

UNC Unidentified Gas (UIG) Workgroup Minutes

Wednesday 03 October 2018

at Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA

Attendees

Chris Shanley (Chair)	(CS)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Carl Whitehouse	(CWh)	First Utility
Chris Faulds	(CF)	ScottishPower
Chris Warner	(CW)	Cadent
Edward Fyfe*	(EF)	SGN
Emma Smith	(ES)	Xoserve
Fiona Cottam	(FC)	Xoserve
Imran Shah*	(IS)	British Gas
Joanna Ferguson*	(JF)	NGN
John Welch	(JW)	npower
Kirsty Dudley*	(KD)	E.ON
Leanne Jackson	(LJ)	Xoserve
Lindsay Biginton*	(LB)	Utilita
Louise Hellyer	(LH)	Total Gas & Power
Luke Reeves*	(LR)	EDF Energy
Mark Bellman	(MB)	ScottishPower
Mark Jones	(MJ)	SSE
Mark Perry	(MP)	Xoserve
Mark Rixon*	(MRi)	Engie
Michael Robertson	(MRo)	ScottishPower
Sallyann Blackett*	(SB)	E.ON
Steven Britton*	(SBr)	Cornwall

* via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/uig/031018>

1.0 Introduction and Status Review

Chris Warner (CW) made a request that all meetings across the Joint Office have a standard consistent start time of 10:30. This was supported by all workgroup members.

Chris Shanley (CS) will take the suggestion forward to the Joint Office and amend UIG Workgroup start times to 10.30.

1.1 Approval of Minutes (28 August 2018)

The minutes of the previous meeting were approved.

1.2 Pre-Modification discussions

1.2.1 Incentivise Product Class 4 Read Performance – MB/CF

Chris Faulds (CF) provided an overview of the 'PC4 Initiative Proposal' presentation in support of ScottishPower's draft 'Incentivise Product Class 4 Read

Performance' modification and clarified the objective of the modification is to increase confidence in accuracy of nominations; allocations; reconciliation and reduce levels and volatility in UIG.

This draft modification was discussed at the last UIG workgroup and CF confirmed that an internal review has been undertaken to try to achieve the same outcome but simplify the process and define the modification proposal for the October UNC Panel.

In clarifying the areas of Review/Consideration CF explained the original option and advised of the benefits of the new option.

Moving on to an overview of the draft modification, the Workgroup agreed that, taking in to consideration this might be a contentious modification, the timeline is very ambitious. The Workgroup agreed that a 6-month timeline might be more appropriate.

The suggested potential gas meter reading incentive calculation which is shown in Fig 2 on page 8 of the draft modification was discussed. Chris Shanley (CS) suggested the use of an appendix and to illustrate some other scenarios to give a flavour of what the range might be.

Kirsty Dudley (KD) suggested step changes could be included as an option to move from 93% to 100% (glide path). Mark Bellman (MB) suggested a review of the 100% target as this may not be achievable due to vacant sites, etc. The Industry average in electricity currently being 97%. It was suggested that it may be best to give PAC a role in setting the target, rather than trying to pre-empt a glide path.

It was clarified that Class 3 reads are not in the scope of this modification.

FC commented regarding the Monthly Read submission, there is 2/5 (2 fifths) of the Class 4 market should be monthly read. She suggested that the UIG Taskforce data analysis showed that for EUCs 3 or above (40%) 10% of the AQs had not been read in the last 3 months. For 12 monthly read sites 5.5% had not been read for over 15 months. The workgroup agreed these figures justified the need for the Modification.

It was mentioned if there is a possibility that the objective for this modification could be covered across 2 modification, one for reporting and one for the incentive.

Workgroup discussions then led to how to resolve the incentivisation issue if a Shipper is performing on a best endeavour and can be seen to be trying to get reads in and consideration of penalising sites that are troublesome, could be introduced. It was mentioned that it could be that some parties are already performing at 93% so there would be very little effort required in terms of improved performance.

Mark Jones (MJ) commented that there is an issue of timing with any penalties, explaining that as proposed a Shipper can't be penalised for 12 months as this will not be a retrospective modification, and time was required for the 12-month reporting period to be established. He added that a short-term target rather than a 12-month target could be considered if action was required sooner.

This concluded the pre-modification discussion.

