

UNC Distribution Workgroup Minutes
Thursday 13 December 2021
via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Carl Whitehouse	(CW)	Shell Energy
Clare Manning	(CM)	E.ON Energy
Claire Louise Roberts	(CLR)	Scottish Power
Dan Stenson	(DS)	British Gas
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
David Morley	(DMo)	Ovo Energy
Edward Robinson	(ER)	Centrica (0781R)
Ellie Rogers	(ER)	Xoserve
Fiona Cottam	(FC)	Correla on behalf of Xoserve (0781R)
Gareth Evans	(GE)	Waters Wye Associates (0781R)
George MacGregor	(GMc)	Utilita
Guv Dosanjh	(GD)	Cadent
Heather Ward	(HW)	Energy Assets
Jamie Clark	(JC)	Centrica (0781R)
Kundai Matiringe	(KM)	BU-UK
Louise Hellyer	(LH)	Totalenergies Gas & Power
Luke Reeves	(LR)	EDF Energy
Mark Jones	(MJ)	SSE (0781R)
Max Lambert	(ML)	Ofgem
Richard Pomroy	(RP)	Wales & West Utilities
Rhys Kealley	(RK)	British Gas
Sally Hardman	(SH)	SGN
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <https://www.gasgovernance.co.uk/dist/131221>

1. Introduction and Status Review

Rebecca Hailes (RHa) welcomed everyone to the meeting.

1.1. Approval of Minutes (25 November 2021)

The minutes from the previous Distribution Workgroup were approved.

1.2. Approval of late papers

RHa advised the only late paper received was for the pre-Modification discussion for which material is not necessary.

1.3. Review Outstanding Actions

0111: All Workgroup to review *Document 8 – Other Changes to the UNC-GTs* ahead of the next Workgroup meeting on 13 December 2021. See publication here:

<https://www.gasgovernance.co.uk/dist/251121>.

Update: David Addison (DA) provided an update to this action and advised he has received some comments from Richard Pomroy (RP). DA reminded Workgroup that this refers to the relationship between the Data Permissions Matrix (DPM) and the Data Access Matrix (DAM), in particular, any third parties currently accessing data which is protected under the Uniform Network Code (UNC). If they are not a UNC party and following the introduction of the Retail Energy Code (REC), the DPM and DAM should be discrete documents. Therefore the DPM will have less information showing, such as, it will not show Suppliers, MAMs etc. UNC parties' access will remain and the data available to them in the DPM will be the full amount of data because their data will be able to be provided by the CDSP.

If a Meter Asset Provider (MAP) needs to know wholesale information, they would need to make their case to DSC Contract Management Committee for approval for the access to be provided.

DA clarified that Performance Assurance Reporting is part of the UNC, for example, the obligations for meter reading are in UNC.

DA advised he will continue working on how the DPM should work and added there is no timeline as yet from Ofgem with regards to the Significant Code Review (SCR) Legal Text, he is anticipating this will be received this week. Another note will follow as soon as the timeline is known.

RHa showed Workgroup where the Switching SCR Legal Text will be published which, in order to give more visibility rather than hidden under the Distribution Workgroup pages: <https://www.gasgovernance.co.uk/SCR/switching>

Action 0111 Closed.

1.4. Modifications with Ofgem

Max Lambert (ML) advised Workgroup that he is looking to provide a more formal industry update from the beginning of 2022 that will coincide with the end of the month. He asked Workgroup what they would like to see from Ofgem from the start of next year.

Guv Dosanjh (GD) said that he would like to see:

- Views/comments on Modifications awaiting Ofgem decision, as a standing agenda item;
- If Ofgem have a view on any Modifications or Review Groups that are in flight;
- Share market intelligence (if there are no commercial implications).

Steve Mulinganie (SM) asked for any information on any outstanding consultations and Louise Hellyer (LH) asked for an overview on what is outstanding with Ofgem to be included.

