	PAFA
Kate Lancaster	(KL)	Xoserve
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Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at [www.gasgovernance.co.uk/0734/250221](http://www.gasgovernance.co.uk/0734/250221)

The Workgroup Report is due to be presented at the UNC Modification Panel by 15 April 2021.

## 1.0 Introduction

Alan Raper (AR) welcomed all to the meeting.

### 1.1. Approval of Minutes

The minutes from 28 January 2021 were approved.

### 1.2. Approval of Late Papers

There were no late papers for approval.

### 1.3. Review of Outstanding Actions

**Action 0101:** *Business Rule 4 Reporting* - PAFA JW to discuss with PAC and return to Workgroup.

**Update:** JW confirmed this was discussed at PAC and provided an update to Workgroup as part of Business Rule 4 discussions. **Closed**

**Action 0102:** *Regarding the 3 items for PAC to monitor* - KD to provide suggested table.

**Update:** The update for Workgroup was provided as part of Business Rule 4 discussions. **Closed**

**Action 0103:** Business Rule 6: FM to look at what the trans and supp obligations are and how they can work better together.

**Update:** The update for Workgroup was provided as part of Business Rule discussions. **Closed**

## 2.0 Consideration of amended Modification

Referring to the amended modification published on the Joint Office website on 17 February 2021 (v3.0) AR advised Workgroup that the modification has been updated to reflect Workgroup discussions held on 28 January 2021.

FM was invited to provide an overview of the changes made, the discussion of which is captured below:

### Section 5: Solution

No change to **Business Rule 1**.

#### Business Rule 2

**BR2** - *For the avoidance of doubt if the correction is not objected to this will result in the previous claim being ~~invalidated~~ withdrawn and the CDSP will act accordingly.*

**Guidance** – *a correction must always relate to a previously accepted claim and by its very nature would only occur in exceptional circumstances. See examples below Example 1: Supplier A reports a valid theft into the REC in relation to Supplier Investigation ID 1234 for 500 units. This is submitted to the CDSP by REC on behalf of the Supplier to the Shipper who does not object. Accordingly, the 500 units will be put into settlement, Subsequently Supplier A finds that the theft was erroneously reported. They submit a correction to REC which, in the absence of an objection by the Shipper, would mean Supplier Investigation ID 1234 was withdrawn and the 500 units which was put into settlement would be reversed out. Example 2: Supplier A reports a valid theft into the REC in relation to Supplier Investigation ID 1234 for 500 units. This is submitted to the CDSP by REC on behalf of the Supplier to the Shipper who does not object. Accordingly, the 500 units will be put into settlement, Subsequently Supplier A finds that the theft was erroneously reported and should be 400. They submit a correction to REC which, in the absence of an objection by the Shipper, would mean Supplier Investigation ID 1234 was withdrawn and subject to the correction not being objected to would then submit a new Supplier Investigation ID 5678 for 400.*

FM explained the word withdrawn is being used as opposed to *invalidated* as agreed by Workgroup on 28 January 2021.

ER clarified that this means a correction will always relate to a previous claim and would replace that claim with a new one, and, as such, a withdrawal would always be triggered by a correction.

DA asked, with regards to the correction process, can a correction and a new claim come in the same month? SM advised it is highly likely they would be in close proximity with each other. Also, SM confirmed a correction always remove of the original claim and that this would definitely need system validation. A correction may not always be followed by a new claim, (for instance when the whole claim is simply reversed out).

DA asked if there is a risk that when a correction and new claim exist, a Shipper could accept one and reject one? FM advised it would depend on what order the Shipper processes them, they would need to interact with the Supplier and process them sequentially. He added it is likely they will occur in close proximity with each other. SM advised that a correction follows on from something that has been accepted and can only be done on the grounds of manifest error, so instances of the scenario are exceptions and volumes should be low.

FM said that TRAS may need a rule to cover this, the order has to be at least a month apart which is an action triggered by the Supplier, if it needs a correction, the Supplier initiates through TRAS; and then the claim would be looked at in the next month's report.