2.0 Workgroups

2.1. 0652 - Obligation to submit reads and data for winter consumption calculation (meters in EUC bands 3 - 8) (Report to Panel 18 October 2018)

<https://www.gasgovernance.co.uk/0652>

2.2. 0659S - Improvements to the Composite Weather Variable

(Report to Panel 20 December 2018)

<https://www.gasgovernance.co.uk/0659>

2.3. 0664 - Transfer of Sites with Low Read Submission Performance from Class 2 and 3 into Class 4

(Report to Panel 20 December 2018)

<https://www.gasgovernance.co.uk/0664>

3.0 Issues

3.1. New Issues

None raised.

4.0 Review outstanding actions

Action 0801: *Reference targeting volatile UIG sites - Xoserve (FC) to consider providing some initial AQ movement versus the age of the read data related information.*

Update: Carried Forward

Action 0802: *Reference the UIG Tracker - Xoserve (FC) to look to review and update the issues log to reflect ScottishPower concerns relating to items 12(a) and (b).*

Update: Issues Log has been updated. **Closed**

5.0 Any Other Business

5.1. Re- Introduction of energy tolerances for AQ calculations

CF opened up discussion around the table with regards to the energy tolerances that were previously in place for AQ calculations. He advised that he has seen some quite big incorrect AQ calculations and wonders if there are any defects within the system that should be validating the AQ calculations. In the last 4 months, he has seen many examples that are over 1GW.

CF asked if other parties have seen anything similar, JW confirmed npower have seen similar.

JW said that his first thought is that it doesn't feel right to put in such a change when there is something with the system that isn't working properly at the moment.

ES suggested she takes this back to Xoserve and asked for CF and MR to provide some examples as an early engagement exercise and will come back to the next meeting with some feedback.

New Action 1001: ES to investigate if a AQ tolerance would help and feed back to this meeting on this and known AQ system issues.

CS asked if it is possible to provide a similar AQ Defect update to this group to that of DSC Contract meetings, so that parties are aware of the problems and resolutions.

CS also suggested that workgroup attendees have a look at the material that was published for the last DSC Contract meeting: <http://www.gasgovernance.co.uk/dsc-Contract/190918>.

When asked, FC clarified that Xoserve would not initiate any behind the scenes work on any of the UIG issues logged within the Issues Log and that they would always take the issue in the first instance to the DSC Change Committee. All of the issues logged need to be documented and if recommendations are approved then embedded in to the

Xoserve systems. It is envisaged that items on the log would be closed down only when there is an agreed way forward.

FC explained that Panel referred these modifications to the UIG workgroup which was not being held at the time as there was no live material to be discussed.

CS clarified that, wherever possible, modifications that are raised are assigned to an existing workgroup.

Carl Whitehouse (CWh) asked if anything has been done about monitoring the effectiveness of the proposals that come out of the UIG Taskforce. FC indicated that this might be a bit early in the process and may be put in place at a later date. CWh asked if the effectiveness of a proposal can be measured, FC advised that is a challenge but is being considered.

Louise Hellyar (LH) said that the adjustments on the ALPS from 1 October are in place now, they should be monitored at an Industry level. After a month or two, the Industry might start to see an impact on UIG.

5.2. UIG Taskforce update

CS advised the workgroup that a useful update was given yesterday at the extraordinary DSC Change Committee and asked if FC wanted to share this with this workgroup.

FC talked through the UIG Taskforce update that was presented to the extra-ordinary DSC Change meeting held on 2 October. The material for this presentation can be found here: <http://www.gasgovernance.co.uk/DSC-Change/021018>.

6.0 Diary Planning

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

Time / Date	Venue	Workgroup Programme
10.30 Wednesday 31 October 2018	Radcliffe House, Blenheim Court Warwick Road Solihull B91 2AA	Detail planned agenda items.
10.30 Monday 19 November 2018	Radcliffe House, Blenheim Court Warwick Road Solihull B91 2AA	Detail planned agenda items.
10:30 Friday 07 December 2018	Radcliffe House, Blenheim Court Warwick Road Solihull B91 2AA	Detail planned agenda items.

Action Table (as at 03 October 2018)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0801	28/08/18	1.2.1	Reference targeting volatile UIG sites - Xoserve (FC) to consider providing some initial AQ movement versus the age of the read data related information.	Xoserve (FC)	Carried Forward

0802	28/08/18	4.3	<i>Reference the UIG Tracker</i> - Xoserve (FC) to look to review and update the issues log to reflect ScottishPower concerns relating to items 12(a) and (b).	Xoserve (FC)	Closed
1001	03/10/18	1.1	ES to investigate if a AQ tolerance would help and feed back to this meeting on this and known AQ system issues.	Xoserve (ES)	Pending