The comments were noted by ML he then proceeded to provide Workgroup with a brief update:

The latest version of the Expected Publication Dates Timetable was published on 09 December 2021, <https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable>. This includes the following information pertaining to Distribution workgroup:

[Modification 0760 - Introducing the concept of derogation for Net Zero innovation into Uniform Network Code](#) which has an expected date of publication of 31 March 2022.

[Modification 0696V - Addressing inequities between Capacity booking under the UNC and arrangements set out in relevant NEXAs](#) remains the same as previous updates with an expected date of publication to be confirmed in 2022.

[Modification 0746 - Clarificatory change to the AQ amendment process within TPD G2.3](#) remains the same as previous updates with an expected date of publication to be confirmed in 2022.

SM highlighted that Modification 0746 is essentially redundant because of certain Industry activities that have occurred lately, its purpose and therefore its justification are no longer necessary.

1.5. Pre-Modification discussions

1.5.1. Current charging for SoLR

Referring to new Modification 0795 - Arrangements for charging for revenue to pay valid Last Resort Supplier Payment claims, Richard Pomroy (RP) advised this will be considered by UNC Panel on Thursday 16 December 2021. <https://www.gasgovernance.co.uk/0795> *This Modification describes the arrangements currently used for charging for revenue to pay valid Last Resort Supplier Payment claims from Suppliers of Last Resort. It is being raised as it is unclear when or whether 0687 will be directed for implementation and clarity is required for financial year 2022/23.*

RP explained this Modification has been raised in case *Modification 0687 - Creation of new charge to recover Last Resort Supply Payments* is not directed for implementation from 01 April 2023. Its purpose is to clarify the existing process by which Supplier of Last Resort (SoLR) charges are attributed to Shippers, which he feels is appropriate given the size of claims that are being seen.

At UNC Modification Panel on Thursday 16 December RP will be requesting Modification 0795 is issued straight out to consultation as no new processes are being proposed, the Modification simply adds existing processes into UNC, it is an explanation of how the process currently works. The suggested timeline is as follows:

New Modification to be considered by Panel	16 December 2021
Draft Modification Report issued for consultation	16 December 2021
Consultation Close-out for representations	11 January 2021
Final Modification Report available for Panel	14 January 2022 (short notice)
Modification Panel decision	20 January 2022

RP explained that when Modification 0795 is considered at short notice at the January 2022 UNC Panel, their decision can then be made before 31 January 2022 which is before DN Charges must be published.

When asked, RP explained that if the proposed Variation Request to Modification 0687 is accepted, the January UNC Panel may have a discussion and decide they should not implement Modification 0795.

Louise Hellyer (LH) was asked to provide an update on Modification 0687:

LH explained that a Variation Request has been published, which is based on the Ofgem Send Back Letter published 07 December 2021 which highlighted two main issues:

1. The UNC Legal Text Baseline has been amended since the Modification was issued to Ofgem in 2019
2. Additional clarity on the solution is requested.

The Variation Request is to be considered at an Extra-ordinary UNC Panel on Tuesday 14 December 2021.

Post Meeting Update:

Modification 0687 was considered at an Extra-Ordinary UNC Panel on Tuesday 14 December 2021 where Panel concluded that the circumstances relating to Modification 0687 have materially changed, therefore the Variation Request was accepted. The timeline for Modification 0687V will proceed as shown in the published [Draft Modification Report](#). Modification 0687V is now out for consultation which closes at 5pm on Thursday 30 December 2021. <https://www.gasgovernance.co.uk/0687>

2. CSS Consequential Changes – Detailed Design Report

DA confirmed there is no further update to be provided apart from those covered under action 0111.

