

UNC Request	At what stage is this document in the process?
<h1>UNC 0646R:</h1> <h2>Review of the Offtake Arrangements Document</h2>	<div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="border: 1px solid #800040; padding: 5px; margin-bottom: 5px; width: 100%;">01 Request</div> <div style="border: 1px solid #008080; padding: 5px; margin-bottom: 5px; width: 100%;">02 Workgroup Report</div> <div style="border: 1px solid #FFA500; padding: 5px; margin-bottom: 5px; width: 100%;">03 Final Modification Report</div> <div style="border: 1px solid #ccc; width: 100%; height: 30px; margin-top: 5px;"></div> </div>
<p><b>Purpose of Request:</b></p> <p>To create a Workgroup to conduct a review and assessment of the Rights and Obligations of Gas Transporters as defined under UNC Offtake Arrangements Document (OAD). This review would identify and consider possible amendments that are required to UNC arrangements because of associated industry changes made since 2005.</p>	
	<p>The Proposer recommends that this request should be assessed by a Workgroup This request will be presented by the Proposer to the Panel on <b>18 January 2018</b>.</p>
	<p>High Impact: Transporters</p>
	<p>Medium Impact: None</p>
	<p>Low Impact: None</p>

<b>Contents</b>		 <b>Any questions?</b>
<b>1 Request</b>	<b>3</b>	Contact: <b>Joint Office of Gas Transporters</b>
<b>2 Impacts and Costs</b>	<b>4</b>	 <a href="mailto:enquiries@gasgovernance.co.uk"><b>enquiries@gasgovernance.co.uk</b></a>
<b>3 Terms of Reference</b>	<b>7</b>	 <b>0121 288 2107</b>
<b>4 Recommendation</b>	<b>8</b>	Proposer: <b>Shiv Singh</b>
<b>About this document:</b>		 <a href="mailto:shiv.singh1@cadentgas.com"><b>shiv.singh1@cadentgas.com</b></a>
This document is a Request, which will be presented by the Proposer to the panel on <b>18 January 2018</b> .		 <b>07580 999287</b>
The Panel will consider the Proposer's recommendation, and agree whether this Request should be referred to a Workgroup for review.		Transporter: <b>Darren Dunkley</b>
The Proposer recommends the following timetable:		 <a href="mailto:darren.dunkley@cadentgas.com"><b>darren.dunkley@cadentgas.com</b></a>
Initial consideration by Workgroup	February 2018	 <b>07768 102196</b>
Workgroup Report presented to Panel	19 July 2018	Systems Provider: <b>Xoserve</b>
		 <a href="mailto:commercial.enquiries@xoserve.com"><b>commercial.enquiries@xoserve.com</b></a>

## 1 Request

### Why is the Request being made?

The Offtake Arrangements Document (OAD) sets out the rights and obligations between Transporters (upstream and downstream) at offtakes. The OAD covers the connection, planning, maintenance and operation of the Transporters respective systems at shared offtake sites.

The OAD was implemented in 2005. Whilst the fundamental principles behind OAD are sound, a number of gaps exist as not all industry practice was taken fully into account during its development.

The OAD has also not kept in step with the industry changes that have occurred since implementation, and there are also some outstanding 'transfer' issues associated with the original network sales process which require attention.

The main priorities are to review:

- How OAD affects all gas network operators;
- How all GDNs engage with National Grid Gas (NGG) to manage NTS offtake arrangements; and
- How most GDNs must engage with other GDNs to manage LDZ to LDZ offtakes.

Revising OAD appropriately would help to ensure consistency in the understanding of the requirements that all network operators have to manage and comply with.

### Scope

The Workgroup will review the following sections of UNC OAD:

- Section A – Scope and Classification
- Section B – Connection Facilities
- Section C – Safety and Emergency
- Section G - Maintenance
- Section L – Cost Recovery and Invoicing
- Section M – Information Flows
- Section N - General
- Appendices (Supplemental Agreements).

Potential amendments are categorised as follows:

- Enhance Existing Code:
  - Update definitions so that they are clear and concise
  - Update processes to align with industry practice/processes
  - Improve templates to allow for the correct asset ownership to be documented
- Amend existing arrangements to fully define:
  - Approach for Tri-party sites
  - Site Owner process and the removal of redundant site assets

- Process for updating site owner drawings
- NGG’s responsibilities for managing the library of Supplemental Agreements
- New Requirements:
  - Requirements needed to support Critical Network Infrastructure (CNI) sites.

### Impacts & Costs

Costs associated with the Request Proposal are expected to be limited to those incurred by parties in the normal course of conducting any system/process enhancements.

### Recommendations

The principal objective of the Request is to identify and consider changes that are required to UNC arrangements to take account of industry changes since 2005.

### Additional Information

None identified.

## 2 Impacts and Costs

### Consideration of Wider Industry Impacts

None identified.

