

UNC Workgroup 0695S Minutes
Obligations on Shippers to pass Transporter compensation
payments on to consumers, via Suppliers
Thursday 27 June 2019
at Elexon, 4th Floor, 350 Euston Road, London, NW1 3AW

Attendees

Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Alsarif Satti*	(AS)	Ofgem (0696 only)
Andy Clasper	(AC)	Cadent
Bob Fletcher	(BF)	Joint Office
Brandon Rodrigues*	(BR)	ESP Utilities
Carl Whitehouse*	(CW)	Shell
Dave Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
Ellie Rogers	(ER)	Xoserve
Gareth Evans	(GE)	Waters Wye Associates Ltd
Guv Dosanjh	(GD)	Cadent
Hilary Chapman	(HC)	SGN
Joanna Ferguson	(JF)	Northern Gas Networks (joined at 12pm)
Joel Martin*	(JM)	SGN
Jonathon Trapps*	(JT)	Northern Gas Networks (0687 only)
Julie Cox*	(JC)	Energy UK (0696 only)
Julie Jeffries*	(JJ)	Spark Energy
Kate Mulvany	(KM)	Centrica
Kirsty Dudley	(KD)	E.ON
Louise Hellyer	(LH)	Total Gas & Power Limited
Mark Jones	(MJ)	SSE
Phil Lucas*	(PL)	National Grid NTS
Richard Pomroy	(RP)	Wales & West Utilities
Sean Hayward*	(SH)	Ofgem (0696 only)
Shardul Pandit*	(SP)	Wales & West Utilities
Tracey Saunders	(TS)	Northern Gas Networks

*via teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/0695/270619

The Workgroup Report is due to be presented at the UNC Modification Panel by 19 September 2019.

1.0 Outline of Modification

Tracey Saunders (TS) provided an introduction to the Proposal using the slides circulated with the agenda and advised that the Proposal essentially puts into code an arrangement that already exists in practice.

The solution will be to add into code a shipper obligation to pass on non-statutory payments in the same way as statutory payments are passed on and to add a specified timeframe (10 days) for shippers to pass on compensation payments they receive.

TS confirmed there is a separate SPAA Change Proposal to codify the non-statutory payment obligation for Suppliers. In addition, there will be an IGT change raised for this also.

2.0 Initial Discussion

Kirsty Dudley (KD) commented that this is the code solution but if compliance is not adhered to, she would like to know how it would be managed.

Bob Fletcher (BF) said that, the Transporters have an obligation to pay compensation and the Suppliers have an obligation to pass it on to the end consumer and suggested that this could be sent straight to the Supplier.

It was confirmed that Demand Side Response payments will not be covered in this Proposal as these are NTS payments.

When asked out of all the payments made what % is a problem, Joanne Ferguson (JF) clarified that it is a significant enough problem for NGN to have identified it.

Kate Mulvaney (KM) agreed that a modification is appropriate but added it will be difficult to resource.

It was confirmed that the relevant Supplier is the Supplier at the time the payment is made.

2.1. Issues and Questions from Panel

Panel did not raise any issues or questions for Workgroup discussion.

2.2. Initial Representations

Deferred to next meeting.

2.3. Terms of Reference

Deferred to next meeting.

3.0 Next Steps

Consideration of the points raised at Workgroup and development of the Workgroup Report.

4.0 Any Other Business

None raised.

5.0 Diary Planning

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

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:30, Thursday 25 July 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Distribution Workgroup standard Agenda

Action Table (as at 27 June 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			No outstanding actions.		