

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

<b>Attendees</b>		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
Clare Manning	(CM)	E.ON Energy
Claire Louise Roberts	(CLR)	Scottish Power
Dan Fittock	(DF)	Corona Energy
Dan Wilkinson	(DA)	EDF Energy
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
David Morley	(DMo)	Ovo Energy
Eddie Proffitt	(EP)	Major Energy Users' Council
Ellie Rogers	(ER)	Xoserve
Gareth Evans	(GE)	Waters Wye Associates
Guv Dosanjh	(GD)	Cadent
Kate Lancaster	(KL)	Xoserve
Kundai Matiringe	(KM)	BU-UK
Louise Hellyer	(LH)	Totalenergies Gas & Power
Luke Reeves	(LR)	EDF Energy
Mark Field	(MF)	Sembcorp Energy UK
Mark Jones	(MJ)	SSE
Richard Pomroy	(RP)	Wales & West Utilities
Rhys Kealley	(RK)	British Gas
Robert Johnstone	(RJ)	Utilita
Sally Hardman	(SH)	SGN
Steven Britton	(SB)	Cornwall Insight
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <https://www.gasgovernance.co.uk/dist/251121>

**1. Introduction and Status Review**

Rebecca Hailes (RHa) welcomed everyone to the meeting.

**1.1. Approval of Minutes (28 October 2021)**

The minutes from the previous Distribution Workgroup were approved.

**1.2. Approval of late papers**

The late papers for the pre-Modification discussions were approved.

**1.3. Review Outstanding Actions**

**0701:** RHa to engage with Ofgem's Cross Code Steering Group and Xoserve (DA) to understand the requirement for a Micro Business Identifier.

**Update:** SM confirmed this has been resolved with the process now put in place. **Closed.**

**0901** Joint Office (RHa) to chase Ofgem for more regular updates either written or by attending Workgroup.

**Update:** RHa advised she has emailed and spoken with colleagues at Ofgem to request more regular updates. An update for this meeting arrived during the meeting. **Closed.**

#### 1.4. Modifications with Ofgem

Please refer to the Ofgem publication dates timetable, available at: <https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable>.

RHa advised that Max Lambert has sent his apologies for this meeting and advised he will be attending Workgroup on 13 December 2021. RHa further advised she had received the following update from Max Lambert:

- Modification 0696V and Modification 0746: These Modifications have been deprioritised and the expected decision dates are to be confirmed in 2022.
- Modification 0687: An update was expected later during the meeting.

Gareth Evans (GE) commented that, following recent discussions with Ofgem he understood that Industry should expect a Modification 0687 decision by end of this week after discussion at high levels within Ofgem this week. He also understood that large amount of Last Resorts Supply Payments (LRSPs) at very short notice were being processed. He believed Ofgem are suggesting compression of the process; the transfer of charges includes an allowance for LRSP charges.

DA advised that Ofgem have asked CDSP to assess what the impact of Modification 0687 legal text (written in 2019) might be against the SCR Legal Text.

DA explained that the Legal Text in the areas affected by Modification 0687 had been amended twice, once as a consequence Modification 0790 (Urgent) - *Introduction of a Transmission Services Entry Flow Charge*, which is opening up the same part of Legal Text and therefore some changes to 0687 Legal Text will be required. DA advised he is in conversations with Joint Office regarding this.

It was confirmed the Legal Text provider for Modification 0687 is SGN and the Legal Text provider for Modification 0790 (Urgent) is National Grid.

SM noted that the Legal Text for Modification 0687 was correct at the time of submission to Ofgem, but now it may need consent to modify or another process to rectify the situation.

DA advised, in preparation for an Authority Decision on Modification 0687, it is on the agenda for discussion at the DSC Change Management Committee on 08 December 2021.

#### 1.5. Pre-Modification discussions

##### 1.5.1. Current charging for SoLR

Richard Pomroy (RP) wished to note that, due to the lack of clarity on how Ofgem are going to progress with *Modification 0687 - Creation of new charge to recover Last Resort Supply Payments* he felt it may be sensible to raise a Modification to lay out how Supplier of Last Resort (SoLR) charges are currently recovered. He added that, to date, the amount of money recovered is relatively small. RP advised that rather than draft a Mod then get the Legal Text, he had (unusually) drafted the Legal Text first using the Legal Text for Modification 0687 as a starting point. Referring to the draft Legal Text provided for the meeting, RP explained how recovery of the SoLR payments would be made is covered in TPD Section B – System Use and Capacity 1.7.1 (c).

RP advised that Centrica made a point in the consultation for Modification 0687 regarding the price cap, this is now covered in TPD Section B – System Use and Capacity 11.5 and this would be invoiced in accordance with section S, all the other invoicing and credit arrangements in Code will apply as there will be little time for new charge types.

RP noted that if Ofgem direct Modification 0687 for implementation, this new Modification will not need to progress any further. RP explained, subject to any further developments with Modification 0687, and as Transporters publish their final charges on 01 February, the suggested timeline would be:

- Draft the Modification and allow for additional pre-modification discussions at the 13 December 2021 Distribution Workgroup Modification
- Panel would consider it on 16 December 2021
- Subject to Panel agreement, it would go straight out to consultation
- FMR would be considered at the January UNC Panel meeting.

When asked, RP confirmed that changes to Section S (Invoicing and Payment) or Y (Charging Methodologies) are not necessary as the intention is to treat the SoLR payments as Transportation charges.

RHa confirmed that the deadline for raising new Modifications in time for the December 2021 UNC Panel is 03 December 2021.

When asked, RP further explained if Modification 0687 is implemented, there will be no requirement for this Modification to progress because it only lays out how SoLR charges have been recovered to date, currently Code is silent. Given the potential volume it is right that Code explains how the charges are calculated.

When SM sought clarification regarding the constraint that claims should be submitted by the end of December, he mentioned that this new Modification does not address this constraint. RP clarified that this Modification refers to a valid claim as defined by the Licence.

### **1.5.2. 0719R - Change to the daily calculation process.**

David Mitchell (DM) explained that as part of the *Review Workgroup 0719R – Calculation of Energy Value of Gas Review* a new Modification is required that will make a change to the daily calculation process.