### **Business Rule 3**

**BR3** - *The Shipper can object at MPRN level to the claim(s) or corrections within 20 Business Days Supply Point System Business Days of receipt of the claim from the CDSP. The grounds for objection are limited to instances of manifest error. For the avoidance of doubt in the event of an objection other than as set out in BR4 no further action is required by the CDSP.*

**Guidance** – *It was felt that four weeks would provide enough time for Shippers and Supplier to enter dialogue in terms of any concerns. Of course, the frequency of reporting into CDSP needs to be considered to avoid overlaps.*

FM advised the 20 Supply Point System Business Days are as agreed by Workgroup on 28 January 2021 in order to mitigate the risk of CDSP system not being available, e.g. Scottish Bank Holiday.

SM advised that the 20 Supply Point System Business Days might be tight and that 15 days might be better which would fit better with a monthly cycle. It was suggested that the 20 Supply Point System Business Days should be changed to 15, SM said that 15 days is sufficient without impinging on the overall process.

DA noted that if CDSP are processing a consumption adjustment and it gets to end of the 20-day period, then any correction against that Site would be processed in the following month.

### **Business Rule 4**

**BR4** - *Any objection submitted will be notified to the Performance Assurance Committee (PAC) and the Retail Energy Code who submitted the relevant Notification to the CDSP on behalf of the Supplier.*

*Such notifications shall include, but not be limited to, the following data:*

- *The number of objections per Shipper;*
- *The number of corrections per Shipper, and;*
- *The changes to energy values as a result of resubmitted claims.*

**Guidance** – *This provides a very limited scope for objection and should mean that scenarios where the Supplier and Shipper disagree are exceptional. The monitoring of the number of objections would fall within the scope of the Performance Assurance function.*

*Comment – the notifications on the number of objections and corrections to be provided to PAC and/or REC could be monthly, quarterly or a rolling twelve months. The notification of changes to energy values following resubmitted claims could be kWh or percentage.*

FM explained he has included some more specifics on what the output would be to PAC.

There needs to be a monitoring process in place to capture if a Shipper is objecting routinely.

The proposal is not to hard code the report into the UNC itself but to propose report structure for inclusion in the PARR. John Welch (JW) advised it would be ideal to have the structure of the PARR table in the modification and confirmed he is happy with the wording.

JW agreed to provide some text that could be used to amend the wording for this Business Rule.

ER noted that the with the 2<sup>nd</sup> item in the list of data that will be in the notification, *number of corrections per Shipper*, corrections are Supplier driven. SM advised that the wording for the report would be updated.

DA asked if the PAFA gets the PARR data via DDP, JW clarified the PAFA gets some of it and the eventual aim is that PAFA would get all of it via DDP.

### **Business Rule 5**

**BR5** - *In the absence of an objection the relevant energy will be addressed in settlement by the CDSP.*

**Guidance** – *This recognises that the outcome may be both positive or negative. It is proposed that this would normally be done via a Consumption Adjustment.*

FM noted the brackets that surround the word 'settlement' in this Business Rule is because the correct terminology has not yet been agreed.

David Mitchell (DM), (legal text provider), advised he is happy with the term settlement as opposed to the term consumption adjustment as the wording ('consumption adjustment' and 'settlement') are discrete definitions in the UNC.

DA clarified this should be termed as consumption adjustment and FM agreed to change the wording to ...."addressed by a consumption adjustment via the CDSP".

ER requested clarification in the scenario when there is a consumption adjustment, in order for it to be processed CDSP need a meter reading at the start of the period and at the end of the theft period and asked what if there is no reading, what is the approach to address that scenario? When asked to refer to current process, ER advised, in terms of current process, the CMS team have the contact with the Shipper but this is different because it is Supplier raised for the Shipper to validate.

SM suggested if CDSP know the window to which the volume of energy relates to, there needs to be the guidance to ensure CDSP are able to reflect that volume as set out in the claim.

DA advised the CDSP would be defining a consumption adjustment against an assumed consumption, the Supplier would have assessed what they think has been consumed over that period.

SM clarified, when there are no reads in the system, but CDSP do know the period and the energy associated, there needs to be a method by which this may be achieved. He added that a Business Rule may need to be developed to deal with this scenario. SM asked if the CDSP could look into how to process an adjustment in this scenario.

