

UNC Governance Workgroup Minutes
Monday 05 February 2024
via Microsoft Teams

Attendees		
Kate Elleman (Chair)	(KE)	Joint Office
Harmandeep Kaur (Secretary)	(HK)	Joint Office
Charlotte Gilbert	(CG)	BU-UK
Edward Allard	(EA)	Cadent
Gavin Williams	(GW)	National Gas Transmission
Gregory Edwards	(GE)	Centrica
James Rigby	(JR)	Xoserve (CDP)
Jayne McGlone	(JM)	Xoserve (CDP)
Kirsty Ingham	(KI)	Centrica
Marina Papathoma	(MP)	Wales & West Utilities
Mark Jones	(MJ)	SSE
Matthew Brown	(MB)	Ofgem
Oorlagh Chapman	(OC)	Centrica
Sally Hardman	(SHa)	SGN
Steve Mulinganie	(SM)	SEFE
Susan Ann Helder	(SH)	Northern Gas Networks
Tracey Saunders	(TS)	Northern Gas Networks

This Workgroup meeting will be considered quorate provided at least two Transporter and two Shipper User representatives are present.

Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of all papers are available at: <https://www.gasgovernance.co.uk/gov/050224>.

1. Introduction

Kate Elleman (KE) welcomed all parties to the meeting and confirmed the meeting to be quorate.

1.1. Approval of minutes (08 January 2024)

The minutes from the previous meeting were approved.

1.2. Approval of Late Papers

No late papers to approve.

1.3. Review of outstanding Actions & Issues Log

No actions outstanding.

1.4. Industry Update from Ofgem

An update was provided from the Ofgem Expected Decision Dates (EDD) publication timetable at: <https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable> (see below table).

Modification	Estimated Decision Date
0819 - Establishing/Amending a Gas Vacant Site Process	9 February 2024
0823 - Amendment to the Allocation of Entry Capacity and Flow Quantities to Qualifying CNCCD Routes	Rejected on 26 January 2024
0831/A - Allocation of LDZ UIG to Shippers Based on a Straight Throughput Method	6 February 2024
0839 - Revision of the Modification Panel Membership Cessation Provisions	Implemented 17 January 2024
0855 - Settlement Adjustments for Supply Meter Points impacted by the Central Switching System P1 Incident	Approved 5 January 2024
0856 - Introduction of Trials for Non-Daily Metered (NDM) Demand Side Response (DSR)	TBC

Matthew Brown (MB) informed the Workgroup that Ofgem published the Energy Code Reform: Implementation Consultation on 30 January 2024 which will be available until 23 April 2024. MB confirmed that an Ofgem representative will be attending regular meetings to allow panel members to ask questions.

MB asked parties to provide feedback on the proposed approach to implementing the energy industry code governance reforms set out in the Energy Act 2023. MB noted that a Workgroup is being set up to develop a code modification process and asked for any volunteers who may wish to join the workgroup to write to industrycodes@ofgem.gov.uk by 04 March 2024.

Further details can be found at [Energy code reform: implementation consultation | Ofgem](#).

MB confirmed that Gavin Bailey has been appointed as the new manager of Industry Codes.

Tracey Saunders (TS) enquired about any updates in relation to the timeline of IGT169. MB confirmed that there are no updates yet.

1.5. Pre-Modifications Discussions

None

2. Workgroups

2.1. Modification 0841 – Introduction of cost efficiency and transparency requirements for the CDSP Budget

(Report to Panel 15 February 2024)

<https://www.gasgovernance.co.uk/0841>

2.2. Modification 0864S – Update of UNC Code Communication Methods

(Report to Panel 16 May 2024)

<https://www.gasgovernance.co.uk/0864>

3. New Issues

No new issues were raised.