DM explained that National Grid has announced it is to withdraw from providing the Distribution Networks (DNs) with the daily LDZ Flow-Weighted Average CV calculation (FWACV) service. As a consequence, the DNs will become responsible for calculating their own daily LDZ FWACVs and, publishing the information to Shippers. He advised that Xoserve Change Proposal 5231 - Provision of a Flow-Weighted Average CV calculation (FWACV) Service has been raised with an expected go-live of 01 April 2022 and will change the obligations in OAD Section F of Code.

There was no further discussion on this topic.

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

Dave Addison (DA) advised the following Legal Drafting documents for the Faster Switching Significant Code Review (SCR) have been published for this agenda item:

- CSS Update - Transporter Initiated Registrations
- FS-SCR Explanatory Note - March 2021
- Document 1 - TPD Section B4
- Document 2 - TPD Section B8
- Document 3 - TPD Annex B-3
- Document 4 - TPD Section G
- Document 5 - TPD Annex G-1
- Document 6 - TPD Section M
- Document 7 - Other Changes to the UNC-TPD
- Document 8 - Other Changes to the UNC-GTs
- Document 9 - Other Changes to the UNC-IGTAD

DA explained that the CDSP provided the Legal Text drafting to Ofgem in March 2021, unfortunately Ofgem did not send it out in the consultation, therefore they asked CDSP to describe to Distribution Workgroup the changes again which DA completed at the October 2021 Distribution Workgroup.

DA explained that the Regulatory Design User Group (RDUG) have suggested that it is more appropriate for the Work group to review this legal text because this group, Distribution Workgroup, has seen this Legal Text on a number of occasions, DA advised he is waiting for timings when this process is expected to be run, he wanted at least 2 weeks for parties to review the text but time may not allow for this.

DA advised that Joint Office would need to publish the documents for review with comments to be provided back to DA so that if there are any questions he can answer as appropriate.

RHa confirmed that Joint office will likely require direction from the Authority for Joint Office to issue the Consultation documentation if this is to be a formal UNC consultation, since it would be outside the normal process. If however the Workgroup was reviewing the legal text in a more informal manner, it could be done as part of Distribution Workgroup.

In order for a more detailed discussion at the 13 December 2021 Workgroup, DA asked Workgroup to review Document 8 – Other Changes to the UNC-GTs as this sets out how the Data Permissions Matrix (DPM) will interact with the Data Access Matrix.

**New Action 0111:** All Workgroup to review *Document 8 – Other Changes to the UNC-GTs* ahead of the next Workgroup meeting on 13 December 2021. See publication here: <https://www.gasgovernance.co.uk/dist/251121>

DA confirmed that once he receives clarity from Ofgem he will ask Joint Office to write out to all parties.

Discussion concluded

### 3. Workgroups

#### 3.1. 0734S – Reporting Valid Confirmed Theft of Gas into Central Systems and Reporting Suspected Theft to Suppliers

(Due to report to Panel 16 December 2021)

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

#### 3.2. 0763R - Review of Gas Meter By-Pass Arrangements

(Due to report to Panel 21 April 2022)

<https://www.gasgovernance.co.uk/0763>

#### 3.3. 0781R - Review of the Unidentified Gas Process

(Due to report to Panel 21 April 2022)

<https://www.gasgovernance.co.uk/0781>

#### 3.4. 0782 – Creation of Independent AUGE Assurer (IAA) role

(Due to report to Panel 17 February 2022)

<https://www.gasgovernance.co.uk/0782>

#### 3.5. 0784 – Transition to the Central Switching Service and the Retail Energy Code v3.0

(Due to report to Panel 17 February 2022)

<https://www.gasgovernance.co.uk/0784>

### 4. Issues

None raised.

### 5. Any Other Business

None raised

### 6. Diary Planning

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

Time / Date	Paper Publication Deadline	Venue	Programme
Monday 10:00 13 December 2021	5pm 02 December 2021	Microsoft Teams	Standard Agenda
Thursday 10:00 27 January 2022	5pm 18 January 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 24 February 2022	5pm 15 February 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 24 March 2022	5pm 15 March 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 28 April 2022	5pm 19 April 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 26 May 2022	5pm 17 May 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 23 June 2022	5pm 14 June 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 28 July 2022	5pm 19 July 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 25 August 2022	5pm 16 August 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 22 September 2022	5pm 13 September 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 27 October 2022	5pm 18 October 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 24 November 2022	5pm 15 November 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 12 December 2022	5pm 01 December 2022	Microsoft Teams	Standard Agenda

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

Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0701	22/07/21	1.3	RHa to engage with Ofgem's Cross Code Steering Group and Xoserve (DA) to understand the requirement for a Micro Business Identifier.	September 2021	Joint Office (RHa)	Closed
0901	23/09/21	1.4	Joint Office (RHa) to chase Ofgem for more regular updates either written or by attending Workgroup.	October 2021	Joint Office (RHa)	Closed
0111	25/11/21	2.0	All Workgroup to review <i>Document 8 – Other Changes to the UNC-GTs</i> ahead of the next Workgroup meeting on 13 December 2021. See publication here: <a href="https://www.gasgovernance.co.uk/dist/251121">https://www.gasgovernance.co.uk/dist/251121</a>	December 2021	All Workgroup	Pending

**UNC Workgroup 0784S Minutes**  
**Transition to the Central Switching Service and the Retail Energy Code v3.0**  
**Thursday 25 November 2021**  
**via Microsoft Teams**

<b>Attendees</b>		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
Clare Manning	(CM)	E.ON Energy
Claire Louise Roberts	(CLR)	Scottish Power
Dan Fittock	(DF)	Corona Energy
Dan Wilkinson	(DA)	EDF Energy
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
David Morley	(DMo)	Ovo Energy
Eddie Proffitt	(EP)	Major Energy Users' Council
Ellie Rogers	(ER)	Xoserve
Gareth Evans	(GE)	Waters Wye Associates
Guv Dosanjh	(GD)	Cadent
Kate Lancaster	(KL)	Xoserve
Kundai Matiringe	(KM)	BU-UK
Louise Hellyer	(LH)	Totalenergies Gas & Power
Luke Reeves	(LR)	EDF Energy
Mark Field	(MF)	Sembcorp Energy UK
Mark Jones	(MJ)	SSE
Richard Pomroy	(RP)	Wales & West Utilities
Rhys Kealley	(RK)	British Gas
Robert Johnstone	(RJ)	Utilita
Sally Hardman	(SH)	SGN
Steven Britton	(SB)	Cornwall Insight
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0784/251121>

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 February 2022.

