

Uniform Network Code Committee Minutes
Meeting 236 held on Thursday 15 June 2023
via Microsoft Teams

Attendees			
Voting Members:			
Shipper Representatives		Transporter Representatives	
D Fittock (DF) Corona Energy D Morley (DM) OVO Energy O Chapman (OC) Centrica and on behalf of M Bellman (MB) R Fairholme (RF) Uniper S Mulinganie (SM) SEFE		A Travell (AT) BUUK D Mitchell (DMi) SGN G Dosanjh (GD) Cadent J Bates (JB) National Gas Transmission R Pomroy (RP) Wales & West Utilities and on behalf of T Saunders (TS) Northern Gas Networks	
Non-Voting Members:			
Chairperson	Ofgem Representative	Consumer Representative	Independent Supplier Representative
W Goldwag (WG)	J Semple (JS)	N/A	N/A
Also, in Attendance:			
Joint Office		Observers	
P Garner (PG) H Cuin (HC) K Elleman (KE) R Hailes (RH)		E Rogers (ER) Xoserve/CDSP	
Copies of all papers are available at: https://www.gasgovernance.co.uk/UNCC/150623			

236.1. Introductions

W Goldwag (WG), welcomed the attendees.

236.2. Note of any alternates attending the meeting

R Pomroy on behalf of T Saunders
O Chapman on behalf of M Bellman

236.3. Apologies for Absence

M Bellman
T Saunders

236.4. Minutes of the last meeting 18 May 2023

Approved.

236.5. Review of Action(s)

None.

236.6. Matters for the Committee's Attention

a) Framework for the Appointment of an Allocation of Unidentified Gas Expert v10.0

E Rogers (ER) explained the need to update the AUGE framework to account for the changes required following the implementation of Urgent Modification 0840 - Equalisation of pre-payment and non-prepayment AUG factors, which is being implemented on 01 October 2023.

ER confirmed the need to add an avoidance of doubt statement for the allocation factors for pre-payment and non-prepayment End User Categories in the same sector and product class. This will be achieved by the AUGE equalising the allocation factors for specific pairs of Categories of System Exit Points as instructed by Urgent Modification 0840.

On behalf of T Saunders (TS), it was noted that the avoidance of doubt statement was not deemed necessary.

A Committee member questioned if in light of the change introduced under Urgent Modification 0840, if the AUGE will still create the unequalised table as well as the final equalised version. O Chapman (OC) confirmed as the proposing organisation for Modification 0840, it was always intended to make the process transparent and show both the unequalised and final equalised table. A Committee member requested that this is specified in the Framework to be clear.

The CDSP (ER) agreed to take an action to clarify this with the AUGE, to ensure both tables would be provided, and come back to UNCC with confirmation and the updated Framework in July.

New Action 0601: CDSP (ER) to confirm with the AUGE regarding the unequalised and final equalised table both being published and update the Framework for the Appointment of an Allocation of Unidentified Gas Expert to reflect this.

R Pomroy (RP) clarified that the adjustments being undertaken at the end of the process was an enduring arrangement and will remain the same process going forward for next year.

The Committee considered the management of UNC Related Documents, the parties responsible for the upkeep of these documents and the need for UNCC approval.

It was clarified that the CDSP had amended this AUGE Framework document on behalf of the Transporters. RP noted the obligation on Transporters, there were no changes proposed to the current amendment process.

b) Mains Replacement / Shrinkage Model

D Morely (DMo) raised a concern about the accuracy of data which filters into the Shrinkage Leakage Model (SLM) challenging that the Performance Assurance Committee (PAC) should have the vires to monitor and address data quality with parties when it feeds into the Settlement Process. DMo clarified that this had been raised at PAC however it was deemed that Shrinkage monitoring was not within PAC's remit to monitor.

DMo challenged if the scope of PAC should be checked and changed to include Shrinkage monitoring.

S Mulinganie (SM) explained that Shrinkage is not within PAC's control. The Committee considered the licence conditions relating to Shrinkage and the potential for dual governance with the current process, which is signed off by Ofgem. R Pomroy (RP) explained the regulatory framework referring to elements such as mains replacement, capacity methodology, and shrinkage which undergo rigorous reporting through the regulatory reporting pack.

A Travell (AT) asked for clarity on the issue and whether this was on the provision/accuracy of data or the impact of the allocation of Shrinkage on settlement. DMO explained that there is no performance assurance on the shrinkage data, and there is no incentive on DNs to ensure the data is correct.

AT questioned what the most efficient way is to manage who pays for the shrinkage gas. It was challenged that if there is an issue with data (Shipper or Transporter data) that feeds into gas settlement then the performance assurance techniques should be utilised to ensure its accuracy.

SM challenged if PAC has the right to monitor the accuracy of input data, considering parties' licence obligations, which take precedence over the UNC. The Committee considered the escalation route to Ofgem if parties are not adhering to their licence obligations.

The Committee considered the ability to change the current PAC Terms of Reference. R Hailes (RH) confirmed that a Modification would be required to extend the scope of PACs role to consider data quality. DMO challenged that PAC should be able to monitor and improve data provision that underpins the UNC settlement process.

SM questioned who has the right to determine the validity of the data which feeds into the SLM, challenging that if the SLM data input items are not in the UNC would they need to be brought into the UNC for PAC consideration.

RP noted that PAC's focus is on settlement and that Shrinkage process feeds into settlement. The complexity with Shrinkage is this is a licencing matter.

It was suggested to enable further consideration the Joint Office should be provided with a full explanation of the issue and for PAC to formally respond to the concerns raised.

New Action 0602: OVO (DMo) to provide a full explanation of the Shrinkage data concerns.

New Action 0603: PAC to formally respond following receipt of Shrinkage data concerns (see action 0601).

236.7. Date of Next Meeting(s):

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

All UNCC meetings will be held immediately after the UNC Modification Panel.

Time / Date	Paper Publication Deadline	Venue
Thursday 20 July 2023	5pm Wednesday 12 July 2023	Teleconference / Microsoft Teams
Thursday 11:00-17:00 17 August 2023	5pm Wednesday 09 August 2023	Teleconference / Microsoft Teams
Thursday 21 September 2023	5pm Wednesday 13 September 2023	Teleconference / Microsoft Teams & In Person
Thursday 19 October 2023	5pm Wednesday 11 October 2023	Teleconference / Microsoft Teams
Thursday 16 November 2023	5pm Wednesday 08 November 2023	Teleconference / Microsoft Teams
Thursday 14 December 2023	5pm Wednesday 06 December 2023	Teleconference / Microsoft Teams & In Person

Action Table						
Action Ref	Meeting Date	Minute Ref	Action	Owner	Reporting Month	Status Update
0601	15/06/2023	236a	CDSP (ER) to confirm with the AUGE regarding the unequalised and final equalised table both being published and update the Framework for the Appointment of an Allocation of Unidentified Gas Expert to reflect this.	CDSP (ER)	July 2023	Pending
0602	15/06/2023	236b	OVO (DMo) to provide a full explanation of the Shrinkage data concerns.	OVO (DMo)	July 2023	Pending
0603	15/06/2023	236b	PAC to formally respond following receipt of Shrinkage data concerns (see action 0601).	PAC (KE)	July 2023	Pending