

UNC Transmission Workgroup Minutes
Thursday 03 February 2022
via Microsoft Teams

Attendees

Eric Fowler (Chair)	(EF)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Adam Bates	(AB)	South Hook Gas
Alex Neild	(AN)	BBLC
Anna Shrigley	(ASh)	Eni
Anna Stankiewicz	(ASt)	National Grid
Ashley Adams	(AA)	National Grid
Carlos Aguirre	(CG)	Pavilion Energy
Chris Wright	(CW)	Exxon Mobil
Daniel Hisgett	(DHi)	National Grid
Hannah Reddy	(HR)	Corella
Jeff Chandler	(JCh)	SSE
James Doyle	(JD)	Fox Entity
Julie Cox	(JCx)	Energy UK
Lauren Jauss	(LJ)	RWE
Malcolm Montgomery	(MM)	National Grid
Mark Field	(MF)	Sembcorp
Max Lambert	(ML)	Ofgem
Nick Wye	(NW)	Waters Wye Associates
Paul O'Toole	(POT)	NGN
Pavanjit Dhesi	(PD)	Interconnector
Phil Hobbins	(PH)	National Grid
Richard Fairholme	(RF)	Uniper
Ritchard Hewitt	(RHe)	Hewitt Home and Energy Solutions
Shiv Singh	(SS)	Cadent
Steven Britton	(SB)	Cornwall Energy
Terry Burke	(TB)	Equinor

Copies of all papers are available at: <https://www.gasgovernance.co.uk/tx/030222>

1. Introduction and Status Review

Eric Fowler (EF) welcomed all parties to the meeting.

1.1. Approval of minutes (06 January 2022)

The minutes from the previous meeting was approved.

1.2. Approval of Late Papers

EF noted 4 late papers had been provided for information after the publication deadline, reminding the Workgroup of the need to provide meeting papers in good time.

Julie Cox (JCx) enquired if the Joint Office actively chase papers expected. EF confirmed that the Joint Office do remind parties when papers are required by. The Workgroup considered the consequences of late papers, the routine of accepting late papers, the detriment of late papers and the ability to adequately review papers that require decisions.

1.3. Review of Outstanding Actions

0101: Ofgem to provide update on what information can be made available regarding the 2021 Exit Capacity Allocation Process.

Update: Update due March. **Carried Forward.**

0102: National Grid (PH) to provide the Transmission Workgroup with an update on the utilisation of Modification 0788 and any unintended consequences.

Update: See Item 6.0. **Closed.**

Panel Action PAN 11/01: Joint Office (Transmission Workgroup Chair) to ensure Modification 0788 (Urgent) is assessed at the February 2022 Workgroup with the aim to report to the February 2022 Panel February 2022

Update: See Item 6.0. **Closed.**

1.4. Industry Update from Ofgem

Max Lambert (ML) provided the Ofgem update for the below listed items. For full details, please refer to the [Industry Update from Ofgem](#) published at:

<https://www.gasgovernance.co.uk/tx/030222>

- Decision on modifications regarding Last Resort Supply Payment Claim deadlines for gas transporter licence conditions
- UNC 0765: New retrospective debit and credit charges to reflect changes to the treatment of Entry Capacity Revenue between October and December 2020 – Authority Decision
- Decision on the Transmission Planning Code
- UNC 0760: Introducing the concept of a derogation framework into Uniform Network Code (UNC) – Authority Decision
- GB Gas Storage Facilities 2022
- UNC 0797 (Urgent): Last Resort Supply Payments Volumetric Charges – Authority Decision
- Consultation on the closeout methodologies for RIIO-GT1
- Green Gas Support Scheme and Green Gas Levy Launch
- SGN Local Transmission System (LTS) Futures Project
- Statutory consultation on modifications regarding Last Resort Supply Payment Claims for electricity supply, gas supply, electricity distribution and gas transporter licence conditions

1.5. Pre-Modification discussions

1.5.1. Apollo Project

Malcom Montgomery (MM) provided a presentation explaining the background to the Apollo Project to replace Gemini, apologising for the late information paper.