## **1.0 Introduction and Status Review**

### **1.1. Approval of Minutes (28 October 2021)**

The minutes from the previous meeting were approved.

### **1.2. Approval of Late Papers**

There were no late papers.

### **1.3. Review of Outstanding Actions**

**Action 0110:** *Transporter Registrations* - Xoserve (DA) to provide an explanation of how this will be dealt with for the next meeting in November 2021

**Update:** Dave Addison (DA) confirmed this has been included as part of the CSS review within the Distribution Workgroup: <https://www.gasgovernance.co.uk/dist/251121>. **Closed**

**Action 0210:** DA to liaise with Proposer, Cadent, to start working on the Legal Text.

**Update:** DA advised he is in discussions with Cadent regarding the Legal text and a plan is being formulated. **Closed**

## 2.0 Amended Modification

DA referred Workgroup to Annex 1 within the Modification which is a table that describes the changes being considered and an assessment as to whether it needs to be in the Legal Text or not.

DA provided a further brief overview of the Transition arrangements for REC v3 Go-Live he presented at the October 2021 Distribution Workgroup. For a detailed update, please refer to the published slides on the 28 October 2021 meeting page: <https://www.gasgovernance.co.uk/0784/281021>

The presentation covered the following main topics:

### **Background - Slide 2**

DA advised the date of CSS implementation is not yet agreed, however, CDSP are working towards a target CSS implementation date of Monday 18 July 2022.

### **Transition Rules for Non-CSS Supply Points (SPs) - Slide 5**

Transition period: DA explained that some of the transitional elements are already described in the REC but would start 30 days in advance of CSS implementation.

DA highlighted the Transition Rule:

*Sites will be prevented from becoming a Non-CSS Supply Point where they are otherwise within the scope of CSS, and vice versa during the Transition period.*

### **CSS Supply Points – Registration - Slide 6**

This slide sets out how the Inflight Switches Management Approach has been used and DA encouraged Users to review.

DA highlighted that Registrations that start in UK Link must finish in UK Link.

### **CSS Supply Points – Confirmation - Slide 7**

Different timescales: This slide sets out the way some of the transition rules will have different timescales.

### **CSS Supply Points –Supplier Responsibilities –For Information only -Slide 8**

This slide sets out, based on a Monday Go-Live, the process of new gas and electricity registration requests.

### **CSS Supply Points –Withdrawal – Slide 10**

DA explained how Withdrawals pre and post CSS implementation will have different effects, which will depend upon:

- *whether an Isolation has been processed or not*
- *whether a Meter has never been installed and we have never received any notification of a Meter being installed*

Post CSS, the Withdrawal Notice will need to be used to flag that a meter has never been installed on the property.

**CSS Supply Points – CDSP Authority to register – Slide 12**

This slide sets out the Uniform Network Code references that will be suspended during Transition and then re-started on CSS Implementation Date.

**CSS Supply Points –Nominations / Offers – Slide 13**

DA noted that, in regard to Nominations and Offers, the terminology for pre-CSS refers to an Offer; Post-CSS it is a Detailed Registration Response.

**Impact on Other Processes – Slide 14**

This slide explains what other processes have been assessed, these are:

- Meter Reading
- Market Sector Code Update
- RGMA Transactions.

DA raised a final point that is not covered in the Modification: within the REC, Transporters; CDSP and Suppliers are subject to Transitional Requirements which will mean sending data across to CSS as part of their obligations, such as:

- Registered Meter Point (RMP) status = status
- RMP address
- Meter Asset Manager (MAM) appointment information

Communication of Alliance information will be relevant to this Modification, such as:

- Shipper / Supplier Commercial Alliance
- Shipper / Supplier Regulatory Alliance.

DA advised it is not certain yet how that information is going to be provided, following CSS implementation. There may need to be a process created to ensure the final version of the Shipper / Supplier communication alliance is set.

When Rhys Kealley (RK) mentioned his concern that as the transition of Faster Switching progresses, and with any changes within the REC, the new Data Catalogue might not keep up with the changes, DA advised that changes should not affect the message construction and he is not anticipating any changes.

**3.0 Development of Workgroup Report**

Not covered.

**4.0 Next Steps**

It was clarified that Legal Text discussions are due to commence; an update will be provided at the next Workgroup on Monday 13 December 2021.

**5.0 Any Other Business**

None.

**6.0 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)

Time / Date	Paper Publication Deadline	Venue	Programme
Monday 10:00 13 December 2021	5pm 02 December 2021	Microsoft Teams	Standard Agenda



Thursday 10:00 27 January 2022	5pm 18 January 2022	Microsoft Teams	Standard Agenda
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**Action Table (as at 25 November 2021)**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
<b>0110</b>	28/10/21	1.0	<i>Transporter Registrations</i> - Xoserve (DA) to provide an explanation of how this will be dealt with for the next meeting in November 2021.	Xoserve (DA)	<b>Closed</b>
<b>0210</b>	28/10/21	1.0	Xoserve (DA) to liaise with Proposer, Cadent, to start working on the Legal Text.	Xoserve (DA)	<b>Closed</b>

**UNC Workgroup 0734S Minutes**  
**Reporting Valid Confirmed Theft of Gas into Central Systems and**  
**Reporting Suspected Theft to Suppliers**  
**Thursday 25 November 2021**  
**via Microsoft Teams**

<b>Attendees</b>		
Rebecca Hailes (Chair)	(RHa)	Joint Office
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Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0734/251121>

The Workgroup Report is due to be presented at the UNC Modification Panel by 16 December 2021.

## **1.0 Introduction and Status Review**

### **1.1. Approval of Minutes (28 October 2021)**

The minutes were approved.

### **1.2. Approval of Late Papers**

Workgroup considered the draft amended Modification that was submitted late for the meeting and agreed to accept it because the changes reflected discussion at the October 2021 Workgroup meeting.

### 1.3. Review of Outstanding Actions

**0110:** Proposer (SM) to submit an amended Modification to incorporate the word change of *correction* to *termination* within the Business Rules

**Update:** Draft v7.0 of the Modification has been submitted as material for this meeting. **Closed**

**Action 0210:** DM to provide final Legal Text which will also include the removal of questions that are outstanding in the Explanatory Table.

**Update:** David Mitchell (DM) confirmed the questions have been removed from the explanatory table. **Closed**

**Action 0310:** Workgroup to review the Legal Text, published 28 October 2021, ahead of the next Workgroup meeting in November 2021 and pass any comments to Dave Mitchell, SGN.