4. Any Other Business

Tracey Saunders (TS) raised a query in relation to the voting alternates in the UNC Panel meetings. TS explained that she did not attend the December 2023 UNC Panel meeting and her alternate had to leave during the meeting due to an emergency and allocated the votes to the standing alternate. TS noted that the second alternate was not allowed to vote which

should not have been the case as they neither needed the votes to be passed to them by the first alternate nor did they need the panel member's approval to vote. TS confirmed that this did not affect any of the decisions made by votes, however, she proposed that a discussion is held around this for some clarity around the alternate voting arrangements in the UNC Panel.

The chair agreed to discuss this with TS separately after the meeting.

Post Meeting Update: Further to a call between the Chair and TS, it was confirmed that the reason for 'not present' being recorded for the votes was not due to the alternate passing their vote to the standing alternate but for other reasons. It was agreed that no further action or follow up was required.

5. Diary Planning

Governance meetings are listed at: <https://www.gasgovernance.co.uk/Gov>

All other Joint Office events are available via: <https://www.gasgovernance.co.uk/events-calendar/month>

Time/Date	Meeting Paper Deadline	Venue	Programme
10:00 Monday 14 March 2024	5pm Friday 06 March 2024	Microsoft Teams	Standard Agenda
10:00 Monday 11 April 2024	5pm Friday 03 April 2024	Microsoft Teams	Standard Agenda
10:00 Monday 26 June 2024	5pm Friday 18 June 2024	Microsoft Teams	Standard Agenda
10:00 Monday 02 September 2024	5pm Friday 23 August 2024	Microsoft Teams	Standard Agenda

**UNC Workgroup 0841/0841A Minutes
Introduction of cost efficiency and transparency requirements for the
CDSP Budget**

Monday 05 February 2024

Via Microsoft Teams

Attendees		
Kate Elleman (Chair)	(KE)	Joint Office
Harmandeep Kaur (Secretary)	(HK)	Joint Office
Charlotte Gilbert	(CG)	BU-UK
David Mitchell	(DM)	Scotia Gas Networks
Edward Allard	(EA)	Cadent
Gavin Williams	(GW)	National Gas Transmission
Gregory Edwards	(GE)	Centrica
James Rigby	(JR)	Xoserve (CDP)
Jayne McGlone	(JM)	Xoserve (CDP)
Kirsty Ingham	(KI)	Centrica
Marina Papatoma	(MP)	Wales & West Utilities
Mark Jones	(MJ)	SSE
Matthew Brown	(MB)	Ofgem
Oorlagh Chapman	(OC)	Centrica
Sally Hardman	(SHa)	SGN
Steve Mulinganie	(SM)	SEFE
Susan Ann Helders	(SH)	Northern Gas Networks
Tracey Saunders	(TS)	Northern Gas Networks

This Workgroup meeting will be considered quorate provided at least two Transporter and two Shipper User representatives are present.

The Workgroup Report is due to be presented at the UNC Modification Panel by 18 April 2024.

Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of all papers are available at: <https://www.gasgovernance.co.uk/0841/050224>.

1.0 Introduction and Status Review

Kate Elleman (KE) welcomed all parties to the meeting.

1.1 Approval of Minutes (08 January 2024)

The minutes from the previous meeting were approved.

1.2 Approval of late papers

No late papers to approve.

1.3 Review of Outstanding Actions

None

2.0 Consider approach for Modification 0841A

The Chair confirmed that Modification 0841A has been withdrawn by the Proposer on 26 January 2024. The Withdrawal Notice can be found at [Withdrawal Notice \(gasgovernance.co.uk\)](https://www.gasgovernance.co.uk).

Steve Mulinganie (SM) queried the reason behind the withdrawal and asked why the alternate was no longer required. Tracey Saunders (TS) explained that Modification 0841 has changed significantly since the original version and the points raised in the alternative Modification have now been incorporated into 0841. TS stated that she and Centrica compromised on the main point raised in the alternative Modification around third-party assurance by agreeing that the audit would still take place, however, the type of audit will be determined by the DSC Committee. TS noted that, with this change along with the other amendments, it was determined that the purpose of the alternative had now been achieved with the latest version of Modification 0841.

