

UNC Distribution Workgroup Minutes

Thursday 22 February 2018

at Elexon 350 Euston Road London NW1 3AW

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Karen Viscorda (Secretary)	(KV)	Joint Office
Andy Clasper	(AC)	Cadent
Carl Whitehouse*	(CWh)	First Utility
Chris Warner	(CWA)	Cadent
Claire Towler*	(CT)	SSE
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
Debbie Brace	(DB)	National Grid NTS
Graham Wood*	(GW)	Centrica
John Welch	(JW)	npower
Lorna Lewin*	(LL)	Orsted
Mark Jones*	(MJ)	SSE
Nicky Rozier*	(NR)	BUUK
Rachel Hinsley	(RH)	Xoserve
Shane Preston*	(SP)	ScottishPower
Shanna Key*	(SK)	Northern Gas Network
Shardul Pandit*	(SP)	Wales and West Utilities
Steve Britton	(SB)	Cornwall
Steve Mulinganie	(SMu)	Gazprom
Tahera Choudhury*	(TC)	Xoserve
Tim Hipperson*	(TH)	Utility Wise

*via teleconference

Copies of all papers are available at <https://www.gasgovernance.co.uk/dist/220218>.

1. Introduction and Status Review

1.1. Approval of Minutes (25 January 2018)

The minutes from the previous meeting were approved.

1.2. Modification(s) with Ofgem

BF explained that as there were no Ofgem representatives in attendance, there was no update on the Modifications that were presently with Ofgem for a decision.

1.3. Pre-Modification discussion

1.3.1. Third Party Intermediaries and Brokers having access to data via an API solution

TC explained that she had requested this item to be put on the agenda, as the Technical API Solution had been approved by the DSC Change Management Committee in 2017 with a 'Go Live' planned for the end of the Q1 for the Price Comparison Websites (PCW) and that more work had been requested in terms of extending the scope.

TC then introduced TH from Utility Wise and he explained that access to the data for smaller Non Domestic Service was

required, and that this was not possible without the appropriate permissions being granted in Uniform Network Code (UNC). He said that he had had meetings with Xoserve to see how this might be accessed to enable a full on-line data service, to allow customers to switch on line, as presently this was not possible, due to not being able to validate by an address or by their consumption information. He explained once this information was available, then this would then allow a 'full on-line switch process' for micro business customers. He further explained, that presently customers had to be telephoned back to enable this process to be carried out. He added that this was not always convenient for them, and that this process was not easy to audit and there were also substantial on costs to the PCWs.

A lengthy general discussion took place and it was agreed that a new permissions modification was needed to allow access to the Micro and SME customer data. With SMu expressing concerns as to how the access to specific types of customer data would be managed. TH stated that various high-level conversations had already taken place between Utility Wise and some potential interested parties who may be prepared to sponsor and raise this required modification.

BF said that from a process perspective that the starting point was the raising of a draft modification and then comments could be supplied, however, the overall service provision would be managed via the DSC process and the modification itself would grant permissions only. He added, that once the modification itself was in existence then the Distribution Workgroup would evaluate it in the normal way. TH said he had found all the comments and discussions very helpful and informative and would investigate getting a first draft raised.

1.3.2. Adding AQ reporting to the PARR reporting suite

JW explained that this Draft modification proposal had been raised originally by ScottishPower, as the implementation of Modification 0520A had subsequently highlighted that there was a gap in the reports and read submissions with no AQ or reconciliation reporting either.

DA said that from an observation perspective regarding Modification 081 that the reports were historically off the end of the process and that from the original concerns addressed by Modification 081 reporting was the manipulation of AQs, with rolling AQ there was little or no option to manipulate the AQ's.

SMu said this proposal had been driven by the Performance Assurance Committee (PAC) and that if it was needed from the specific reporting functions perspective, they should agree the specification. JW confirmed that this was the case and that any modification proposed would be discussed at PAC but a UNC party still needed to sponsored/raise the modification. The aim would be to discuss the modification further at the PAC meeting on 05 March 2018. BF said that once the modification was raised it would then be discussed within the Distribution Workgroup.

1.3.3. Obligation to submit reads and data for Winter consumption calculation for meters in EUC bands 3 – 8

JW explained that regarding the NDM WAR Bands that Xoserve had reported that from the end user category perspective, only 25% of DM's were on a WAR Band. He said that Xoserve had already issued an Education and Training Pack to the Industry in relation to the WAR Bands process. He said that this aspect needed to be addressed and need tightening as there was an allocation risk in the order of £9m based on throughput as reported in the analysis that had already been undertaken by Engage. He added that PAC were monitoring this and this was Risk 6 on the PAC Risk Register. DB said this modification needed more detailed information within the solution and that a Transporter needed to be added.

JW said he would amend the areas accordingly and that he would formally raise the modification before 02 March 2018, the new modification deadline for March Panel. He added there was a Legal Text issue, as there was no WAR Bands definition within the UNC. CWa said he not sure how this could be achieved in Code. JW said more detailed discussions were required, regarding the Legal Tex.