**Update:** Action completed. **Closed**

## 2.0 Amended Modification and Review of Business Rules

The Proposer, Steve Mulinganie (SM) provided an overview of the changes made to the Modification 0734S which is published on the meeting page as draft v7.0.

SM explained that a replacement of the word 'correction' to 'termination' has been made throughout the Business Rules.

The Modification now has the inclusion of Business Rule 8:

*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 Supply Meter Point. The Shipper shall retain evidence of such notification and acknowledge they may be asked to provide such evidence upon request from a relevant party.*

When Workgroup considered the wording for this Business Rule, in the context of GDPR, it was noted that the Business Rule does not request specific data items, therefore it is up to parties to assess their own compliance with GDPR in the context of how they submit their information.

Dave Addison (DA) highlighted he is keen to see Business Rule 8 staying in the Modification.

It was confirmed this will be recorded in the Workgroup Report and a suggestion put forward to UNC Panel that the following statement is put in the Consultation Template:

*'In relation to [the modification] [BR8] do parties have any concerns in relation to data protection? If so, please set out the specific nature of those concerns below'.*

RHa showed on screen a paper provided at short notice from the SGN lawyer in relation to Business Rule 8 and GDPR:

Workgroup reviewed each of the points made and concluded:

Statement 2 There are no new data flows; it is a new process

Statement 3 SM advised, in the context of Business Rule 8, should not require the MPRN to be disclosed.

Statement 4 DA reiterated that the CDSP do not want Business Rule 8 to be removed. SM confirmed that Business Rule 8 will remain in the Modification.

Statement 7 It was noted that all of the flows under this Modification are in respect of theft. In particular Business Rule 1 deals with the submission of a claim that relates to valid confirmed theft of gas).

SM clarified that Business Rule 8 is a requirement where there is a suggestion of an allegation of a theft taking place. The rest of the Business Rules relate to a point after a theft has been proven.

The paper being referred to can be found published on the meeting page here: <https://www.gasgovernance.co.uk/0734/251121>.

Workgroup agreed that Business Rule 8 should remain in the Modification and the Workgroup Report will suggest that UNC modification Panel place a question in the Consultation Template to help ensure respondents have no further concerns.

RHa captured Workgroup comments in the Workgroup Report.

**New Action 0111:** SM agreed to submit Modification 0734S v7.0 to be formally amended.

### 3.0 Consideration Legal Text

DM provided an overview of the Legal Text changes. The key changes were made to the following sections of the Transportation Principal Document:

- List of Defined Terms
- Section E – Daily Quantities, Imbalances and Reconciliation
- Section V – General

DM confirmed that the Legal Text has been written in the context of draft Modification version 7.0.

Ellie Rogers (ER) sought clarification on the following sections of the Legal Text drafting:

#### **TPD Section V 14.1.6**

*Within fifteen (15) Supply Point Systems Business Days of receiving a Confirmed Energy Theft Notification from the CDSP a relevant CET Registered User may object, in respect of the Supply Meter Point referred to therein, where that CET Registered User wishes to claim a Confirmed Energy Theft Claim contains a manifest error or that it would be inappropriate to permit a Confirmed Energy Theft Withdrawal to progress (a “Confirmed Energy Theft Objection”). Notification of such Confirmed Energy Theft Objections, together with reasons for the same, shall be made to the CDSP.*

ER was concerned that the updated legal text suggested that a Claim or Withdrawal could have different outcomes in terms of an Objection. Workgroup reviewed the clause and were comfortable that the legal text confirmed a Claim or Withdrawal can both be Objected by a Shipper.

#### **TPD Section V 14.1.8**

*Providing the CDSP does not receive a Confirmed Energy Theft Objection that is compliant with the requirements of paragraph 14.1.6, and subject to no Confirmed Energy Theft Withdrawal existing in relation to a Confirmed Energy Theft Claim, the CDSP shall utilize the Theft Energy Value contained within the Confirmed Energy Theft Claim to perform an Offtake Reconciliation. The CDSP may, as it determines necessary, apply the Theft Energy Value to an existing Offtake Reconciliation in accordance with Section E1.3.1 (c)(iv) or insert a nil incrementing Meter Reading in order to generate an initial Offtake Reconciliation.*

ER advised she is concerned if CDSP do not receive a rejection, if there is no energy theft withdrawal; does this imply that a claim and a withdrawal are sent at the same time?

DM confirmed, in the absence of an objection the Theft Energy Value starts the process.

#### **TPD Section V 14.1.9 paragraph (b)**

*the CDSP shall have no power or responsibility to*

- (i) verify whether a CET Registered User's claim that a Confirmed Energy Theft Claim contains a manifest error is correct; or
- (ii) review a CET Registered User's claim that it would be inappropriate to permit a Confirmed Energy Theft Withdrawal to progress, and shall, in all cases, accept the CET Registered User's claim;

DM clarified that the triggers set out in (ii) would never come from a Shipper and said it might be possible to simplify this paragraph.

#### **TPD Section V 14.1.10 clause (b) (iv)**

*in the case of a Confirmed Energy Theft Withdrawal, the CDSP shall: (1) make reference to the Confirmed Energy Theft Withdrawal having been raised and not objected to, along with reasons, in the CDSP's reporting on the same to each of RECCo and PAC;*

ER advised this is already covered in 14.1.7 therefore this particular clause is a duplication.

#### **4.0 Completion of Workgroup Report**

RHa shared Workgroup Report v2.0 based on v6.0 of the Modification and captured Workgroup comments from the review of the concerns raised by the SGN lawyer relating to Business Rule 8 and GDPR.

Workgroup concluded this is a matter which can be addressed through the inclusion of a suitable consultation question, such as:

*"In relation to Modification 0734S, do parties have any comments in relation to data protection? If so, please set out the specific nature of these below."*

As a result of the consultation question Workgroup agreed this may change the governance route of the Modification with a possible change from Self-Governance to Authority Direction.

#### **Implementation**

The interim solution will be discussed at the DSC Change Management Committee on 08 December 2021.

In summary the Workgroup Participants unanimously supported the Modification.

End of discussion

#### **5.0 Next Steps**

RHa confirmed the Workgroup will put the finishing touches to the Workgroup Report at the next meeting on 13 December and in the meantime the Proposer should formally submit v7.0 so it can be formally amended. After 13 December, the Report will be presented to the December 2021 UNC Panel.