3. Workgroups

3.1. 0734S – Reporting Valid Confirmed Theft of Gas into Central Systems and Reporting Suspected Theft to Suppliers

(Due to report to Panel 16 December 2021)

<https://www.gasgovernance.co.uk/0734>

3.2. 0763R - Review of Gas Meter By-Pass Arrangements

(Due to report to Panel 21 April 2022)

<https://www.gasgovernance.co.uk/0763>

3.3. 0781R - Review of the Unidentified Gas Process

(Due to report to Panel 21 April 2022)

<https://www.gasgovernance.co.uk/0781>

3.4. 0782 – Creation of Independent AUGE Assurer (IAA) role Deferred to January 2021

(Due to report to Panel 17 February 2022)

<https://www.gasgovernance.co.uk/0782>

3.5. 0784 – Transition to the Central Switching Service and the Retail Energy Code v3.0

(Due to report to Panel 17 February 2022)

<https://www.gasgovernance.co.uk/0784>

4. Issues

None raised.

5. Any Other Business

5.1. Modification 0672 Legal Text

DA advised *Modification 0672 - Target, Measure and Report Product Class 4 Read Performance*, was raised as part of the UIG suite of Modifications.

DA noted that, as part of its development, it has been identified there are some areas of Legal Text that need to be clarified and may require a Fast-Track Self Governance Modification to be raised:

Section M5.9.18

DA clarified, to show where valid reads received by the end of the next month are deemed to be valid, the Legal Text should read 'by the end of' calendar month M+1 rather than 'during' calendar month M+1.

New Action 0112: Scottish Power (CLR) to confirm the changes to **M5.9.18** is what was intended within Modification 0672.

When asked, DA provided an example of the submission of the Meter Reading under the mod as currently drafted:

- For example if the read is taken on 1st of December,
- Shippers have 25 Business Days to submit the reading;
- DA understands, this might mean that if the Shipper submits the Meter Reading in December, the CDSP should exclude it because it is not in M+1.

Section M5.9.4

DA explained that the Development Team have raised a concern of how M5.9.19 interacts with M5.9.4.

DA clarified that M5.9.4 is in existing Code and is the requirement that a valid Meter Reading is submitted by the 25th day after the read date, however, when it is considered in relation to Modification 0672 and paragraph 5.9.19, where it states a Meter Reading taken on (for example) 31 December, the Shipper would have 5-weeks to submit the Meter Reading to the CDSP which would mean early February in this example. Under paragraph 5.9.18 any reading taken on (for example) 31 December, in order to qualify for performance, under Modification 0672, says the Meter Reading needs to be submitted by 31 January.

M5.9.21

DA has noted some inconsistencies in the Modification and the Business Rules where within the reporting Month changes of Meter Read frequency or Shipper: Business Rule 7 describes a change of Shipper event and Code appears to have excluded it.

DA has suggested the addition of **M5.9.21**:

5.9.21 Where the Meter Read Frequency of a Supply Meter changes during a calendar month no account shall be taken of the Annual Quantity of the Supply Meter Point for such month for the purposes of paragraphs 5.9.18 and 5.9.19.

Workgroup agreed that 5.9.21 should be included.

DA advised that the Legal Text provider for Modification 0672 is aware of the proposed changes.

6. Diary Planning

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

Time / Date	Paper Publication Deadline	Venue	Programme
Thursday 10:00 27 January 2022	5pm 18 January 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 24 February 2022	5pm 15 February 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 24 March 2022	5pm 15 March 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 28 April 2022	5pm 19 April 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 26 May 2022	5pm 17 May 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 23 June 2022	5pm 14 June 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 28 July 2022	5pm 19 July 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 25 August 2022	5pm 16 August 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 22 September 2022	5pm 13 September 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 27 October 2022	5pm 18 October 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 24 November 2022	5pm 15 November 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 12 December 2022	5pm 01 December 2022	Microsoft Teams	Standard Agenda