MM explained that Gemini is an aging legacy system procured by National Grid, through the Central Data Service Provider (CDSP) Xoserve which is becoming increasingly difficult to change. National Grid have therefore undertaken a competitive tender process to identify and develop a modernised digital system, which will enable a faster response to changing market conditions.

MM provided an overview of the regulatory impacts which included the need for UNC and DSC Modifications. MM expected to raise a Modification for the February UNC Modification Panel with mobilisation in July/August 2022.

Richard Fairholme (RF) enquired how this may change the ownership model and how Shippers would be involved in future changes. Julie Cox (JCx) echoed the concern. MM noted the need

for new governance which involved all the relevant stakeholders and reassured the Workgroup that National Grid are mindful of this.

Jeff Chandler (JCh) asked if there will be any impact on the Shipper interfaces, MM reassured the Workgroup that the outline specification is that the current APIs will continue however MM was unable to confirm the position with other changes although the intent is to minimise these.

Mark Field (MF) asked about testing and running parallel systems. MM confirmed a more detailed timeline will be provided at the first Workgroup with confirmation of the intended implementation date.

Lauren Jauss (LJ) enquired about the mobilisation and what this entailed. MM clarified this will be the mobilisation of the contract to enable delivery of the new system.

Terry Burke (TB) made a request that National Grid avoid implementation that coincided with either 01 October or 01 January to assist with a smoother transition. 01 July was also noted as a date that the Distribution Networks would look to avoid.

Anna Shrigley (ASh) enquired about the June 2024 implementation date and made a request for National Grid to facilitate specialised IT meetings for Shippers to consider the technical changes and dedicated meetings to allow full consideration of all the documentation. MM anticipated numerous workshops taking place with the industry and agreed that it may be helpful for his colleague Mark Barnes to attend a future Transmission Workgroup to provide a high-level outline of the programme.

EF asked National Grid to ensure documents they wish parties to consider are submitted in good time for interested parties to digest ahead of meetings.

2. European Code Updates

Phil Hobbins (PH) confirmed there is no further update to that provided last month.

Further information can be found at: [https://ec.europa.eu/energy/topics/markets-and-consumers/market-legislation/hydrogen-and-decarbonised-gas-market-package_en#:~:text=On%](https://ec.europa.eu/energy/topics/markets-and-consumers/market-legislation/hydrogen-and-decarbonised-gas-market-package_en#:~:text=On%20)

3. Gas Safety (Management) Regulations - GS(M)R Review

Phil Hobbins (PH) provided an update on the HSE published impact assessment and consultation on proposals to amend the Gas Safety (Management) Regulations 1996, with links to information at:

[Gas Safety \(Management\) Regulations 1996 \(legislation.gov.uk\)](https://www.legislation.gov.uk/uksi/1996/1000/contents/made)

[A guide to the Gas Safety \(Management\) Regulations 1996. Guidance on Regulations - L80 \(hse.gov.uk\).](https://www.hse.gov.uk/guidance/gas-safety-management-regulations-1996/)

The consultation is open for eight weeks until 21 March 2022, and can be accessed at: <https://consultations.hse.gov.uk/hse/cd291-revision-gas-safety-management-regulations>

PH had anticipated that the legislation process was going to begin in October 2022 but wished to note having read the documentation that the aim is to complete this by October 2022.

PH confirmed that National Grid are looking to raise a single Modification as opposed to making numerous Modifications to amend individual network agreements, confirming updates will be provided at future Workgroups.

Noting the need to be Hydrogen ready by 2023 Ritchard Hewitt (RHe) asked what is happening with Hydrogen within GSMR. PH confirmed there are no Hydrogen changes in this revision of GSMR and accepted that further changes would be necessary in order to accommodate Hydrogen although he was not aware of firm plans for progressing such changes.

The Workgroup considered the different parameters, the revised regulations coming into force, WOBBE index changes and the impacts on entry points. Chris Wright (CW) asked for National Grid to set out the process following the legislative changes and the timelines.