#### **6.0 Any Other Business**

##### **6.1. Rough Order of Magnitude update**

As discussed at Workgroup on 28 October 2021, ER confirmed with Workgroup that there is an agenda item for the DSC Change Management Committee meeting on 08 December 2021 where the option to introduce the interim solution until the CMS rebuild is complete will be considered.

#### **7.0 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	Publication Deadline	Venue	Programme
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Monday 10:00 13 December 2021	5pm 02 December 2021	Microsoft Teams	Standard Agenda
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Action Table (as of 25 November 2021)						
Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0110	28/10/21	2.0	Proposer (SM) to submit an amended Modification to incorporate the word change of <i>correction</i> to <i>termination</i> within the Business Rules	November 2021	Gazprom Energy (SM)	Closed
0210	28/10/21	2.0	DM to provide final Legal Text which will also include the removal of questions that are outstanding in the Explanatory Table	November 2021	SGN (DM)	Closed
0310	28/10/21	5.0	Workgroup to review the Legal Text, published 28 October 2021, ahead of the next Workgroup meeting in November 2021 and pass any comments to Dave Mitchell, SGN	November 2021	Workgroup	Closed
0111	25/11/21	2.0	SM agreed to submit Modification 0734S v7.0 to be formally amended	December 2021	Proposer (SM)	Closed

**UNC Workgroup 0763R Minutes  
Review of Gas Meter By-Pass Arrangements  
Thursday 25 November 2021  
via Microsoft Teams**

<b>Attendees</b>		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
Clare Manning	(CM)	E.ON Energy
Claire Louise Roberts	(CLR)	Scottish Power
Dan Fittock	(DF)	Corona Energy
Dan Wilkinson	(DA)	EDF Energy
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
David Morley	(DMo)	Ovo Energy
Eddie Proffitt	(EP)	Major Energy Users' Council
Ellie Rogers	(ER)	Xoserve
Eric Fowler	(EF)	Metering Expert Group
Gareth Evans	(GE)	Waters Wye Associates
Guv Dosanjh	(GD)	Cadent
Kate Lancaster	(KL)	Xoserve
Kundai Matiringe	(KM)	BU-UK
Louise Hellyer	(LH)	Totalenergies Gas & Power
Luke Reeves	(LR)	EDF Energy
Mark Field	(MF)	Sembcorp Energy UK
Mark Jones	(MJ)	SSE
Richard Pomroy	(RP)	Wales & West Utilities
Rhys Kealley	(RK)	British Gas
Robert Johnstone	(RJ)	Utilita
Sally Hardman	(SH)	SGN
Steven Britton	(SB)	Cornwall Insight
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0763/251121>

The Workgroup Report is due to be presented at the UNC Modification Panel by 20 January 2022

## 1.0 Introduction and Status Review

Rebecca Hailes (RHa) welcomed everyone to the meeting.

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

The minutes from the previous Workgroup were approved.

### 1.2. Approval of Late Papers

The ENA document provided by Eric Fowler (EF) was accepted and not considered as a late paper as the verbal update will be enhanced by the document being available.

### 1.3. Review of Outstanding Actions

**0801:** Shippers to report back their findings from the track and trace exercise to see if there is any commonality. Report back September 2021.

**Update:** Tracey Saunders (TS) advised; in view of the current Market circumstances this has not progressed much further. At last month's Workgroup it was identified that lots of problems appear to lie with the Meter Asset Managers (MAMs) which is when it was agreed that an invitation for a representative from the Metering Expert Group should be submitted, see Action 0110. **Closed**

**Action 0110:** *Workgroup concluded Meter Asset Manager Code of Practice (MAMCOP), and REC are also involved. SM to raise this at the next Metering Expert Group and invite someone from that group to attend the next 0763R Workgroup.*

**Update:** This has been completed and Eric Fowler (EF), as a representative from the Metering Expert Group attended this Workgroup. **Closed**

## 2.0 Consideration of Request

### 2.1 Review Further Analysis

RHa explained that during Workgroup discussions on 28 October 2021, it was identified that a lot of the issues that Workgroup are uncovering are not just UNC issues, therefore it was agreed to invite a representative from the Metering Expert Group. RHa welcomed Eric Fowler, representative from the Metering Expert Group.

EF was invited to provide an understanding of the obligations that the MAM work to, he advised that from the MAM perspective, there are specific obligations that sit in the Meter Asset Management Code of Practice (MAMCoP). At the point of designing a by-pass, the MAM seeks authorisation with the relevant Gas Transporter; EF advised he contacted various MAM to confirm how they do this and was advised page 11 of the ENA document provided for the meeting specifies what the MAM should do.

If this procedure is not followed, it is determined as a breach of MCoP (<https://www.retailenergycode.co.uk/extra/wp-content/uploads/2021/08/MCoP-gas.pdf>)

EF advised that he could suggest at the Metering Expert Group that the auditors apply more of a focus in this area.

TS noted that the MAMs have advised that they have no systems in place to flag to say when there is a bypass in place.

EF mentioned, historically, data has not always been as good as it should be. This should be monitored via the Performance Assurance Board (PAB) in Retail Energy Code (REC) rather than the Metering Expert Panel.

Steve Mulinganie (SM) noted it has been determined there is no widespread abuse of by-passes, however, there are lots of issues and multiple handoffs. He said the Industry would benefit from some clarity on the process, some sort of By-Pass Lifecycle Handoff/guidance Document that includes Roles and Responsibilities.

EF clarified the parties involved would be:

- MAMs
- Gas Transporters
- Suppliers
- CDSP
- Customer.

It was agreed that, in order to assist in the understanding what all parties need to do and who needs to be informed, the guidance should cover:



- Installation of a by-pass
- Operation of a by-pass
- Closure a by-pass
- Removal of a by-pass

The Proposer (CLR) agreed a Guidance Note would be helpful.

**New Action 0111:** Proposer (CLR) to work on producing straw man of the Guidance Note.

**New Action 0211:** RHa to put EF in touch with the Proposer – Claire Louise Roberts (CLR)

RH suggested an alternative approach where the MAMs are asked what by-passes they have installed, which will give the data from an alternative point of view. SM responded that the risk did not appear to justify such a wider ranging activity at this stage.

It was agreed that the production of the Guidance Note and the REC-based auditors focussing on the process will help.