Action Table (as of 13 December 2021)						
Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0111	25/11/21	2.0	All Workgroup to review <i>Document 8 – Other Changes to the UNC-GTs</i> ahead of the next Workgroup meeting on 13 December 2021. See publication here: https://www.gasgovernance.co.uk/dist/251121	December 2021	All Workgroup	Closed
0112	13/12/21	5.1	Modification 0672 Legal Text: Scottish Power (CLR) to confirm the changes to M5.9.18 is what was intended within Modification 0672.	January 2022	Scottish Power (CLR)	Pending

UNC Workgroup 0734S Minutes
Reporting Valid Confirmed Theft of Gas into Central Systems and
Reporting Suspected Theft to Suppliers
Thursday 13 December 2021
via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Carl Whitehouse	(CW)	Shell Energy
Clare Manning	(CM)	E.ON Energy
Claire Louise Roberts	(CLR)	Scottish Power
Dan Stenson	(DS)	British Gas
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
David Morley	(DMo)	Ovo Energy
Ellie Rogers	(ER)	Xoserve
George MacGregor	(GMc)	Utilita
Guv Dosanjh	(GD)	Cadent
Heather Ward	(HW)	Energy Assets
Kundai Matiringe	(KM)	BU-UK
Louise Hellyer	(LH)	Totalenergies Gas & Power
Luke Reeves	(LR)	EDF Energy
Max Lambert	(ML)	Ofgem
Richard Pomroy	(RP)	Wales & West Utilities
Rhys Kealley	(RK)	British Gas
Sally Hardman	(SH)	SGN
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0734/131221>

The Workgroup Report is due to be presented at the UNC Modification Panel by 16 December 2021.

1.0 Introduction and Status Review

1.1. Approval of Minutes (25 November 2021)

The minutes were approved.

1.2. Approval of Late Papers

No Late Papers to consider.

1.3. Review of Outstanding Actions

No outstanding actions to consider.

2.0 Amended Modification and Review of Business Rules

It was confirmed that v7.0 of the Modification, published 02 December 2021, is the latest version of the Modification which was updated following Workgroup discussions held on 25 November 2021.

3.0 Consideration Legal Text

Workgroup considered the Legal Text and agreed that it meets the intent of the Modification.

As Legal Text provider, David Mitchell (DM) provided a brief overview of the Explanatory Table as published on the meeting page here: <https://www.gasgovernance.co.uk/0734> and confirmed the updates to UNC will be to Defined Terms; Section E - Daily Quantities, Imbalances and Reconciliation and Section V – General.

DM agreed to remove the questions in the Explanatory Table as they are housekeeping matters, Workgroup did not feel the need to discuss these any further at a future Distribution Workgroup.

Legal Text consideration concluded.

4.0 Completion of Workgroup Report

RHa shared Workgroup Report v2.0 and confirmed this is now based on v7.0 of the Modification and minor amendments were made according to Workgroup comments.

When asked, it was confirmed that the requirement for an IGT Modification to be raised was discussed some time ago and that Workgroup concluded an IGT Modification was not necessary.

Ellie Rogers (ER) informed Workgroup that Change Proposal XRN5326 was presented to the DSC Change Management Committee on 08 December 2021 where Shipper members decided to defer any consideration until the Modification has had final approval from UNC Panel. The Change Proposal will be submitted back to the DSC Change Management Committee once UNC Panel approve the Modification where consideration of whether to implement the interim solution will be contemplated.

The CMS Rebuild Program timescales is being discussed at DSC Contract Management Committee on 15 December 2021 (and 21 December 2021).

RHa confirmed the Workgroup Report is complete and that v3.0 dated 13 December 2021 will be presented to UNC Modification Panel on 16 December.

Discussions concluded.

5.0 Next Steps

RHa confirmed the considerations for Workgroup 0734S have now concluded, the Workgroup Report will be presented to the 16 December 2021 UNC Modification Panel.

6.0 Any Other Business

6.1. Rough Order of Magnitude update

As discussed at Workgroup on 28 October 2021, ER confirmed with Workgroup that there is an agenda item for the DSC Change Management Committee meeting on 08 December 2021 where the option to introduce the interim solution until the CMS rebuild is complete will be considered.