**New Action 0201:** DA to liaise with SM/FM in order to provide wording for suggested Business Rule to cover how the consumption adjustment process needs to work in this scenario.

**New Action 0202:** DM to request that their lawyer have a provisional look at legal text to see how the new BR could apply to a consumption adjustment when no actual meter readings are available.

### **New Business Rule 6:**

*In the event that a claim or correction, relating to a previous claim, that covers a period during which multiple Shippers were Registered then any objection in accordance with BR3 will apply to the claim or correction in its entirety.*

FM advised this has been added as agreed at Workgroup on 28 January 2021 and confirmed that if one Shipper objects, then this objection would apply to the whole claim.

ER sought clarification that CDSP are expected to notify all Shippers to advise of the objection triggered. FM confirmed this and advised that the communication requirement would be added to the Change Request.

#### **Business Rule 7:**

**BR7** - *Shippers shall use reasonable endeavours to ensure relevant Suppliers who they provide Shipping services for are made aware of any relevant suspected thefts which they themselves have been made aware of, by a party other than the relevant Supplier, and which relate to that relevant Supplier who they provide Shipping services for in relation to that MPRN. The Shipper shall retain evidence of such notification and acknowledge they may be asked to provide such evidence upon request from a relevant party.*

**Guidance** – *This codifies the requirement for Shippers to report suspected theft of gas to the relevant Supplier for investigation. We do not see a role arising for the CDSP at this time as a result of this business rule, so no specific solution is required. If some form of oversight was needed, we would expect it would evolve via the PAC.*

**[Note 1:** *For the avoidance of doubt, any Annual Quantity (AQ) amendments required as a result of any material change to the existing AQ remains an existing obligation of the relevant Shipper and this Modification does not propose any intervention on such matters by the CDSP.*

**Note 2:** *For the avoidance of doubt, the Proposer would expect the Performance Assurance Committee to have access to appropriate tools to enable them to monitor the performance of these arrangements.*

Issue to consider: How to tackle dual routes of reporting since Suppliers are obliged to report suspected theft to the Network under SPAA.

This raised a question as to whether a carve-out is required for suspected cases originating from Supplier and then being re-reported back to the Supplier by the Shipper. FM advised there are advantages and disadvantage for this; the advantage would be there is less opportunity for duplication or confusion; and the disadvantage would be this adds complexity to the DSC solution and removes potential verification/corroboration route for Supplier.

FM clarified that this Business Rule focusses on how suspected theft is dealt with and makes it clear that Shippers are generally required to advise the relevant Supplier of suspected theft.

ER enquired what the approach would be for the transition from current practice to the new process. FM confirmed this would be made clear in the implementation section of the modification. In principle, cases that are in flight at the moment would transfer to the new process.

### **2.1. Issues and Questions from Panel**

#### **2.1.1. Workgroup to consider any potential cross-Code impacts and implementation timelines.**

It was confirmed this is reference in the amended Modification.

### **3.0 Review of Business Rules**

Please refer to agenda item 2.0 where a full review of the Business Rules was undertaken.

### **4.0 Consideration of Draft Legal Text**

Legal Text has not yet been provided. It was confirmed by the Legal Text provider, SGN, that once the modification is stable, the Legal Text would be provided.

## 5.0 Development of Workgroup Report

AR confirmed he will annotate what has been discussed so far in the Workgroup Report.

## 6.0 Next Steps

AR summarised as follows:

- A new version of the modification is expected.
- The Legal Text will be provided once the modification stabilises.
- The Workgroup Report will start to be developed once the modification stabilises.
- A request to March UNC Panel to extend to June 2021.

## 7.0 Any Other Business

None.

