

Record of Determinations: Panel Meeting 15 November 2018

Modification	Vote Outcome	Shipper Voting Members						Transporter Voting Members					IGT Voting Member	Consumer Voting Member	Consumer Voting Member	Determination Sought
		AG	DF	GJ	MB	RF	SM (AG)	CW	DL	HC (RP)	RP	TS	JCo	JA	EP	
0674 - Performance Assurance Techniques and Controls	Not related to the Significant Code Review - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	NP	X	NP	Is Modification related to Significant Code Review?
	Not a Self-Governance Modification - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	NP	X	NP	Does Modification satisfy Self-Governance criteria?
	Modification not issued to Workgroup - <i>majority vote against (9 out of 12 votes)</i>	X	X	✓	✓	X	X	X	X	X	X	X	NP	✓	NP	Should Modification be issued to Workgroup with a report by the 17 May 2019 Panel?
	Consideration deferred to the 20 December Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	NP	Should consideration be deferred to the December Panel?
0652 – Introduction of winter read/consumption reports and associated obligations	Not returned to Workgroup 0652 with a report to be presented by the 22 November 2018 Panel - <i>majority vote against (6 votes for, 6 votes against, Chairs Casting Vote against)</i>	✓	✓	✓	✓	X	✓	X	X	X	X	X	NP	✓	NP	Should Modification 0652 be sent back to Workgroup for further consideration, with a report back to 22 November 2018 Panel (to be considered at short notice)?
	Returned to Workgroup 0652 with a report to be presented by the 20 December 2018 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	NP	Should Modification 0652 be sent back to Workgroup for further consideration, with a report back to 20 December 2018 Panel?
0646R - Review of the Offtake Arrangements Document	Workgroup 0646R to Report to the 21 March 2019 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	NP	To extend Workgroup Reporting date?
0647 - Opening Class 1 reads to Competition	Workgroup 0647 to Report to the 21 March 2019 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	NP	To extend Workgroup Reporting date?
0663 - Extending the data comprised under the definition of Supply Point Premises Data (TPD V5.18.1)	Workgroup 0663 to Report to the 21 February 2019 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	NP	To extend Workgroup Reporting date?
0664 - Transfer of Sites with Low Read Submission Performance from Class 2 and 3 into Class 4	Workgroup 0664 to Report to the 21 March 2019 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	NP	To extend Workgroup Reporting date?

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0660S - Amendment to PARR permissions to allow PAC to update with UNCC approval	No new issues were identified during Consultation - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	NP	X	NP	Were new issues identified during Consultation?
	Modification 0660S implemented - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	NP	Should Modification 0660S be implemented? (Yes votes only)

In favour	Not in Favour	No Vote Cast	Not Present
✓	X	NV	NP

UNC Modification Panel
Minutes of the 233 Meeting held on Thursday 15 November 2018
at

Elaxon, 4th Floor, 350 Euston Road, London NW1 3AW

Attendees

Voting Members:

Shipper Representatives	Transporter Representatives	Consumer Representatives
A Green* (AG), Total and alternate for S Mulinganie D Fittock* (DF), Corona Energy G Jack (GJ), British Gas M Bellman (MB), Scottish Power R Fairholme (RF), Uniper	C Warner (CWa), Cadent D Lond (DL), National Grid NTS R Pomroy (RP), Wales & West Utilities and alternate for H Chapman T Saunders (TS), Northern Gas Networks	J Atherton (JA), Citizen's Advice

Non-Voting Members:

Chairperson	Ofgem Representative	Independent Supplier Representative
M Shurmer (MS), Chair	R Elliott	

Also in Attendance:

E Rogers (ER), Xoserve; N Viyas (NV), PAFA; P Garner (PG), Joint Office; R Fletcher (RFI), Secretary; R Hailes (RHa), Joint Office and S Britton (SBr), Cornwall Insight

**by teleconference*

Record of Discussions

Introduction

MS welcomed all attendees to the meeting and then set out the order of business for the meeting.

MS asked Members to note that this would be R Elliott's last meeting as Ofgem representative and he wished to thank him on behalf of Members for his contributions to Panel during his tenure.