7.0 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	Publication Deadline	Venue	Programme
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No further planned meetings

Action Table (as of 13 December 2021)

Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
No outstanding actions						

**UNC Workgroup 0763R Minutes
Review of Gas Meter By-Pass Arrangements
Thursday 13 December 2021
via Microsoft Teams**

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Carl Whitehouse	(CW)	Shell Energy
Clare Manning	(CM)	E.ON Energy
Claire Louise Roberts	(CLR)	Scottish Power
Dan Stenson	(DS)	British Gas
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
David Morley	(DMo)	Ovo Energy
Ellie Rogers	(ER)	Xoserve
George MacGregor	(GMc)	Utilita
Guv Dosanjh	(GD)	Cadent
Heather Ward	(HW)	Energy Assets
Kundai Matiringe	(KM)	BU-UK
Louise Hellyer	(LH)	Totalenergies Gas & Power
Luke Reeves	(LR)	EDF Energy
Max Lambert	(ML)	Ofgem
Richard Pomroy	(RP)	Wales & West Utilities
Rhys Kealley	(RK)	British Gas
Sally Hardman	(SH)	SGN
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0763/131221>

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 April 2022

1.0 Introduction and Status Review

Rebecca Hailes (RHa) welcomed everyone to the meeting.

1.1. Approval of Minutes (25 November 2021)

The minutes from the previous Workgroup were approved.

1.2. Approval of Late Papers

There were no late papers to consider.

1.3. Review of Outstanding Actions

Action 0111: Proposer (CLR) to work on producing straw man of the Guidance Note.

Update: Action deferred to 27 January 2022 Workgroup. **Carried Forward**

Action 0211: RHa to put EF in touch with the Proposer – Claire Louise Roberts (CLR).

Update: RHa confirmed this has been completed. **Closed**

2.0 Consideration of Request

2.1 Review Further Analysis

Claire Louise Roberts (CLR) confirmed she has been in contact with E Fowler who has agreed to work with CLR on the production of the Guidelines Document and therefore she requested that this Workgroup is deferred until 27 January 2022.

Workgroup agreed to reconvene on 27 January 2022.

2.2 Review Data Cleansing Requirements

2.2.1. Meter By-Pass Analysis Update

No further discussion.

2.2.2. Data Cleansing

No further discussion.

2.2.3. Review of End-to-End Process

No further discussion.

3.0 Next Steps

Workgroup deferred to 27 January 2022.

4.0 Any Other Business

None.

5.0 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	Programme
10:00 Thursday 27 January 2022	5pm 18 January 2022	Microsoft Teams	TBC
Thursday 10:00 24 February 2022	5pm 15 February 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 24 March 2022	5pm 15 March 2022	Microsoft Teams	Standard Agenda

Action Table (as of 13 December 2021)						
Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0111	25/11/21	2.1	Proposer (CLR) to work on producing straw man of the Guidance Note	December 2021	Proposer (CLR)	Pending
0211	25/11/21	2.1	RHa to put EF in touch with the Proposer – Claire Louise Roberts (CLR)	December 2021	Joint Office (RHa)	Closed

UNC Workgroup 0781R Minutes
Review of the Unidentified Gas process
Thursday 13 December 2021
via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Carl Whitehouse	(CW)	Shell Energy
Clare Manning	(CM)	E.ON Energy
Claire Louise Roberts	(CLR)	Scottish Power
Dan Stenson	(DS)	British Gas
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
David Morley	(DMo)	Ovo Energy
David Thomas	(DT)	Elexon
Edward Robinson	(ER)	Centrica
Ellie Rogers	(ER)	Xoserve
Fiona Cottam	(FC)	Correla on behalf of Xoserve
Gareth Evans	(GE)	Waters Wye Associates
George MacGregor	(GMc)	Utilita
Guv Dosanjh	(GD)	Cadent
Heather Ward	(HW)	Energy Assets
Jamie Clark	(JC)	Centrica
Kundai Matiringe	(KM)	BU-UK
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Mark Jones	(MJ)	SSE
Max Lambert	(ML)	Ofgem
Richard Pomroy	(RP)	Wales & West Utilities
Rhys Kealley	(RK)	British Gas
Sally Hardman	(SH)	SGN
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0781/131221>

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 April 2022.