4. Review of Transmission Modification Implementation dates

Anna Stankiewicz (AS) confirmed there are no changes to the horizon plan to note this month except that Modification 0765 - *New retrospective debit and credit charges to reflect changes to the treatment of Entry Capacity Revenue between October and December 2020*, had been rejected.

EF requested that National Grid provide an update in the Horizon Plan on the Interconnector storage capability, with this having been delayed

Mark Field (MF) also asked if National Grid could add the UNC Modification references to the document.

5. Overrun Update

Anna Stankiewicz (AS) provided the Workgroup with the monthly Overrun Report, noting it had been agreed to conduct a more thorough review in April.

Julie Cox (JCx) asked for clarification on what the deep dive in April will incorporate. AS confirmed the intention will be to consider the report in more detail including the breakdown of customer types, the days over-runs have occurred and if these can be related to any balancing actions undertaken.

6. UNC Panel Referral: Consequences of Modification 0788 (Urgent) - Minimising the market impacts of 'Supplier Undertaking' operation

EF noted the Panel referral from November 2021 for National Grid to provide an update on the:

- Utilisation of Modification 0788 (extent and duration).
- Consideration of any consequential activities which may be required and any unintended consequences.

Phil Hobbins (PH) provided a post implementation review reporting the extent of utilisation, any consequential impacts and unintended consequences.

PH reminded the Workgroup of the concept of Modification 0788 to allow the Supplier to mitigate its exposure to the SMP buy cash-out price and to reduce the requirement for residual balancing action to make up the shortfall in supply, by being able to make arrangements with another Shipper to deliver gas against its portfolio.

PH provided an overview of the utilisation and the quantities traded under the 0788 solution.

PH concluded processes have worked as intended, achieving objectives of the Modification. No unintended consequences have been identified therefore no adjustments to the solution are deemed necessary. It was noted that some suppliers have elected not to take advantage of the process.

Julie Cox (JCx) enquired where Suppliers opt not to utilise 0788 if National Grid had early insight of over-delivering, and the timings of National Grid realising Suppliers are nominating long. PH explained that conscious decisions have been made by some Suppliers to undertake an alternative approach and not to take advantage of the 0788 process, however he was not aware of all the timing aspects of each case. JCx identified that if National Grid is not aware of the Supplier intent then it may undertake actions under the provisions of Modification 0791 that are in fact not necessary. PH agreed to expand on the interactions of Modification 0788 with Modification 0791 - *Contingency Gas Procurement Arrangements when a Supplier acts under a Deed of Undertaking*, at the March Transmission meeting.

7. Workgroups

7.1. 0771S - Removal of the absolute requirement to include a Remotely Operable Valve (ROV) Installation for all new NTS Entry connections (Report to Panel 17 February 2022)

<https://www.gasgovernance.co.uk/0771>

7.2. 0798 - Enablement of Exit Assignment process at Interconnectors

(Report to Panel 17 February 2022)

<https://www.gasgovernance.co.uk/0798>

8. New Issues

Julie Cox (JCx) enquired about the Gas Goes Green Report, and early engagement on the Hydrogen and UNC impacts, being conscious work should have already commenced.

Eric Fowler (EF) asked if National Grid can provide the Workgroup with a helicopter view. Phil Hobbins (PH) agreed to consider providing a view on the impacts and what sort of timetable may be involved.

9. Any Other Business

9.1. Exit Capacity Release Methodology Statement

Anna Stankiewicz (ASt) provided a presentation on the Exit Capacity Release (ExCR) methodology review informing the Workgroup that National Grid had started a review of the methodology with a target completion date of 01 July 2022.

Providing the scope of the review, ASt welcomed feedback on any further changes that Shippers wish to be considered.

ASt provided a timetable of the next steps, engagement and consultation. Adam Bates (AB) enquired if this had to be undertaken by July, ASt explained the July date was driven by User Agreement Reduction Changes, which is reviewed every 2 years but this did not have a prescribed timetable.