TS noted that this has been an example of the Proposers working with the alternative Modification Proposer and highlighted the importance of these discussions which can lead to a better product. TS also noted that several industry individuals have taken an active part in the discussions which helped productively shape the Modification.

3.0 Legal Text Review

Ed Allard (EA) presented the changes made to the Legal Text for Modification 0841 – *Introduction of cost efficiency and transparency requirements for the CDSP Budget*.

The Workgroup discussed the intention of clause 12.3 in Section V of the Transportation Principal Document when setting rules around Modification approvals to the Business Plan Information Rules (BPIR). Various Workgroup members agreed that the current wording of 12.3 is vague as it can be interpreted as the sub-committee being able to approve a Modification to the BPIR. Tracey Saunders (TS) noted that this could be problematic if the sub-committee proposing the Modification can also approve it. TS further noted that the text should not say 'relevant sub-committee' as that includes the DSC Contract Management Committee. The text also needs clarification around the voting in the UNC Committee (UNCC).

Oorlagh Chapman (OC) (the Proposer) clarified their intention, stating, that the text should say that the Modification goes to the DSC Contract Committee for discussion and then goes to the UNCC for approval. EA confirmed that they will send the text to Dentons for review and amendments so that the text is clear and reflective of the proposer's intentions.

TS asked for further clarification around the intent of the clause questioning whether BPIR Modifications will only go to the UNCC with the DSC Contract Management Committee's approval. Gregory Edwards (GE) explained that the intent was that the change proposal would go to the DSC Contract Management Committee, and it can recommend to the UNCC that the change be made. If the DSC Contract Management Committee does not agree with the change, it does not go to UNCC for approval. TS was satisfied with the response.

Steve Mulinganie pointed out that the term 'subject to' may also need to be changed in 12.3.1.

Sally Hardman (SHa) queried the use of the words 'effectively' while 'efficient' and 'economic' are already being used in 3.4. TS clarified that this was discussed in one of the previous meetings as something that may be economic and efficient, may still not be the best course of action therefore effective was included to ensure the best outcome. GE agreed with TS. SHa was happy with the response.

The Workgroup agreed that the only changes required to finalise the Legal Text were to Clause 12.3. EA agreed to send this to Dentons for immediate review.

Business Plan Information Rules

Gregory Edwards (GE) presented the changes made to the Business Plan Information Rules (BPIR) document. GE noted that the main changes were made to the Assurance Activities section.

The Workgroup reviewed the changes and approved this document as the final version.

TS asked CDSP to confirm whether they are happy with the final version. James Rigby (JR) and Jayne McGlone (JM) confirmed on behalf of CDSP that they were happy with the final version.

4.0 Development of Workgroup Report

The Workgroup reviewed and updated the Workgroup Report.

Charlotte Gilbert (CG) and Centrica confirmed that there was no cross-code impact.

When discussing the impacts of the Modification, CDSP asked that it should be noted that they would need to organise third-party assurance as and when requested. TS queries whether the impact on resources, such as additional staff needs to be included in the costs. The CDSP clarified that they adopted these costs into Business Plan 2024/25, and they do not believe any other funds are required other than the third-party assurance costs already included in the Rough Order of Magnitude (ROM) which is included within the Workgroup Report. The CDSP will use its existing resources towards the implementation of Modification 0841. The workgroup agreed with the CDSP's plan of action.

When reviewing the Workgroup Impact Assessment, SM suggested that the previous history of Workgroup discussions be left in the Workgroup Report as it reflects the discussion around the Modification version at that point. The rest of the Workgroup agreed with SM. Matthew Brown (MB) supported keeping the previous discussions in the report and stated that it helps Ofgem see how the Modification evolved.

Jayne McGlone (JM) addressed the GDPR concerns around disclosing salaries, discussed in October 2023, and noted that CDSP would not reveal people's salaries. JM further clarified, in relation to the November discussions, that Xoserve did not use additional resources and that existing resource delivered the work. The Workgroup discussed the concerns around GDPR issues when disclosing information to the Committee such as employee salaries in BPIR. TS added that the intent of clause 4.7.7 in Budget and Charging Methodology was to ensure that this Modification does not put the CDSP at risk of breaching their contract with other parties while fulfilling their obligations. The Workgroup agreed to remove the discussions around salaries from the report.