1.0 Introduction and Status Review

1.1. Approval of Minutes (25 November 2021)

The minutes from 25 November 2021 were approved.

1.2. Approval of Late Papers

RHa confirmed there were no late papers for Workgroup to consider.

1.3. Review of Outstanding Actions

No outstanding actions to consider.

2.0 Initial Analysis

Gareth Evans (GE) provided a brief update on the status of *Modification 0782 - Creation of Independent AUGÉ Assurer (IAA) role* and advised he has been in conversation with Xoserve and will be working together on a Contract and looking to see how that would fit in within the UNC process.

GE explained he had invited David Thomas from Elexon to give a presentation to Workgroup to enhance Workgroup's understanding of a relevant process used in Electricity.

David Thomas (DT) from Elexon joined the meeting and provided a presentation on Group Correction Factors (GCFs) in Electricity Settlement. The presentation covered the following main topics. Where there was specific interaction regarding particular slides with the Committee members, this has been captured within the minutes for each section of the presentation, and full details can be found on the published presentation here: <https://www.gasgovernance.co.uk/0781/131221>.

Grid Supply Point (GSP) Groups – slide 2

This slide shows the 14 Distribution Networks (or GSP Groups), that take energy from the Transmission Network.

GSP Group Take – top down and bottom up – slide 3

DT advised that Electricity is settled on a half hourly (HH) basis. He said that all parties' meter readings taken within the GSP should equal the Group Take Energy, however, this does not always happen, when there is a difference, a correction needs to be applied which is the Group Correction Factor (GCF).

When Steve Mulinganie (SM) asked if the Group Take is metered, DT confirmed that each GSP Group has a number of GSP meters to record electricity entering or leaving the GSP region. These metered volumes are added together to calculate the Group Take for each of the 14s GSP Group.

The Group Correction Factor is smeared across all parties according to their market shares within the GSP Group and Settlement Period. DT advised there are different scaling factors depending on consumption class, half hourly, non-half hourly, active import, non-active import etc.

When RHa asked how the scaling factors are set, DT advised they are reviewed by one of the Committees within Elexon which then goes to the appropriate Panel and possibly onto Ofgem.

DT clarified that large Half Hourly do not have anything applied to them. Large Half Hourly sites would, in comparison, be Measurement Class C types of premises, industrial/commercial sites.

When SM asked if the GCF is revisited back to the day, DT advised the GCF is corrected on a Half Hourly basis and revisited subsequent to the reconciliation runs.

David Morley (DMo) asked if there are any other methods other than GCFs that are used to apportion losses? DT advised that Line Loss Factors and Transmission Losses are applied and that in theory, if everything is metered correctly, he would expect GCFs to be very low, however, with difficulties over the last 2 years visiting sites he has seen GCFs more varied than usual.

DMo commented that GCFs are one part of a whole system, which maybe should not be taken out of context.

GE added that the Gas Industry have losses that appear, for example in Shrinkage, Unaccounted for Gas (UAG); there are several different sets in both electricity and gas.

DmO clarified that he is trying to make sure that the Review Group are looking at the whole picture, GE clarified that unfortunately, due to Licence conditions, the Review Group are unable to look at Shrinkage or UAG.

RHa confirmed that the Shrinkage model is available for parties to comment on and respond to, the Shrinkage meetings are poorly attended, and the Shrinkage Forum would welcome anyone attending, particularly Shippers.