## 8.0 Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
Thursday 10:00 25 March 2021	Teleconference	Distribution Workgroup standard Agenda
Thursday 10:00 22 April 2021	Teleconference	Distribution Workgroup standard Agenda
Thursday 10:00 27 May 2021	Teleconference	Distribution Workgroup standard Agenda

Action Table (as of 25 February 2021)						
Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0101	28/01/21	2.0	<i>Business Rule 4 Reporting</i> - PAFA JW to discuss with PAC and return to Workgroup	February 2021	PAFA (JW)	Closed
0102	28/01/21	2.0	<i>Business Rule 4 Regarding the 3 items for PAC to monitor</i> - KD to provide suggested table	February 2021	E.ON (KD)	Closed
0103	28/01/21	2.0	<i>Business Rule 6:</i> FM to look at what the Transporter and Supplier obligations are and how they can work better together	February 2021	SPAA/Electralink (FM)	Closed
0201	25/02/21	2.0 (BR5)	DA to liaise with SM/FM in order to provide wording for suggested Business Rule to cover how the consumption adjustment process needs to work in this scenario	March 2021	CDSP (DA)	Pending

<b>0202</b>	25/02/21	2.0 (BR5)	DM to request that their lawyer have a provisional look at legal text to see how the new BR could apply to a consumption adjustment when no actual meter readings are available..	<b>March 2021</b>	SGN (DM)	<b>Pending</b>
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**UNC Workgroup 0746 Minutes**  
**Clarificatory change to the AQ amendment process within TPD G2.3**  
**Thursday 25 February 2021**  
**via Microsoft Teams**

<b>Attendees</b>		
Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
Ellie Rogers	(ER)	Xoserve
Fiona Cottam	(FC)	Xoserve
Fraser Mathieson	(FM)	SPAA/Electralink
Gareth Evans	(GE)	Waters Wye Associates
Heather Ward	(HW)	Energy Assets
Hilary Chapman	(HC)	SGN
John Welch	(JW)	PAFA
Kate Lancaster	(KL)	Xoserve
Lorna Lewin	(LL)	Orsted
Mark Jones	(MJ)	SSE
Max Lambert	(ML)	Ofgem
Michael Lain	(MLa)	E.ON
Najaah Jamalkhan	(NJ)	Corona Energy
Oorlagh Chapman	(OC)	Centrica
Owen Mason	(OM)	Bulb Energy
Paul Bedford	(PB)	Drax
Rose Kimber	(RK)	CNG Ltd
Steve Britton	(SB)	Cornwall Insights
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: [www.gasgovernance.co.uk/0746/250221](http://www.gasgovernance.co.uk/0746/250221)

The Workgroup Report is due to be presented at the UNC Modification Panel by 15 April 2021.

**1. Introduction and Status Review**

Alan Raper (AR) welcomed all to the Workgroup.

**1.1. Approval of Minutes (28 January 2020)**

The minutes from the previous meeting were accepted.

**1.2. Approval of Late Papers**

AR confirmed that no late papers have been submitted.

**1.3. Review of Outstanding Actions**

**Action 0101:** Workgroup participants to review the draft v3.0 of the modification and provide comments by close of play Friday 05 February 2021.

**Update:** This was completed. **Closed**

## 2. Amended Modification

AR reminded Workgroup that two versions of the modification were discussed at the last Workgroup meeting in January 2021, one version took out the topics relating to Modification 0736 and the other version that looked at the new aspects of Modification 0746, both of which needed to be consolidated into the one version.

Referring to discussions held at the last Workgroup meeting in January 2021, and the action placed on Workgroup to review the draft v3.0 of the modification, (emailed to Workgroup).

Steve Mulinganie (SM) was invited to update Workgroup on the amendments made to Modification 0746 (v2.2 dated 23 February 2021) which are as follows:

### **Title Change:**

SM noted the change to the title of the modification:

From - Clarificatory change to the AQ amendment process within TPD G2.3, to - *Application of Clarificatory change to the AQ amendment process within TPD G2.3 from 1st April 2020.*

### **Purpose of Modification:**

Following the implementation of UNC 0736S Clarificatory change to the AQ amendment process within TPD G2.3, this modification would apply the change to all relevant transactions which occurred after 1st April 2020.

### **Solution:**

Business Rule 1:

SM advised this is the key Business Rule and noted the date in the guidance note should read between 1 April 2020 and 14 January 2021, not 14 February 2021.

SM explained this is a relatively simple principle, and he has added additional text into the guidance as clarification. This allows the CDSP a degree of flexibility to ensure this is complied with.

Andy Clasper (AC), as legal text provider, advised it could be difficult from a legal text point of view to include the statement in relation to reason code 3 and suggested its relevance to the use of reason code 3 should be added to the end of BR1 to narrow it down.