EF advised there are two forms of Auditors:

1. MCOP technical code compliance
2. RGMA falls under the PAB part of REC

TS clarified that a reduction of closed by-passes, from 149 down to 52, has been seen recently and also a reduction and decline in volumes. It was confirmed that Martin Attwood at Correla is working in this area.

For Workgroup information RHa advised of an action taken at PAC:

*PAC Action PAC1104: Reference Shipper Consumption Adjustment Validation – Correla (MA) to investigate what validation processes are followed and thereafter provide an update to the 0763R 'Review of Gas Meter By-Pass Arrangements' Workgroup.*

## 2.2 Review Data Cleansing Requirements

### 2.2.1. Meter By-Pass Analysis Update

No further discussion.

### 2.2.2. Data Cleansing

No further discussion.

### 2.2.3. Review of End-to-End Process

No further discussion.

## 3.0 Next Steps

RHa confirmed the next steps to be:

- Review the strawman of the Guidance Document.
- If the Guidance Document is not ready, there will be no meeting in December 2021.

## 4.0 Any Other Business

None.

## 5.0 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	Paper Publication Deadline	Venue	Programme
10:00 Thursday 13 December 2021	5pm 02 December 2021	Microsoft Teams	Review the strawman of the Guidance Document
10:00 Thursday 27 January 2022	5pm 18 January 2022	Microsoft Teams	TBC

Action Table (as of 25 November 2021)						
Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0801	26/08/21	1.3	Shippers to report back their findings from the track and trace exercise to see if there is any commonality. Report back September 2021	September 2021	Transporters/ Shippers	<b>Closed</b>
0110	28/10/21	2.1	<i>Workgroup concluded Meter Asset Manager Code of Practice (MAMCOP), and REC are also involved. SM to raise this at the next Metering Expert Group and invite someone from that group to attend the next 0763R Workgroup</i>	November 2021	Gazprom Energy (SM)	<b>Closed</b>
0111	25/11/21	2.1	Proposer (CLR) to work on producing straw man of the Guidance Note	December 2021	Proposer (CLR)	<b>Pending</b>
0211	25/11/21	2.1	RHa to put EF in touch with the Proposer – Claire Louise Roberts (CLR)	December 2021	Joint Office (RHa)	<b>Pending</b>

**UNC Workgroup 0781R Minutes**  
**Review of the Unidentified Gas process**  
**Thursday 25 November 2021**  
**via Microsoft Teams**

<b>Attendees</b>		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
Clare Manning	(CM)	E.ON Energy
Claire Louise Roberts	(CLR)	Scottish Power
Dan Fittock	(DF)	Corona Energy
Dan Wilkinson	(DA)	EDF Energy
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
David Morley	(DMo)	Ovo Energy
Eddie Proffitt	(EP)	Major Energy Users' Council
Ellie Rogers	(ER)	Xoserve
Gareth Evans	(GE)	Waters Wye Associates
Guv Dosanjh	(GD)	Cadent
Kate Lancaster	(KL)	Xoserve
Kundai Matiringe	(KM)	BU-UK
Louise Hellyer	(LH)	Totalenergies Gas & Power
Luke Reeves	(LR)	EDF Energy
Mark Field	(MF)	Sembcorp Energy UK
Mark Jones	(MJ)	SSE
Richard Pomroy	(RP)	Wales & West Utilities
Rhys Kealley	(RK)	British Gas
Robert Johnstone	(RJ)	Utilita
Sally Hardman	(SH)	SGN
Steven Britton	(SB)	Cornwall Insight
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0781/251121>

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 April 2022.

## 1.0 Introduction and Status Review

### 1.1. Approval of Minutes (28 October)

Rebecca Hailes (RHa) advised that Joint Office is in receipt of some amendments to be made to the minutes from 28 October 2021 requested by David Morley (DMo). RHa showed a change marked version of the minutes onscreen for Workgroup to approve.

Workgroup agreed the amendments submitted and agreed to a small number of further minor amendments. A change marked copy of the minutes has been published and can be found here: <https://www.gasgovernance.co.uk/0781/281021>

## 1.2. Approval of Late Papers

RHa confirmed there were no late papers for Workgroup to consider.

## 1.3. Review of Outstanding Actions

**Action 0110:** GE to provide for Workgroup how market changes would factor into this group.

**Update:** The update to this action is captured in section 2.0 of the minutes. **Closed**

## 2.0 Initial Analysis

Workgroup briefly considered the Ofgem Decision Letter for *Modification 0229 - Mechanism for correct apportionment of unidentified gas* and noted Ofgem's comments regarding the intention for Modification 0229 which was to help to pave the way for appropriate incentives on both Large Supply Point (LSP) and Small Supply Point (SSP) sectors.

Modification 0229 looked to establish a framework for the identification of both the types of unidentified gas and the extent to which differing market sectors contribute to this error, and the allocation of the error to the relevant sectors.

It was highlighted that Industry now have a number of other mechanisms to look at losses, for example the Theft Risk Assessment Service (TRAS), which, as per REC Schedule 7 Energy Theft Reduction Document, this service now sits within the Retail Energy Code, who provide industry input to the development of the Theft Risk Assessment Service process.

The Proposer, Dan Fittock (DF) said that the Ofgem decision letter relating to Modification 0473 - *Project Nexus – Allocation of Unidentified Gas*, could be quite pertinent too as it is this Modification that saw the creation of the Allocation of Unidentified Gas Expert (AUGE).

Rhys Kealley (RK) suggested, in the same way as commentary for Modification 0229 is being considered, it would be useful to have to hand the Ofgem decision Letter for Modification 0473/0473A *Project Nexus – Allocation of Unidentified Gas*.

**New Action 0111:** Joint Office to publish the Ofgem decision letter for *Modification 0473/0473A - Project Nexus – Allocation of Unidentified Gas* on the Review Modification 0781R page

### **Post Meeting Update:**

*The Ofgem Decision Letter from Modification 0473 and 0473A has been published here: <https://www.gasgovernance.co.uk/0781>. Action 0111 Closed*

Steve Mulinganie (SM) commented that he did not want to relive old Modifications as he feels this would be irrelevant, the Workgroup should concentrate instead on current process.

Gareth Evans (GE) advised that the unfortunately the Elexon colleagues expected to attend this Workgroup to talk about Group Correction Factors (concept in electricity) had had to be rescheduled to the next meeting on 13 December 2021.