1.3.4. Introducing an allowable period of [28] days of the initiation of Class 1 and Class 2 financial adjustments

JW explained this Draft modification proposal had been submitted in response to the Unidentified Gas (UIG) issues. He said that work had been undertaken with Xoserve in relation to closing out the relevant adjustment figures, as this area had been causing issues in not knowing the true UIG reconciliation data information. He further explained that there was nothing presently to stop Shippers waiting until the final adjustment figures were released and so this modification would mean the adjustments were done as soon as practically possible. He said the 28 days period was not too onerous and that these reports would assist PAC with monitoring the outcomes.

DB felt that more detail and information was required specifically within the solution especially if Urgency was being requested. JW, SMu and CWa all stated that the urgent status was no longer needed, as progress had been made since the initial proposal discussions and BF said that if urgency was to be requested , that it would have to aligned against the Ofgem urgent criteria. A brief general discussion took place in relation to Class 1 and Class 2 and the proposed 28 days regarding the financial thresholds or the estimated time for investigating these, and DA stated it was difficult to report on a value of the AQ start period, concerning the size of the adjustment.

2. Workgroups

The following Workgroup meetings took place:

2.1. 0641S - Amendments to Modification 0431 - Shipper/Transporter - Meter Point Portfolio Reconciliation rules and obligations

(Report to Panel 19 April 2018)

<https://www.gasgovernance.co.uk/0641>

2.2. 0648S - End dating the revised DM Read estimation process introduced by Modification 0634

(Report to Panel 15 March 2018)

<https://www.gasgovernance.co.uk/0648>

3. Revised estimation process for DM sites with D-7 zero consumption

DA explained that discussions had taken place regarding the D-7 Zero consumption process and how the DMSP dealt with the zero consumptions, together with how Xoserve inserted the zero consumption, now that it was in the Business as Usual (BAU) steady state.

He said this had not had any impact on Modification 0634 (Urgent) itself, however there were still a significant number of sites that needed to be assessed on an on-going basis, especially concerning sites asking for consumption adjustments. He then overviewed the Resolving D-7 Estimated Daily Reads process flows in a schematic format. He said that previously there had been a dedicated team working on this area, but that if this was going to be an enduring arrangement, then costs and resources would need to be investigated and researched. BF said that this information and data analysis had been added into the Workgroup Report 0648S.

The Workgroup Report on this topic was concluded for submission to the March Panel.

4. Issues

None discussed in this meeting.

5. Outstanding Action(s)

DX 0101: All GDN's to supply further information regarding the gas safety cut off process and present regulations.

Update: AC said he was unsure of exactly what was required in relation to this action and that this information had been supplied to the DN's 4 years ago. SMu said it was in view of the recent legal case and that he wanted to ensure everyone was aware of the overall process in a gas safety cut off procedure. AC then overviewed the detailed GSR Flow Chart Schematic which showed the process and steps that needed to be followed. He also provided further clarity about the operational and logistics procedure regarding the actual pipes to the property. It was requested that the GT's should produce a Statement of Compliance providing clarity of the overall process. This action was then closed. **Closed.**

New Action DX 0201: GT's to produce a Statement of Compliance regarding the gas safety cut off process.

6. Any Other Business

6.1. Questions arising with respect to the Outer Tolerance Validation (DA)

DA asked if the Outer Tolerance Validation process was doing what it should do and if its performance needed to be validated? He said that he had had conversations with the Shippers where there was an Outer Tolerance. SMu said that the tolerance level appeared to be all guess work and that the Final Tolerance needed to be set correctly and that a Business Case would need to be produced for moving the Inner Tolerance level, but that the Outer Tolerance level was not a problem.

DA said that previously a Shipper had had issues with the AQ Reads, and that Xoserve had seen 4-5 % readings rejecting due to the Outer Tolerance and the Market Breaker, which Xoserve had no control over. He said that the Outer Tolerance needed to be changed so the reports would be accurate. He added, he needed to know if it was a post Nexus read, and if so, then it needed changing and what were the thoughts of the 4-5% and if this was too high? He also wanted to know if it was acceptable to increase the Outer Tolerance by a 2% rejection level. SMu said that was too high that there should not be an arbitrary 2% percentage for all. DA said he understood this point and that a solution could be if it was banded. SMu said that it was in regards to the level of energy that people were exposed to, in relation to costs and the degree of rejection. DA said that he wanted all the Shippers to ask their Operational Teams if they were experiencing issues with the Outer Tolerance and submissions, and that he would investigate the statistics regarding the energy rejections and the Nexus reads and the pre-Nexus reads.

7. Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/Diary

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:30 Thursday 22 March 2018	Xoserve, Lansdown Gate, 65 New Road, Solihull	Standard Agenda items

Action Table (as at 22 February 2018)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0101	25/01/18	6.2	All GDN's to supply further information regarding the gas safety cut off process and present regulations.	ALL GNDN's	Closed
0201	22/02/18	5.0	GT's to produce a Statement of Compliance regarding the gas safety cut off process.	GT's	Pending