233.1 Note of any alternates attending meeting

A Green for S Mulinganie (Gazprom)

R Pomroy for H Chapman (SGN)

233.2 Record of Apologies for absence

E Proffitt

J Cooper

H Chapman

S Mulinganie

233.3 Minutes and Actions of the Last Meeting(s)

MB noted that there was an inconsistency in the voting recorded for Modification 0672 in the 18 October 2018 minutes and asked if this could be corrected. The amendment was noted and that the minutes would be republished.

Members then approved the minutes from the previous meeting on 18 October 2018.

Action PAN 01/10 – RE to provide an Ofgem view on the nomination of Consumer Representatives at Panel.

See item 233.12 (a) below. **Action Closed**

Action PAN 02/10 – PG to provide an update on comments received following participants attendance at meetings by teleconference.

See item 233.12 (b) below. **Action Closed**

233.4 Consider Urgent Modifications

None to be considered.

233.5. Consider New Non-Urgent Modifications

a) Modification 0674 - Performance Assurance Techniques and Controls

MB introduced the Modification and its aims, advising that this Modification is being raised on behalf of the Performance Assurance Committee (PAC).

MB provided an overview of the requirements, including the changes proposed such as enabling a process based around education and incentives.

CWa raised a number of concerns in the drafting and how the modification could be developed in a Workgroup, as parties not clear on the operation of PAC would find it difficult to follow, particularly where its note clear on what is

a UNC change and what would be managed through related documents.

MB noted that he was supported by the Joint Office in their role as critical in terms of raising the modification but that he might not have taken on board all the suggested amendments.

CWa was concerned that the solution is not clear on what is Code and what is Guidance. He was not sure how obligations would be placed on non-Code parties such as the Performance Assurance Administrator (PAFA).

MB wanted to ensure that ideas were included but he was unsure as to the specific impacts on Code at this stage as he felt this could be clarified during the assessment process.

MS asked what the Workgroup should be asked to do at this time to deliver a modification that could be consulted on. CWa felt the modification should have had more pre-engagement and clarity on what is being proposed to enable parties to consider the impacts.

TS wanted to understand why a Request was not considered as it would be more suitable for a more open discussion of ideas. MB felt that PAC were well formed in its views on the changes required to the current regime and that these should be developed more specifically than a Request would allow. The Workgroup process would allow the modification solution to be developed with a wider input into the options for delivery.

RP agreed that the Request option would have felt more comfortable based on the approach set out as the solution is not clear. RP felt that a multiple modification approach – separating out the contentious and less contentious parts- linked to a Request might be a clearer and quicker way to get the process moving.

CWa noted that the modification is very wide ranging and complex and that the development time proposed is not realistic based on previous experience.

MB was concerned that the development time should not be protracted due to the potential issues around Unidentified Gas (UIG). He noted that UIG has been a major concern in the industry for over a year and there is still no suitable conclusion in sight.

RF suggested that perhaps PAC should put more work into the modification and for a more detailed/clearer solution to be presented to Panel so that the complexity and impacts could be understood.

CWa challenged the proposals could have a significant impact on the existing regime and that the proposed regime changes would need to be clearly set out. It was not clear how this modification would interact with in-flight PAC related modifications proposing incentives for example. MB agreed that consistency would need to be managed across all PAC related modifications.

DL felt that a clearer modification might support wider industry engagement if PAC clarified the approach and intent of the modification. PG was concerned that an under developed modification confuses interpretation and might lead to unneeded alternative modifications.

SBr raised a number of concerns considering the complexity of the modification from a smaller industry participant view point such as independent gas suppliers and reiterated the need for clarity and easy to understand terminology.

RE noted that pre modification engagement should be considered an essential process to get initial views from the industry and that reasonably developed modifications progress quicker as the industry understand the change.

GJ asked if Panel can send the modification for review rather than assessment. It was noted Panel could defer consideration and return the modification back to the proposer for further development.

MB noted that the concerns raised by Members although due to the issues with UIG he requested that the vote to issue to Workgroup be taken.

MS noted the views and concerns raised and suggested the vote was taken and the proposer then act on Members views.

