UNC Workgroup 0835R Minutes Review of Gas Demand Side Response Arrangements Thursday 05 October 2023

via Microsoft Teams

Attendees			
Eric Fowler (Chair)	(EF)	Joint Office	
Helen Cuin (Secretary)	(HCu)	Joint Office	
Phil Hobbins (Proposer)	(SM)	National Gas Transmission	
Alex Nield	(AN)	Storengy UK	
Amy Howarth	(AH)	Storengy UK	
Andrew Blair	(AB)	Interconnector	
Anna Shrigley	(AS)	ENI	
Antony Miller	(AM)	South Hook Gas	
Bethan Winter	(BW)	WWU	
Brian McGlinchey	(BM)	Vermillion Energy	
Carlos Aguirre	(CA)	Pavilion Energy	
Chris Wright	(CWr)	Exxon Mobil	
Christiane Sykes	(CS)	Shell	
Conor McClarin	(CM)	National Gas Transmission	
Corrine Brooke	(CB)	Department for Energy Security and Net Zero (DESNZ)	
Ellie Rogers (11:15)	(ER)	Xoserve	
Gavin Williams	(GW)	National Gas Transmission	
Georgie Price (12:36)	(GP)	Ofgem	
Hannah Reddy	(HR)	Corella on behalf of Xoserve	
Isabel Capp	(IC)	Department for Energy Security and Net Zero (DESNZ)	
James Lomax	(JLo)	Cornwall Insight	
Jeff Chandler	(JC)	SSE	
Jonath Roche	(FR)	Department for Energy Security and Net Zero (DESNZ)	
Jonathan Balls	(JB)	Ofgem	
Joseph Leggett	(JL)	Interconnector	
Kirsty Appleby	(KA)	National Gas Transmission	
Lauren Jauss	(LJa)	RWE	
Lona Wilson	(LW)	Department for Energy Security and Net Zero (DESNZ)	
Lucy Manning	(LM)	ВР	
Marion Joste	(MJ)	ENI	
Maryam Khan	(MK)	Ofgem	
Mathew Chandy	(MC)	Ofgem	
Matthew Atkinson	(MA)	SEFE Energy	
Mathew Newman	(MN)	National Gas Transmission	
Niamh Holden	(NH)	Joint Office	
Nick King	(NK)	CNG Services	
Nick Wye	(NW)	Waters Wye Associates	
Ofordi Nabokei	(ON)	National Gas Transmission	
Phil Lucas	(PL)	National Gas Transmission	

Richard Fairholme	(RF)	Uniper	
Ritchard Hewitt	(RH)	Hewitt Home Energy Solutions	
Shiv Singh	(SS)	Cadent	
Stephen Huang	(SH)	Castel Commodities UK	
Steve Mulinganie	(SM)	SEFE Energy	

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 March 2024.

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/0835/051023

1.0 Introduction and Status Review

1.1. Approval of Late Papers

There were no late papers.

1.2. Review of Outstanding Actions

None to review

2.0 Progress Update

Phil Hobbins (PH) gave an update on the progress of the Demand Side Response (DSR) review reform for 2024-25.

Steve Mulinganie (SM) enquired if there was any feedback on this year's tender outcome and if National Gas Transmission (NGT) have any insight that can be shared.

PH reported that NGT had received more interest in the DSR options than last year, and that NGT are preparing a tender report, hoping to provide more details at the next meeting. PH confirmed that the draft scope of work was shared at the September Transmission Workgroup, the reforms potentially taking forward will require some considerable development time.

3.0 Overview of Longer-Term Options

PH provided several points to be reviewed including:

- Timing of the tender process
- Timing of the non-domestic renewal round and the need to take this into account.
- Within-day options along with option quantity for a within-day option and the lead time for exercising offers.
- Winter Average Demand (WAD) noting that history may not be reflective of future demand.
- Whether Measurement Errors might materially impact WAD
- Operational timings
- Margin Notices
- Tolerances
- Impact on Balancing Neutrality, security and credit checks
- Aggregation concept to allow for more volume
- A multi-day DSR product
- A 24-hour DSR exercise
- Consumer DSR
- Extending the facility of Direct Contracting to Class 2 Sites

Feedback on the points summarised was welcomed.

Steve Mulinganie (SM) welcomed the suggestion to bring the tender forward to mid-August and agreed with PH that the current timing is problematic.

SM suggested extending Class 2 may be a preferred route and that consideration may need to be given to Hydrogen blending and how this might interact with DSR longer term. EF suggested that PH speak with Megan Bray of NGT who is leading Review Group 0849R.

4.0 Next Steps

A timeline of the Review was provided. PH proposed deferring further discussion of 0835R next month to allow some bilateral discussions, coming back to Workgroup in December to provide an assessment of the accessible options, and dedicating more time in December.

The intention is that the Request Workgroup could be closed in December with a view to raising a Modification in the New Year for implementation 2024.

5.0 Any Other Business

None.

6.0 Diary Planning

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

Workgroup meetings will take place as follows:

Time / Date	Paper Publication Deadline	Venue	Workgroup Programme
10:00 Thursday 07 December 2023	5 pm Wednesday 29 November 2023	Microsoft Teams	Conclusion of Request Workgroup Report