### Impacts

Impact on Central Systems and Process	
Central System/Process	Potential impact
UK Link	<ul style="list-style-type: none"> <li>● Not impacted</li> </ul>
Operational Processes	<ul style="list-style-type: none"> <li>● Not impacted</li> </ul>

Impact on Users	
Area of Users’ business	Potential impact
Administrative and operational	<ul style="list-style-type: none"> <li>● Not impacted</li> </ul>
Development, capital and operating costs	<ul style="list-style-type: none"> <li>● Not impacted</li> </ul>
Contractual risks	<ul style="list-style-type: none"> <li>● Not impacted</li> </ul>
Legislative, regulatory and contractual obligations and relationships	<ul style="list-style-type: none"> <li>● Not impacted</li> </ul>

Impact on Transporters	
Area of Transporters’ business	Potential impact

Impact on Transporters	
System operation	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Development, capital and operating costs	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Recovery of costs	<ul style="list-style-type: none"> <li>• Impacted</li> </ul>
Price regulation	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Contractual risks	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Legislative, regulatory and contractual obligations and relationships	<ul style="list-style-type: none"> <li>• Impacted</li> </ul>
Standards of service	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>

Impact on Code Administration	
Area of Code Administration	Potential impact
Modification Rules	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
UNC Committees	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
General administration	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
DSC Committees	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>

Impact on Code	
Code section	Potential impact
OAD A - C, G, L – O, Appendices	<ul style="list-style-type: none"> <li>• Impacted</li> </ul>

Impact on UNC Related Documents and Other Referenced Documents	
Related Document	Potential impact
Network Entry Agreement (TPD I1.3)	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
General	Potential Impact
Legal Text Guidance Document	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
UNC Modification Proposals – Guidance for Proposers	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Self Governance Guidance	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
	<ul style="list-style-type: none"> <li>•</li> </ul>
TPD	Potential Impact
Network Code Operations Reporting	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>

Impact on UNC Related Documents and Other Referenced Documents	
Manual (TPD V12)	
UNC Data Dictionary	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
AQ Validation Rules (TPD V12)	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
AUGE Framework Document	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Customer Settlement Error Claims Process	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Demand Estimation Methodology	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Energy Balancing Credit Rules (TPD X2.1)	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Energy Settlement Performance Assurance Regime	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Guidelines to optimise the use of AQ amendment system capacity	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Guidelines for Sub-Deduct Arrangements (Prime and Sub-deduct Meter Points)	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
LDZ Shrinkage Adjustment Methodology	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Performance Assurance Report Register	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Shares Supply Meter Points Guide and Procedures	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Shipper Communications in Incidents of CO Poisoning, Gas Fire/Explosions and Local Gas Supply Emergency	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Standards of Service Query Management Operational Guidelines	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
Network Code Validation Rules	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
	<ul style="list-style-type: none"> <li>•</li> </ul>
OAD	Potential Impact
Measurement Error Notification Guidelines (TPD V12)	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
	<ul style="list-style-type: none"> <li>•</li> </ul>
EID	Potential Impact
Moffat Designated Arrangements	<ul style="list-style-type: none"> <li>• Not impacted</li> </ul>
	<ul style="list-style-type: none"> <li>•</li> </ul>

Impact on UNC Related Documents and Other Referenced Documents	
IGTAD	Potential Impact
	<ul style="list-style-type: none"> <li>Not impacted</li> </ul>
DSC / CDSP	Potential Impact
Change Management Procedures	<ul style="list-style-type: none"> <li>Not impacted</li> </ul>
Contract Management Procedures	<ul style="list-style-type: none"> <li>Not impacted</li> </ul>
Credit Policy	<ul style="list-style-type: none"> <li>Not impacted</li> </ul>
Credit Rules	<ul style="list-style-type: none"> <li>Not impacted</li> </ul>
UK Link Manual	<ul style="list-style-type: none"> <li>Not impacted</li> </ul>
	<ul style="list-style-type: none"> <li></li> </ul>

Impact on Core Industry Documents and other documents	
Document	Potential impact
Safety Case or other document under Gas Safety (Management) Regulations	<ul style="list-style-type: none"> <li>Not impacted</li> </ul>
Gas Transporter Licence	<ul style="list-style-type: none"> <li>Not impacted</li> </ul>

Other Impacts	
Item impacted	Potential impact
Security of Supply	<ul style="list-style-type: none"> <li>Not impacted</li> </ul>
Operation of the Total System	<ul style="list-style-type: none"> <li>Not impacted</li> </ul>
Industry fragmentation	<ul style="list-style-type: none"> <li>Not impacted</li> </ul>
Terminal operators, consumers, connected system operators, suppliers, producers and other non code parties	<ul style="list-style-type: none"> <li>Not impacted</li> </ul>

### 3 Terms of Reference

#### Background

To conduct a review and assessment of the rights and obligations of Gas Transporters as defined under UNC Offtake Arrangements Document (OAD).

## Topics for Discussion

- Understanding the objective
- Assessment of alternative means to achieve objective
- Development of Solution (including business rules if appropriate)
- Assessment of potential impacts of the Request
- Assessment of implementation costs of any solution identified during the Request
- Assessment of legal text

## Outputs

Produce a Workgroup Report for submission to the Modification Panel, containing the assessment and recommendations of the Workgroup including a draft modification where appropriate.

## Composition of Workgroup

The Workgroup is open to any party that wishes to attend or participate.

A Workgroup meeting would normally be quorate provided at least two Transporter and two User representatives are present. However, as this topic is mainly of interest to Transporters, meetings should be considered quorate if only Transporters are present.

## Meeting Arrangements

Meetings will be administered by the Joint Office and conducted in accordance with the Code Administration Code of Practice.

## 4 Recommendation

The Proposer invites the Panel to:

- DETERMINE that Request 0646R progress to Workgroup for review.