For Modification 0674 Members determined:

- It is not related to the Significant Code Review by unanimous vote;
- The criteria for Self-Governance are not met as this modification is likely to impact competition, by unanimous vote;
- That Modification 0674 is not issued to Workgroup 0674 for assessment, by majority vote.
- Defer consideration to the December Panel and request the proposer review the content of the modification, by unanimous vote;

233.6. Existing Modifications for Reconsideration

a) Modification 0651- Changes to the Retrospective Data Update provisions

BF asked Members to note that Modification 0651 has been with Ofgem for 3 months and that it would be added to the December Panel for discussion.

233.7 Consider Workgroup Issues

None

233.8. Workgroup Reports for Consideration

a) Modification 0652 – Introduction of winter read/consumption reports and associated obligations

TS asked Members to note that the Legal Text was not provided within 15 Days as requested as the solution was not finalised sufficiently in advance for initial drafting to be undertaken. In addition, Legal Text for Modifications 0652, 0659S and 0673 (Urgent) were required to be produced in a similar timeframe and that this was not possible. The aim was to provide Legal Text in time for 19 November Workgroup meeting.

MB explained that implementation prior to March 2019 will allow reporting of performance based on Winter read submissions. Delay after this time would impact this reporting and make the process less beneficial.

Concerns were raised about the potential impacts of considering the Workgroup Report at short notice at the 22 November 2018 extraordinary Panel.

RF felt that December Panel reporting would be more appropriate as the timeline for consultation could be adjusted to allow Panel to consider the Final Modification Report at the 17 January 2019 meeting.

DL requested that the Workgroup consider the Self-Governance question as previously requested.

For Modification 0652, Members determined:

- It should not be referred to Workgroup 0652 for further assessment, with a report by the 22 November 2018 extraordinary Panel, tied vote with Panel Chair exercising a casting vote against.
- It should be referred to Workgroup 0652 for further assessment, with a report by the 20 December 2018 Panel, unanimous vote in favour.

233.9 Consideration of Workgroup Reporting Dates and Legal Text Requests

Members determined unanimously to extend the following Workgroup reporting date(s):

Workgroup	New Reporting Date
0646R - Review of the Offtake Arrangements Document	March 2019
0647 - Opening Class 1 reads to Competition	March 2019
0663 - Extending the data comprised under the definition of Supply Point Premises Data (TPD V5.18.1)	February 2019
0664 - Transfer of Sites with Low Read Submission Performance from Class 2 and 3 into Class 4	March 2019

Members determined unanimously to request Legal text for the following modification(s):

Modification

233.10 Consider Variation Requests

None.

233.11. Final Modification Reports

a) Modification 0660S - Amendment to PARR permissions to allow PAC to update with UNCC approval

Panel discussion: see the Final Modification Report published at:
<https://www.gasgovernance.co.uk/0660>

Member then determined:

- that there were no new issues requiring a view from Workgroup, by unanimous vote;
- to implement Modification 0660S, by unanimous vote.

233.12. AOB

a) UNC Consumer Representative process (RE/PG)

RE advised that Ofgem are considering the process for selecting Consumer Representatives and how to encourage wider participation. However, although this is an Ofgem appointment, Panel views on a suggested process and how it could be made effective is needed so that Ofgem can get more of an understanding as to the issues. RE noted that Ofgem were still of the view that the industry should manage this process going forward.

PG explained that the Joint Office has limited list of contacts to support such a process and that the types of Consumer Representative needs to be clarified or defined to ensure suitable candidates could be sought. PG was concerned that the Joint Office would be expected to manage this process when they have very few contacts with Consumer Representatives.

RF challenged if the definition of Consumer needs to be made clear, does it include power generators for example. RH noted that Transporters have Consumer Representatives included in their forums and perhaps a view could be sought from them.

It was noted that BSC includes two Citizens Advice Representatives but no specific Non-Domestic Consumer Representative.

TS would like to see a clearer definition of Consumer Representative so that the industry would have a view as to a suitable candidate. RE agreed that a clearer definition would help and that he would seek views at Ofgem.

RE noted the views and reminded Panel that Ofgem had appointed a Consumer Representative based previously on industry participants to do so. RE would like a view from Panel on who would be considered a suitable candidate and how they could be identified.

New Action PAN 01/11: Members to provide a view the identification of suitable candidates for Consumer Representatives.