The Workgroup reviewed the text provided by the CDSP to go into the same. JM explained that the text provides clarity around when the assurance activity is to happen to ensure the CDSP has time to not only review the findings but also to make amends further to the review. GE disagreed with the text and stated that it does not reflect the conversations and noted that Centrica's view as the proposer is that the assurance activity should be carried out at the final draft stage and if CDSP wishes to conduct any reviews before that final stage, it is up to them to decide on that. JM noted that the CDSP's stance is that the assurance activity should be there to assist them and if it is carried out at the final stage, it does not give them much of an opportunity to make any changes. GE clarified that the purpose of the assurance activity is not to get it approved by the CDSP board. It was said that Centrica would be happy for the assurance activity to be done with the final draft and the assurance report to be presented alongside the final draft. GE expressed concern that the consultation process is being conflicted with CDSP's internal governance processes. SM noted that if CDSP were to conduct a review at the initial stage, the first draft would not be at a suitable stage for a thorough review and that is not what has been agreed. GE agreed with SM.

GE noted that they understand that CDSP may wish to review the initial stages of the draft, but their point is that the main assurance activity should be carried out on the final draft. GE confirmed that the assurance activity is to confirm that the Business Plan has been created in accordance with the BPIR.

SM noted the discrepancies between the CDSP's expectations and what the proposer wishes to achieve. GE clarified that the BPIR is meant as the minimum requirements that the CDSP has to meet and there is no reason why the CDSP should be stopped from doing an audit at any other stage if they wish to, however, the minimum requirement is that the audit assurance is carried out at the final draft.

The Workgroup reviewed the scope of assurance activity as per section 5 of BPIR. It was clarified that the assurance activity report is to accompany the final draft of the Business Plan. CDSP noted that they will require enough time to procure a third party for the assurance activity when this is required.

Orlagh Chapman (OC) queried the annual process of the annual assurance activities plan. JM confirmed that the assurance activities plan will be presented at the DSC Contract Management Committee meeting next week. The plan is presented to the DSC Contract Management Committee in February and any comments and views from the committee are shared with the Audit and Risk Committee (ARC) who approve the final version of the audit plan. JM noted that all the processes are reviewed every 3 years unless a need arises to review earlier.

The Workgroup reviewed the Relevant Objectives. TS proposed changing the 'would' in Relevant Objective (f) to 'may'. SM noted that they may not necessarily agree with the Relevant Objectives, however, they do not have any objections.

5.0 Any Other Business

None.

6.0 Next Steps

The Workgroup discussed the timeline for the Modification to go to the panel. TS proposed that as long as the proposer, Dentons and Cadent agree with the changes made to the Legal Text, there is no need for another Workgroup. TS also noted that the consultation process will be lengthy due to the details of the matter. SM agreed and proposed the Modification is taken to the February UNC panel meeting. The rest of the Workgroup agreed with the plan.

The Workgroup agreed that the Modification should be implemented no later than May 2024 so that the changes can be incorporated in the development of the CDSP Budget 2025/26.

7.0 Diary Planning

No further meetings planned.

**UNC Workgroup 0864S Minutes
Update of UNC Code Communication Methods
Monday 05 February 2024
Via Microsoft Teams**

Attendees		
Kate Elleman (Chair)	(KE)	Joint Office
Harmandeep Kaur (Secretary)	(HK)	Joint Office
Charlotte Gilbert	(CG)	BU-UK
David Mitchell	(DM)	Scotia Gas Networks
Gavin Williams	(GW)	National Gas Transmission
Josie Lewis	(JL)	Xoserve
Marina Papathoma	(MP)	Wales & West Utilities
Mark Jones	(MJ)	SSE
Matthew Brown	(MB)	Ofgem
Oorlagh Chapman	(OC)	Centrica
Sally Hardman	(SHa)	SGN
Steve Mulinganie	(SM)	SEFE
Susan Ann Helder	(SH)	Northern Gas Networks
Tracey Saunders	(TS)	Northern Gas Networks

This Workgroup meeting will be considered quorate provided at least two Transporter and two Shipper User representatives are present.