9.2. Weekly NTS Capacity auctions

Nick Wye (NW) wished to present some potential changes to the capacity regime and the weekly auctions as a result of Modification 0752S - *Introduction of Weekly Entry Capacity Auction*, from April 2022.

Noting that the same justification for Modification 0752S could be applied to NTS offtakes to optimise commercial positions, similar to entry, NW enquired if parties would be interested in such a product, highlighting there should be a reduction to NTS Exit Capacity Reserve price.

Jeff Chandler (JCh) expressed an interest in this kind of product, supporting the principle. Richard Fairholme (RF) was also broadly supportive of the principle, subject to costs. Ritchard Hewitt (RHe) suggested replicating what is available on exit.

9.3. Modification 0761 - Arrangements for Interconnectors with additional Storage capability

Richard Fairholme (RF) asked for an update on Modification 0761 and if BEIS had provided a response on the derived law. EF confirmed a response had not been received from BEIS, this was being chased in preparation for the February UNC Modification Panel who had deferred consideration of the Final Modification Report in January.

9.4. Mercury in Gas Consultation

Phil Hobbins (PH) reminded Workgroup Participants that National Grid has an online consultation seeking views on the NTS specification for mercury in the natural gas stream. This was mentioned in AOB at the January meeting. If any party has questions they are invited to contact PH.

2. Diary Planning

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

Time / Date	Paper Publication Deadline	Venue	Programme
10:00 Thursday 03 March 2022	5pm Wednesday 23 February 2022	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 07 April 2022	5pm Wednesday 30 March 2022	Microsoft Teams	Standard Transmission Workgroup Agenda Overruns Review/Debate
10:00 Thursday 05 May 2022	5pm Wednesday 27 April 2022	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 09 June 2022 (BH 2 nd June)	5pm Monday 30 May 2022	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 07 July 2022	5pm Wednesday 29 June 2022	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 04 August 2022	5pm Wednesday 27 July 2022	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 01 September 2022	5pm Wednesday 24 August 2022	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 06 October 2022	5pm Wednesday 28 September 2022	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 03 November 2022	5pm Wednesday 26 October 2022	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 01 December 2022	5pm Wednesday 23 November 2022	Microsoft Teams	Standard Transmission Workgroup Agenda

Action Table (as of 03 February 2022)						
Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0101	06/01/22	9.1	Ofgem to provide update on what information can be made available regarding the 2021 Exit Capacity Allocation Process.	March 2022	Ofgem (ML)	Carried Forward
0102	06/01/22	9.4	National Grid (PH) to provide the Transmission Workgroup with an update on the utilisation of Modification 0788 and any unintended consequences.	February 2022	National Grid Gas (PH)	Closed
PAN 11/01	18/11/21	281.6a	<i>Panel Action PAN 11/01:</i> Joint Office (Transmission Workgroup Chair) to ensure Modification 0788 (Urgent) is assessed at the February 2022 Workgroup with the aim to report to the February 2022 Panel	February 2022	Joint Office (EF)	Closed

UNC Workgroup 0771S Minutes
Removal of the absolute requirement to include a Remotely Operable Valve (ROV) Installation for all new NTS Entry connections
Thursday 03 February 2022
via Microsoft Teams

Attendees

Eric Fowler (Chair)	(EF)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Adam Bates	(AB)	South Hook Gas
Alex Neild	(AN)	BBLC
Anna Shrigley	(ASh)	Eni
Anna Stankiewicz	(ASt)	National Grid
Ashley Adams	(AA)	National Grid
Carlos Aguirre	(CG)	Pavilion Energy
Chris Wright	(CW)	Exxon Mobil
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Jeff Chandler	(JCh)	SSE
James Doyle	(JD)	Fox Entity
Julie Cox	(JCx)	Energy UK
Lauren Jauss	(LJ)	RWE
Malcolm Montgomery	(MM)	National Grid
Mark Field	(MF)	Sembcorp
Max Lambert	(ML)	Ofgem
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Steven Britton	(SB)	Cornwall Energy
Terry Burke	(TB)	Equinor

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0771/030222>

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

1. Introduction and Status Review

Eric Fowler (EF) welcomed all parties to the meeting.