New Action APN 02/11: RE to seek clarification on the definition of a non-domestic Consumer Representative.

b) Teleconference Update (PG)

PG advised that the Joint Office is monitoring the quality of teleconference

services and that they actively seek feedback on participants experiences after meetings. Currently, no complaints have been received based on the Joint Office equipment at Radcliffe House. In addition, the aim is increase the availability and quality of teleconference equipment at Radcliffe House.

c) Inclusion of performance related impacts in Workgroup Reports (MB)

MB advised that PAC were seeking an addition to Workgroup templates to assist with the understanding of Modification impacts on PAC Risks and reporting.

TS wanted to raise a number of points on the proposal in terms of a modification's development. How would it work in practice, would this create a delay in the process.

MB advised that the process might not apply to all modifications and unrelated modifications should be discounted quickly. However, the PAFA should be proactive in reviewing modifications for potential impacts and providing this view to PAC, the proposer and Workgroup.

RP noted that the control around timescales is down to Panel in consultation with the Workgroup and MB noted this, however other factors usually influence the development and timescales of a modification.

PG would like to see the PAFA demonstrate how they would manage their involvement in terms of timeliness and knowledge. The proposer should be able to review the assessment and provide views.

RF was concerned that the process might create a delay and should it be for individual UNC Committees to provide views this way, should this require a check list from all. Also, isn't it the role of industry participants to provide views during consultation. BF noted that views during consultation were always welcome, however it would be more beneficial if issues were identified during the Workgroup assessment as it would reduce the overall timeline.

BF also noted that a number of inflight modifications are including recommendations or provisions for PAC reporting or monitoring and this process would support this more formally. In addition, it should be noted that where the PAFA identified a positive impact on a PAC Risk it could be included in the Workgroup Report to inform consultation.

MB agreed that the process shouldn't over burden the Workgroup, this is a way to ensure coordination across industry processes and provide a more informed view.

Members determined to defer consideration of changes to the Workgroup Report Template.

d) JOINT SPAA & UNC MDD Migration Working Group Terms of Reference

BF advised that SPAA had issued a Terms of Reference and meeting invitations for a Joint UNC/SPAA Workgroup to consider the migration of Market Domain Data into the UNC. However, the impacts are unknown at this time and that there is no reciprocal UNC Modification or DSC Change

to be assigned to this Workgroup. Panel views were sought on how this Workgroup could be accommodated from a UNC perspective.

RP suggested that as the SPAA Workgroup is due to the impacts of CSS development and not a UNC required Workgroup, the CDSP should be requested to provide regular reports to Panel on progress.

PG agreed with this view as it would be useful to receive reports should consequential impacts be identified at a later date.

New Action PAN 03/11: The CDSP to provide regular updates on progress of the SPAA MDD Migration Working Group.

e) Governance – Panel Members Code of Behaviour

PG advised that following inclusion of expected behaviours section from MS, a draft of the Members Code of Behaviour is to be circulated soon with a view to seek approval at the December Panel. There were several questions to consider around governance, although these should be reasonably straight forward to resolve.

PG asked Members to note that this is a sign of intent and not a contractually required document.

f) Ofgem Christmas Moratorium

Members noted that Ofgem had circulated an email to Code Administrators advising of the Ofgem Christmas moratorium.

233.13 Date of Next Meeting

- 10:00, Thursday 22 November 2018, by Teleconference.
- 10:30, Thursday 20 December 2018, at Elexon.

Action Table (15 November 2018)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
PAN 01/10	18/10/18	232.11 (c)	Provide an Ofgem view on the nomination of Consumer Representatives at Panel	Ofgem (RE)	Closed
PAN 02/10	18/10/18	232.11 (e)	Provide an update on comments received following participants attendance at meetings by teleconference.	Joint Office (PG)	Closed
PAN 01/11	15/11/18	233.11 a)	Members to provide a view the identification of suitable candidates for Consumer Representatives.	Panel Members	Pending
PAN 02/11	15/11/18	233.12 a)	RE to seek clarification on the definition of a non-domestic Consumer Representative.	Ofgem (RE)	Pending
PAN 03/11	15/11/18	233.12 d)	The CDSP to provide regular updates on progress of the SPAA MDD Migration Working Group.	CDSP (ER)	Pending