The Workgroup Report is due to be presented at the UNC Modification Panel by 16 May 2024.

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1.0 Introduction and Status Review

Kate Elleman (KE) welcomed all parties to the meeting.

1.1 Approval of Minutes (08 January 2024)

The minutes from the previous meeting were approved.

1.2 Approval of late papers

None.

1.3 Review of Outstanding Actions

0101: Following a review of the examples, CDSP (ER) to check whether there are any other more appropriate alternatives to fax and consider which industry Workgroup is the most appropriate to discuss the technical aspects.

Update: Deferred to the next Workgroup meeting. **Carried Forward.**

2.0 Review of Fax References

Gavin Williams (GW) presented the Fax Text Analysis to the Workgroup. He noted that the purpose of this analysis was to provide more of a structure to the Modification and to get an idea of where to begin.

GW explained that the table provides locations where the references to fax and facsimile are within the UNC along with the text extracted from the Code. GW noted that the RAG Analysis provides the average of the feedback received from the DNs and Xoserve Comments are the CDSP's notes.

For a detailed review, please refer to the published document at [0864 Fax Text Analysis- JO v2 \(1\).pdf \(gasgovernance.co.uk\)](https://www.gasgovernance.co.uk/0864-Fax-Text-Analysis-JO-v2-1.pdf).

Tracey Saunders (TS) noted that in the Apendices, only 'facsimile' is highlighted as the term that needs to be removed, when 'number' (from 'facsimile number') will also need to be removed and should be highlighted accordingly. GW agreed that the text needs to be clearer.

GW noted that references to faxes are usually accompanied by something else such as references to telephone, therefore, most of CDSP's comments ask the question of whether dropping fax while leaving the other communication option in will fulfil the obligation. Josie Lewis (JL) agreed with GW's explanation.

Steve Mulinganie (SM) highlighted the initial proposal was not to remove but replace references to fax with another method of communication and the question was whether email would be the most suitable alternative. SM noted that removing fax and only leaving one option of telephone may not be sufficient.

JL clarified that they are not proposing only leaving one option in, their comments are their initial thoughts to prompt further conversations and discussions.

TS raised that if the obligation in the Code is to provide a telephone number and facsimile, providing two telephone numbers as an alternative option could serve the purpose. TS stated that it is unrealistic for emails to be monitored 24/7.

The Chair noted that if the Workgroup believes that email is not suitable for all situations, this may prompt version 2 of the Modification.

TS suggested calling out the exceptions per the methodology followed for *Modification 0708 - Re-ordering of the UNC in advance of Faster Switching* when creating the second version of the Modification.

The Workgroup discussed providing two telephone numbers as per TS's suggestion. SM highlighted that a telephone call cannot be shown in records and proven as legal evidence, unlike a fax or an email. SM noted that it would be helpful to see the utilisation to understand interruptible sites. Scotia Gas Networks and Cadent confirmed that they have no interruptible sites.

The Chair noted that it may be an option for the telephone call to be the main point of contact which can be followed up by an email to keep a record. The Chair also noted that this change will be more than a Find and Replace exercise as they have determined that email is not the most appropriate alternative to fax in all cases. The Chair proposed joining references to fax regarding interruptible sites together so that the same thought process can be used for all such references. SM agreed with this.

The Workgroup discussed the poll that showed that the industry no longer uses fax and considered the currently used alternatives. David Mitchell (DM) confirmed that they completed an emergency exercise and used email as their method of communication. SM queried the extent of Shipper involvement in this exercise, DM confirmed that there would have been limited Shipper involvement as it was mainly a Transporter / Distribution Network led exercise. SM noted that emails may be considered as a replacement, however, the spamming issues that come with emails would need to be considered.