GE provided an update to **Action 0110:** *GE to provide for Workgroup how market changes would factor into this group* and advised that the Market is changing on a daily basis. He has been looking at existing policy where, unlike electricity, there is no drive to mandating daily metering or shorter periods of granularity. He believed there is no impact from the Faster Switching program.

As part of the action update, GE advised the SMART Metering rollout program is looking to complete by 2025, noting that although 100% roll out is the target, reaching that target is not expected in practice. Upon completion of the roll out there is a possibility there could be an impact on the accuracy and speed with which UIG is calculated.

GE advised he is also considering what happens to those meters that were installed prior to the implementation of Modification 0473 - *Project Nexus – Allocation of Unidentified Gas*. These Modifications sought to identify changes to the UNC to enable determination in the proposed energy allocation process to enable an appropriate distribution of Unidentified Gas.

GE confirmed there was currently no regulatory drive to move smart meters to a DM basis.

It was agreed to close Action 0110 as the preference should be to look at what the current process is.

RHa noted that a recent large migration to Profile Class 3 was a result of a change in the AUG Statement.

RHa advised Workgroup that the Performance Assurance Committee (PAC) have worked hard to encourage those Shippers who were required to do so, to submit data for use in the Non-Daily Metered (NDM) sample creation task (with April and October submission windows). This has been successful meaning the data to effect change is being contributed to in the background.

Louise Hellyer (LH) noted that Workgroup need to look at what the major concerns are with the current process. GE suggested that at the next Workgroup he would go through the basic level the end-to-end UIG process, including the market underpinnings, volatility, complexity, and the incentives, this will allow the Workgroup to agree the criteria on which to start ranking the options as provided on 28 October 2021. He confirmed in addition to the options outlined at the last meeting there were two additional ones:

1. Uniform Allocation
2. Static Model
3. Static Model (with regular audit)
4. Utilise existing industry datasets
5. Utilise existing industry datasets (AUGE topup)
6. Balancer of last resort
7. Smoother transition of scaling factor changes
8. UIG Framework responsibility of sub-committee
9. (New) Lengthen the duration of the AUGE term
10. (New) Apply some method of smoothing/mitigation when transitioning from one AUGE regime to the next.

The list of criteria discussed briefly by Workgroup was:

- Fairness in intent
- Feasibility
- Overall volume volatility
- Stability from year to year
- Ease of explanation
- Scaling.

When DMO suggested it could be useful to invite the current AUGE to the Workgroup meeting, GE reiterated that this Review Workgroup is looking at the UIG process not the AUGE process. Workgroup agreed that if the AUGE want to attend they can do as all UNC Workgroups are open.

SM suggested the Workgroup also look to see how much of UIG is model error and how much is permanent UIG.

This concluded the Workgroup discussions.

### **3.0 Next Steps**

RHa confirmed the next Workgroup will consider at a basic level the current end-to-end UIG process, including the market underpinnings, volatility, complexity, and the incentives, this will allow the Workgroup to agree a list of criteria and start ranking the options as provided on 28 October 2021 and the additional options outlined at today's meeting.

### **4.0 Any Other Business**

None.

## 5.0 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	Paper Publication Deadline	Venue	Programme
10:30 Thursday 13 December 2021	5pm 02 December 2021	Microsoft Teams	<ul style="list-style-type: none"> <li>• Consideration of the current end-to-end UIG process</li> <li>• Ranking of list of options</li> </ul>

### Action Table (as at 25 November 2021)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0110	28/10/21	2.2	GE to provide for Workgroup how market changes would factor into this group.	Gareth Evans (GE)	Closed
0111	25/11/21	2.0	Joint Office to publish the Ofgem decision letter for <i>Modification 0473/0473A - Project Nexus – Allocation of Unidentified Gas</i> on the Review Modification 0781R page.	Joint Office (HB)	Closed

**UNC Workgroup 0782 Minutes**  
**Creation of Independent AUGÉ Assurer (IAA) role**  
**Thursday 25 November 2021**  
**via Microsoft Teams**

<b>Attendees</b>		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
Clare Manning	(CM)	E.ON Energy
Claire Louise Roberts	(CLR)	Scottish Power
Dan Fittock	(DF)	Corona Energy
Dan Wilkinson	(DA)	EDF Energy
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
David Morley	(DMo)	Ovo Energy
Eddie Proffitt	(EP)	Major Energy Users' Council
Ellie Rogers	(ER)	Xoserve
Gareth Evans	(GE)	Waters Wye Associates
Guv Dosanjh	(GD)	Cadent
Kate Lancaster	(KL)	Xoserve
Kundai Matiringe	(KM)	BU-UK
Louise Hellyer	(LH)	Totalenergies Gas & Power
Luke Reeves	(LR)	EDF Energy
Mark Field	(MF)	Sembcorp Energy UK
Mark Jones	(MJ)	SSE
Richard Pomroy	(RP)	Wales & West Utilities
Rhys Kealley	(RK)	British Gas
Robert Johnstone	(RJ)	Utilita
Sally Hardman	(SH)	SGN
Steven Britton	(SB)	Cornwall Insight
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0782/251121>

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 February 2022.

## 1.0 Introduction and Status Review

### 1.1. Approval of Minutes (28 October)

RHa noted a small change had been submitted and showed a change marked version of the minutes, Workgroup approved the Minutes.

### 1.2. Approval of Late Papers

Workgroup agreed to accept the late paper which was a copy of an Ofgem decision letter from 2010, published on 23 November 2021. This was accepted on the basis that the material was already available in the public domain.

### 1.3. Review of Outstanding Actions

None to discuss

## 2.0 Initial Discussion

### 2.1. Issues and Questions from Panel

#### 2.1.1. Consider alignment of other work being carried out in respect of AUGE process

DA expressed his concern about the proposed IAA role, specifically how the IAA would interact with the AUGE and noted he cannot see how the role specification can progress without a review of the AUGE Framework as there appears to be key statements within the Modification that would effectively amend the Framework. DA made the statement that the current AUGE operates in accordance with the current Framework, a future AUGE will operate to any future Framework.

DA advised he has reviewed the Framework Document and encouraged others to review it and noted that the AUGE would be in its 3rd year of operation if the IAA commences April 2023.

RH noted that it was not clear in the Modification whether the new arrangements would be expected to impact an existing AUGE or whether the new arrangements would coincide with the timeline/cycle for recruitment of a further AUGE?