Ellie Rogers (ER) advised the User Affiliate table was implemented by CDSP following the implementation of Modification 0736 and that CDSP would need to assume AQ corrections were invalid, unless evidence can be provided that the Shipper is not affiliated to the previous Shipper.

SM noted that a small addition to the guidance, which clarifies that any relevant AQ amendments between 01 April 2020 and *14 January 2021* are invalid unless the relevant Shipper warrants it did not pick it up from the same affiliate group, would be added.

Business Rule 2:

AC advised that the word '*submitted*' should be changed to '*effective from*' as submitting within 20 working days does not fit in with the tables that Xoserve are developing.

It was suggested that applying the situation when the AQ becomes effective, the Shipper needs to confirm their affiliate between the two dates in question, the Business Rule could be simplified and point to TPD G2.4(c).

SM clarified that he is happy with Business Rule 1 setting the scope and Business Rule 2 being the warranting of compliance.

BR3 points to consequential action of if the shipper is unable to make the warranty required in BR2 (applies the warrant).

**Business Rule 3:**

ER sought clarification, assuming this is normal business as usual activity, if the AQ correction is valid, and the Registered User is charged for capacity accordingly, there would be no additional action is required because of this Business Rule.

SM confirmed this point and advised he would redraft Business Rules 1,2 & 3 and email them out for clarification. He commented that a further Business Rule could be required to simply this point.

**New Action 0201:** SM to redraft Business Rules 1, 2 & 3, then consider if that is sufficient or if the other ones need to be kept. (Revise and refine the Business Rules on the basis of Modification 0736S).

**3. Review of Legal Text**

This will be covered in due course.

**4. Development of Workgroup Report**

Once the modification is stabilised, the Workgroup Report will be drafted.

**5. Next Steps**

- AR confirmed that an extension to June 2021 will be requested at the March UNC Panel.
- The Amended Modification v3.0 will be processed and published.
- Develop the Workgroup Report based on v3.0, provided the modification is stable.

**6. Any Other Business**

None raised.

**7. Diary Planning**

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Workgroup meetings will take place as follows:

Time / Date	Venue	Programme
10:00 Thursday 25 March 2021	Microsoft Teams	Detail planned agenda items. <ul style="list-style-type: none"> <li>• Consider revised Modification</li> </ul>

**Action Table (as of 25 February 2021)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0101	28/01/21	2.0	Workgroup participants to review the draft v3.0 of the modification and provide comments by close of play Friday 05 February 2021.	Proposer (SM)	<b>Closed</b>
0201	25/02/21	2.0	<b>New Action 0201:</b> SM to redraft Business Rules 1, 2 & 3, then consider if that is sufficient or if the other ones need to be kept. (Revise and refine the Business Rules on the basis of Modification 0736S).	Proposer (SM)	<b>Pending</b>

**UNC Workgroup 0664V Minutes  
Transfer of Sites with Low Valid Meter Reading Submission  
Performance from Classes 2 and 3 into Class 4**

**Thursday 25 February 2021**

**via Teleconference**

<b>Attendees</b>		
Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
Ellie Rogers	(ER)	Xoserve
Fiona Cottam	(FC)	Xoserve
Fraser Mathieson	(FM)	SPAA/Electralink
Gareth Evans	(GE)	Waters Wye Associates
Heather Ward	(HW)	Energy Assets
Hilary Chapman	(HC)	SGN
John Welch	(JW)	PAFA
Kate Lancaster	(KL)	Xoserve
Lorna Lewin	(LL)	Orsted
Mark Jones	(MJ)	SSE
Max Lambert	(ML)	Ofgem
Michael Lain	(MLa)	E.ON
Najaah Jamalkhan	(NJ)	Corona Energy
Oorlagh Chapman	(OC)	Centrica
Owen Mason	(OM)	Bulb Energy
Paul Bedford	(PB)	Drax
Richard Pomroy	(RP)	WWU (0664V and AOB only)
Rose Kimber	(RK)	CNG Ltd
Steve Britton	(SB)	Cornwall Insights
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: [www.gasgovernance.co.uk/0664/280121](http://www.gasgovernance.co.uk/0664/280121)

The Final Modification Report 0664VV is due to be presented at the UNC Modification Panel by April 2021

## 1. Introduction and Status Review

Alan Raper (AR) advised Workgroup that when this was last presented to UNC Panel, a further point was raised to address how shippers with multiple suppliers would be dealt with, and accordingly a further varied proposal was required, which would be Modification 0664VV.