GW highlighted clause 5.1.122, where email is already used along with facsimile. The Workgroup reviewed this clause and agreed that in this case, email can be left as the only option for communication as it can only be communicated via email. GW asked whether parties would be happy to put their email in the public domain. SM noted that a general operations email should not present a risk but stated that the emails do not need to be made public.

The Workgroup next reviewed 5.2 and discussed that with Notices, it may be appropriate to remove references to facsimile as this still leaves the option of post, email, and telephone. JL noted that they will need to cross-check these references with the UK Link Manual to capture any changes made to the type of communication.

SM suggested the option of using Text Message as an alternative method and noted that this would need mobile numbers. GW asked whether there are any other alternative methods already available and suggested that CDSP investigate this. GW noted that if alternative options are already being used instead of fax, they would be reluctant to add more options of communication. JW stated that they may need to communicate with those using email as an alternative to gather a better understanding of what happens in practice.

The Chair asked whether there is another Workgroup with people from operational departments to discuss this with. GW suggested the Operation Forum and agreed to ask the participants to support this discussion.

The Chair noted it needs to be determined whether the operations teams have found another form of communication to replace fax.

New Action 0201: The Workgroup to consider whether the replacement of fax with another form of communication could work. The Workgroup is to consider any alternative means of communication that may already be in operational use.

GW asked whether other Code Managers are considering this change. JL confirmed that REC has raised change R0157 to tackle this.

New Action 0202: The Workgroup to review the REC change, R0157, raised in relation to the replacement of fax and facsimile and discuss in the Workgroup meeting.

The Chair noted that there are 10 references that already have other forms of communication that could be removed. JL noted that some of the clauses that refer to fax, include the post as an option and these are non-emergency cases, therefore, these could be removed too.

GW queried the instances where email is included as the main form of communication with fax used as a follow-up method. The Chair suggested GW hold communications with other Networks to understand how they are communicating with Transporters. GW confirmed that some Users have responded to previous communications and confirmed that fax is not being used.

New Action 0203: GW (NGT) to group the instances in the Code where fax is used as a follow-up method to email and test this with control rooms to ensure fax is not being used and consider any alternatives being used instead.

The Chair highlighted the importance of this Modification as it addresses the switching off of the PTSN Network due to take place in 2025. The Chair commended NGT for taking on the task of making this change and noted that doing this early gives the Workgroup time to think and consider all options, rather than react post switch off.

3.0 Development of Workgroup Report

Deferred to next meeting.

4.0 Next Steps

Please refer to the Actions in Item 2.

5.0 Any Other Business

None.

6.0 Diary Planning

0864S meetings are listed at: <https://www.gasgovernance.co.uk/0864>

All other Joint Office events are available via: www.gasgovernance.co.uk/events-calendar/month

Time/Date	Meeting Paper Deadline	Venue	Programme
10:00 Monday 14 March 2024	5pm Friday 06 March 2024	Microsoft Teams	Standard Agenda
10:00 Monday 11 April 2024	5pm Friday 03 April 2024	Microsoft Teams	Standard Agenda

0841 Action Table						
Action Ref	Meeting Date	Min Ref	Action	Reporting Month	Owner	Status Update
0101	08/01/24	2.0	Following a review of the examples, CDSP (ER) to check whether there are any other more appropriate alternatives to fax and consider which industry Workgroup is the most appropriate to discuss the technical aspects.	January 2024 March 2024	CDSP (ER)	Carried Forward
0201	05/02/24	2.0	The Workgroup to consider whether the replacement of fax with another form of communication could work. The Workgroup is to consider any alternative means of communication that may already be in operational use.	February 2024	All	Pending
0202	05/02/24	2.0	The Workgroup to review the REC change, R0157, raised in relation to the replacement of fax and facsimile and discuss in the Workgroup meeting.	February 2024	All	Pending
0203	05/02/24	2.0	GW (NGT) to group the instances in the Code where fax is used as a follow-up method to email and test this with control rooms to ensure fax is not being used and consider any alternatives being used instead.	February 2024	GW (NGT)	Pending