Agenda: Pre-Modification Panel Briefing

Meeting Details: 13:00, 14 August 2017

Teleconference: 0207 950 1251, access code 21870295#

Documentation at: http://www.gasgovernance.co.uk/panel/170817

Dear Colleague,

Please note that we will be hosting a pre-Modification Panel briefing by teleconference starting at **13:00 on Monday 14 August 2017**. Discussions will be based on the Modification Panel agenda (http://www.gasgovernance.co.uk/panel/170817).

This pre-Panel briefing is intended to provide, in particular, an opportunity for smaller parties, including customer representatives as well as smaller Shippers and Suppliers, an opportunity to feed views into the modification process at critical stages. We therefore expect to focus on new Modifications and those on which the Panel will debate whether or not implementation is supported. Similar teleconferences are held prior to each monthly Modification Panel meeting (third Thursday of the month). Any views on which information would be most helpful to you, or on the time and format of the teleconference, would be welcome.

Modifications that are on this month's Panel agenda are:

New Modifications

Modification 0625 – Extension of 6 months to 12 months to transfer non-mandatory sites from Class 1

Proposed by Gazprom Energy

Under transitional arrangements implemented as part of the Nexus-related changes, sites that are Daily Metered (DM) but below the Class 1 AQ threshold of 2 million therms per annum had 6 months to be transferred by the incumbent Shipper to an appropriate product Class. In recognition of the ongoing difficulties being experienced with DM reads, and the consequential impact on Shippers' activities to effect such transfers, this modification seeks to extend the transitional period to 12 months (i.e. to be completed by 31 May 2018).

The Proposer is seeking self-governance procedures on the basis that there is unlikely to be a material effect on current or future gas consumers and a small positive benefit to competition arising from the smooth transition that would be enabled by this proposal.

http://www.gasgovernance.co.uk/0625

Implementation Recommendations

Modification 0570 – Obligation on Shippers to provide at least one valid meter reading per meter point into settlement once per annum

This modification proposes that Shippers at non-daily metered supply points, where 'ownership of the supply point' has been greater than 12 months, to provide a meter

reading at least once every year. Where 'ownership' is less than 12 months, this is a reasonable endeavours obligation. These obligations correspond with the requirement on Suppliers under the Supply Licence (SLC 21B.4).

The 0570 consultation closes on Thursday 10 August; a summary of views received will be provided on the call.

Panel members will be asked whether consultation responses have raised any new relevant issues that should be assessed by the Workgroup or, if not, whether they recommend that the modification should be implemented.

Modification 0593(V) – Provision of access to Domestic Consumer data for Price Comparison Websites and Third Party Intermediaries

This modification seeks to create provisions in the UNC to permit the release of data to Price Comparison Websites (PCWs) and Third Party Intermediaries (TPIs) to satisfy the Competition and Markets Authority (CMA) Energy Market Investigation requirements. The release of data would be subject to contractual agreement with Transporters that would include validations and be pursuant to data protection principles.

It is believed that by providing data directly to such non-Code parties the service provided will improve, leading to more switching with consequential benefits to the competitive marketplace.

In February 2017, Panel considered the original Modification 0593 and the consultation responses received. Implementation was not recommended, mainly because of concerns about the suitability of the safeguards proposed for consumer data. Ofgem subsequently sent the Report back to Panel to address the concerns raised and, at its' March meeting, Panel referred the modification back to the workgroup for further assessment. After clarification by the CMA of the suitability of a proposed approach, a Supplemental Report, along with a Privacy Impact Assessment, has been provided by the workgroup. Additionally, the Proposer has submitted a Variation Request because the Solution that is now believed to be appropriate differs to the original one.

At July's meeting, Panel agreed with the Proposer and the workgroup that the Variation Request represented a material change to the Solution, however further consideration of next steps was deferred pending the conclusion of Xoserve's development of the parallel DSC changes. Members believed it was important that the end-to-end solution should be available, enabling a more-informed consultation. Once the DSC process has delivered the systems and associated enabling commercial arrangements, it is expected that further consultation will follow.

Self-Governance Implementation

Modification 0615S – Representation on DSC Committees: amendment to include mid-year appointments

This modification seeks to enable mid-year changes to DSC Committee Representation to enable parties to take up representation of their Class Category on the DSC Committees in the event that their representation is being facilitated by another Class Representative.

The 0615S consultation closes on Thursday 10 August; a summary of views received will be provided on the call

Panel members will be asked whether consultation responses have raised any new relevant issues that should be assessed by the Workgroup or, if not, whether the modification should be implemented.

I hope this summary is helpful.

Regards,

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UNC related documents can be accessed via our website: www.gasgovernance.co.uk