### 1.1. Approval of Minutes (28 January 2021)

The minutes from the 28 January 2021 Workgroup meeting were approved.

### 1.2. Review of outstanding actions

**Action 1201:** Review draft Varied Modification 0664VV - SSE (MJ) to update the draft Modification 0664VV taking into consideration the various points raised by the Workgroup.

**Update:** Please refer to agenda item 2.0 where it is confirmed an amended modification is to be produced. **Carried Forward**

**Action 1202:** Review draft Varied Modification 0664VV - SSE (MJ), Xoserve (DA) and Cadent (AC) to discuss the legal text implications surrounding the proposed changes to the draft Modification 0664VV and consider the functionality of a staged implementation.

**Update:** Please refer to agenda item 2.0 where it is confirmed an amended modification is to be produced. **Carried Forward**

**Action 0101:** MJ, DA & AR to consider today's and previous discussion and consider options for making all or parts the modification deliverable.

**Update:** Mark Jones (MJ) confirmed he is amending the modification and it will be provided in readiness for the March 2021 Distribution Workgroup. **Closed**

## 2. Review draft Varied Modification 0664VV

AR showed onscreen the draft version of Modification 0664VV.

Mark Jones (MJ) advised, following last month discussion, it has been decided to remove lock-out from the modification as the system solution could not be developed in line with the preferred implementation timeline. The lock-out period was to be used as a period of time over which Shippers would not be able to re-register Supply Points into Class 2 or Class 3 that have been removed from either of these Classes due to them failing the Minimum Percentage Requirement, (for read performance). MJ advised there could be legal text implications as some clauses will need amending or removed.

When AR asked what the timeline might be for MJ to produce the amended modification, he advised it should be relatively straightforward but there could be an added complication if there is a need to amend some clauses rather than remove them. It was agreed that the Variation Request could be drafted once the finalised, amended modification is received.

AR confirmed that depending on when the amended modification is published, this could still be presented at the April UNC Panel, in accordance with the current timeline, and advised there would only be one more meeting to both complete the Workgroup Report and review the legal text.

## 3. Consideration of Revised Legal Text for 0664VV

This will be considered at a future Workgroup once the direction of this modification is better understood.

## 4. Completion of Variation Request for February 2021 Panel Submission

This will be considered at a future Workgroup once the direction of this modification is better understood.

## 5. Next Steps

AR confirmed the next steps to be:

- MJ, to provide an amended modification.

- Draft & review the Supplemental Workgroup Report and review the revised legal text.

**6. Any Other Business**

None

**7. Diary Planning**

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Time / Date	Paper Publication Deadline	Venue	Workgroup Programme
10:00 – 16:00 Thursday 25 March 2021	5pm Tuesday 16 March 2021	Microsoft Teams	<ul style="list-style-type: none"> <li>• Review amended modification.</li> <li>• Complete Workgroup Report.</li> <li>• Review Legal Text.</li> </ul>

**Action Table (as of 25 February 2021)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1201	11/12/20	3.0	<i>Review draft Varied Modification 0664VV - SSE (MJ) to update the draft Modification 0664VV taking into consideration the various points raised by the Workgroup.</i>	SSE (MJ) & Xoserve (DA)	<b>Carried Forward</b>
1202	11/12/20	3.0	<i>Review draft Varied Modification 0664VV - SSE (MJ), Xoserve (DA) and Cadent (AC) to discuss the legal text implications surrounding the proposed changes to the draft Modification 0664VV and consider the functionality of a staged implementation.</i>	Cadent (AC), SSE (MJ) & Xoserve (DA)	<b>Carried Forward</b>
0101	28/01/21	2.0	MJ, DA & AR to consider today's and previous discussion and consider options for making all or parts the modification deliverable.	SSE (MJ), Xoserve (DA) & Joint Office (AR)	<b>Closed</b>