1.1. Approval of minutes (04 November 2021)

The minutes from the previous meeting were considered approved.

2. Completion of Workgroup Report (HSE Safety Case)

EF noted that the Workgroup had concluded its assessment of the Modification and were awaiting the pending safety case review. An extension until February 2022 had been granted by the UNC Modification Panel to allow time for the HSE to respond.

Phil Hobbins (PH) confirmed that National Grid have been working on the safety case changes liaising with the HSE. The development of the safety arrangements was now substantially complete, and the amended safety case is due to be submitted to the HSE. PH explained that there is no material change to the safety case and if the HSE agree with this view an impact assessment will not be required.

The Workgroup agreed to request a further extension until April 2022 to allow the Modification to be processed under Self-Governance procedures.

3. Next Steps

Workgroup to request an extension until April 2022. The Workgroup Report will be reconsidered once a response from the HSE has been received. The next meeting is anticipated in April unless National Grid advise otherwise.

4. Any Other Business

None.

5. Diary Planning

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

Time / Date	Venue	Workgroup Programme
10:00 Thursday 07 April 2022	Microsoft Teams	Completion of Workgroup Report (HSE safety case)

UNC Workgroup 0798 Minutes
Enablement of Exit Assignment process at Interconnectors
Thursday 03 February 2022
via Microsoft Teams

Attendees

Eric Fowler (Chair)	(EF)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Adam Bates	(AB)	South Hook Gas
Alex Neild	(AN)	BBLC
Anna Shrigley	(ASh)	Eni
Anna Stankiewicz	(ASt)	National Grid
Ashley Adams	(AA)	National Grid
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Chris Wright	(CW)	Exxon Mobil
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Phil Hobbins	(PH)	National Grid
Richard Fairholme	(RF)	Uniper
Ritchard Hewitt	(RHe)	Hewitt Home and Energy Solutions
Shiv Singh	(SS)	Cadent
Steven Britton	(SB)	Cornwall Energy
Terry Burke	(TB)	Equinor

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0798/030222>

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

1.0 Outline of Modification

Eric Fowler (EF) explained the background to Modification 0798 being referred to Workgroup for one month. This was due to Panel considering this Modification requiring an Authority Direction opposed to being a Fast Track Self-Governance Modification. Panel had requested an assessment of removing the avoidance of doubt statement and any other potential consequences.

Daniel Hisgett (DHi) introduced the Modification and explained it would amend the European Interconnection Document (EID) which had text that excluded Interconnectors, currently preventing the Assignment of Exit Capacity from taking place at Interconnectors. This

Modification would remove the barrier between UNC and Capacity Allocation Mechanisms (CAM) NC compliance allowing full implementation of *UNC 0755S - Enhancement of Exit Capacity Assignments* and make a minor change to the Legal Text to clarify the charges payable at an Interconnection point.

The Workgroup considered the Workgroup Report and the intent of removing the avoidance of doubt statement from paragraph 6.3.3.

Nick Wye (NW) believed the avoidance of doubt statement was not required, the paragraph was clear without the text in brackets and based on this having no impact the Modification should process as a Self-Governance Modification. The Workgroup unanimously agreed with this view. It was therefore recommended that this Modification should proceed as a Self-Governance Modification.

The Workgroup finalised the Workgroup Report having considered that implementation of the Modification should be in line with Modification 0755S' system changes expected at the end of April 2022.

2.0 Initial Discussion

2.1. Issues and Questions from Panel

The Workgroup provided an assessment within the finalised Workgroup Report.

2.2. Initial Representations

None received.

2.3. Terms of Reference

As matters had been referred from Panel a specific Terms of Reference is available alongside the Modification at <http://www.gasgovernance.co.uk/0798>.

3.0 Next Steps

EF confirmed that the Workgroup Report would be submitted to the February 2022 UNC Modification Panel with a recommendation this is considered as a Self-Governance Modification and should proceed to consultation.

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

No further meetings planned.