#### 2.2. The Framework for the Appointment of an Allocation of Unidentified Gas Expert can be found here: <https://www.gasgovernance.co.uk/tpddocs>. **Initial Representations**

The Initial representation received from Citizen's Advice was covered indirectly and will be covered more specifically at the next meeting.

#### **Citizen Advice:**

*It is unclear why the material issue of 0782 is not included as part of the issues to be reviewed under 0781R when 0781R is intended as an extensive review - especially as both Modifications are proposed by the same proposer.*

*As the issue in 0782 is a proposal which could be considered within 0781R, there appears a high risk that progressing both Modifications would lead to a duplication of work for all parties involved. The advancement of 0782 also presupposes any potential discussions that would take place in the workgroup of 0781R.*

*Both Modifications progressing simultaneously appears to be an ineffective use of panel, JO and industry time and resources.*

### 2.3. Terms of Reference

As additional questions have been referred from Panel, and Joint Office are in receipt of an initial representation from Citizen Advice, a specific Terms of Reference will be published alongside the Modification at <http://www.gasgovernance.co.uk/0782>

## 3.0 Amended Modification

Gareth Evans (GE) provided an overview of the amendments he proposes to Modification 0782.

### **Section 5 Solution**

#### **Appointment of the IAA**

Addition: the CDSP will be expected to commence work on tendering for the IAA as soon as this Modification is approved;

#### **Activities of the IAA**



Addition: The primary functions of the IAA:

- a) Assess the AUGE's compliance with the Framework through continuous engagement with the AUGE, reporting to the industry periodically on progress.
- b) Suggest any proposed improvements to the AUGE as part of its engagement under 4a.
- c) Report any Non-Compliance findings to the AUGE sub-committee (see BR 7) .
- d) Develop any remedies to any Non-Compliance findings where the IAA deems it necessary.

Addition: The IAA will be required to provide regular reports to the industry on its findings regarding the AUGE's compliance with the Framework, in addition to issuing any Non-Compliance findings.

### **Activities of the AUGE**

Addition: The AUGE will be required to provide full access to allow the IAA to assess the AUGE's compliance with the Framework.

GE provided a short update on the main questions that were raised as part of the October 2021 Workgroup discussions. For a detailed update, please refer to the published slides on the meeting page: <https://www.gasgovernance.co.uk/0782/251121>.

The presentation covered the following main topics. Where there was specific interaction regarding particular slides with the Workgroup members, this has been captured within the minutes for each section of the presentation.

### **IAA/AUGE engagement**

- *We see the IAA role as a continuous process, with regular interaction with AUGE as it works.*
- *IAA will be expected to engage with the AUGE during development of methodology.*
- *There will not be a formal timetable for the IAA to report or delivery to industry.*
- *IAA will align with the internal work schedule of the AUGE firstly and then report to industry in line with the AUG timetable.*
- *Have provided mission statement in the solution.*
- *Creation of a rigid delivery timeline in the UNC will impair process.*
- *IAA is expected to inform industry on its work. Currently reflected in BR 9: " The IAA will be required to provide regular reports to the industry on its findings regarding the AUGE's compliance with the Framework, in addition to issuing any Non-Compliance Findings."*
- *IAA will also be expected to engage with industry: BR7: "Users will be able to report any perceived non-compliance to the IAA who will required to respond to the User in a reasonable timeframe. The IAA will not be required to act on the report by the User".*
- *Confident that CDSP can deliver an effective contract to achieve this, overseen by the Contract Management Committee.*

When DA noted his concern that the IAA role will be seen as opportunity to suggest that the AUGE has not performed correctly and there needs to be a clear framework against which the IAA is operating, GE said accepted this, but he would not advocate it being in the Uniform Network Code.

When RHa asked why the role is not simply a part of the existing role of Contract Manager, Steve Mulinganie (SM) commented that the Contract Manager is supposedly the Uniform Network Code Committee (UNCC), but the UNCC are unable to discharge the obligations. Rhys Kealley (RK) suggested Xoserve could be the Contract Manager as they have internal

quality checking measures in terms of the contract between Xoserve and the AUGE. He added this is a key question to address as part of the Review.

DA commented that the AUGE contract is a very polarising subject and that historically where some parties have been happy with the output, others have not been. The way the contract is executed, the Framework describes the sole discretion of the AUGE.

GE reminded Workgroup that when concerns with the output of the AUGE were raised by parties with UNCC, it was found there was no mechanism for concerns to be addressed or properly looked into.

When questioned, GE clarified the purpose of the IAA role is not to investigate the contract between Xoserve and the AUGE, it is to ensure the AUGE complies with the methodology.

David Morley (DMo) asked, GE clarified that the requirement for data mechanisms need to be robust. DMo said that it is hard to understand the methodology without understanding the numbers that sit behind it, he felt it is integral to understand both.

Referring to Bullet Point 4 on slide 2 of the presentation “*IAA will align with the internal work schedule of the AUGE firstly and then report to industry in line with the AUG timetable.*” DA advised that interaction between the IAA and the AUGE will impact the AUGE timetable.

When DA questioned the ‘How’ section in the Modification, where it refers to the IAA directing remedial actions and setting out a ‘report setting out its work for the year’, GE explained the IAA engages with the AUGE; the IAA forms a view and then the IAA interacts with the AUGE. GE agreed to revisit this section to explain further what is meant in this section.

Workgroup concluded at this point; the remaining 2 slides were not considered.

#### **4.0 Development of Workgroup Report**

This was not discussed at this meeting.

#### **5.0 Next Steps**

RHa confirmed that Panel Questions; the Initial Representation and approval of the Terms of Reference will be considered at the next Workgroup.

RHa also confirmed that GE will submit an amended Modification based on the discussions by Workgroup so far.

#### **6.0 Any Other Business**

None.

#### **7.0 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:

<b>Time / Date</b>	<b>Paper Publication Deadline</b>	<b>Venue</b>	<b>Programme</b>
Monday 10:00 13 December 2021	5pm 02 December 2021	Microsoft Teams	<ul style="list-style-type: none"> <li>• Panel Questions</li> <li>• Initial Representation consideration</li> <li>• Approval of Terms of Reference</li> <li>• Review of amended Modification</li> </ul>
Thursday 10:00 27 January 2022	5pm 18 January 2022	Microsoft Teams	<ul style="list-style-type: none"> <li>• Standard Agenda</li> </ul>

**Action Table (as at 25 November 2021)**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
<b>No outstanding actions</b>					