What are Group Correction Factors (GCFs)? Slide 5

DT explained that the GCF is the mechanism that allocates the total error in the metered volumes, within each GSP Group, between Suppliers and the GSP GCFs are used to ensure that the total energy allocated to Suppliers in each Settlement Period (for each GSP), matches the energy entering the GSP Groups from the transmission system.

GSP Group Correction – slide 6

DT explained that the blue line on the graph shown on this slide represents the Group Take and that when the HH metered, NHH metered (profile class 1 to 4) and Unmetered volumes are added up, they should equal the Group Take.

In this case, the graph shows the scaling up in the earlier part of the day and the scaling down in the latter part of the day in order to meet the Group Take.

GSP Group Correction Factors – slide 7

This slide shows a graph of the Daily Average Group Correction Factors for GSP F (August to October 2021). DT explained that GSP GCFs of less than one mean energy volumes have been scaled down and GSP GCFs of more than one mean energy volumes have been scaled up.

DT explained that normal tolerance levels are between 0.9 and 1.1, if above or below those tolerance levels, this will instigate an investigation.

GSP Group Correction What is it correcting for? - Slide 8

DT explained there are two main potential sources of error:

Profiling error: Caused by NHH profiling not being reflect of actual usage on a particular day/period; these are usually accepted if for bank holidays, where there are changes in consumption patterns.

Volume error: Erroneous Estimated Annual Consumption EACs or undetected theft etc.

When asked, DT clarified the profiles are run twice a year; Autumn/Winter and Spring Summer/High Summer. The Team are currently working on Spring Summer/High Summer for 2022. Approval of the profiling is by Committee on behalf of the appropriate Panel.

RHa suggested this is similar to non-daily metered profiling work, NDM sampling which Fiona Cottam (FC) agreed.

DT noted the following links to additional resources available if Workgroup require more information:

Elexon Training Videos and Services: <https://www.elexon.co.uk/about/elexon-training/>

[BSC Guidance note: Grid Supply Point \(GSP\) Group Correction](#)

Supplier Volume Allocation Rules: <https://www.elexon.co.uk/the-bsc/bsc-section-s-annex-s-2-supplier-volume-allocation-rules/>

Workgroup Questions

Rhys Kealley (RK) commented that the tolerance levels are more of an issue for electricity as electricity has more variability particularly when heating is used which contributes to general demand variability.

DT clarified that the differences in levels of allocation, if the GCF stay within the tolerance level range, it is accepted it is not going to impact greatly.

SM commented that in winter, the lights come on earlier which is predictable and asked if there are any comparable types of circumstance? DT clarified, in terms of sunset times, days of the week, time of year it is difficult to predict due to COVID-19 restrictions over the last couple of years it is difficult to know whether to believe in the data and use the forecast.

When GE sought clarification on the tolerance levels, DT confirmed that the uplift volumes by .1 would be 10% missing volume.

GE noted that there have not been many Modifications raised against the Elexon modelling.

SM highlighted, in the gas market, the financial consequence is significant.

RK commented on the timing: GCF scheme has been around since British Electricity Trading and Transmissions Arrangements (BETTA), the Gas Charging Review, 2004, therefore any reactions to it will have been provided.

It was noted that Ofgem like to have a 'visible' lump of gas (UIG) because it gives a target to aim at and that a scaling factor was used pre-nexus which was Reconciliation by Difference (RbD).

FC noted it is reassuring that Electricity and Gas have a similar process and there is not anything radically different between the two processes. She agreed with RK's point that because it is an uplift, it is less visible, which is how it worked pre-nexus.

When SM asked what the main causes of GCFs falling outside of the tolerances, DT advised that is mainly export; generation; wind farm not being metered correctly; miscommunication between National Grid and Metering.

FC sought clarification that export is supply and import is demand, DT confirmed.

DmO asked how much is apportioned to undetected theft, DT advised that undetected theft is not largely impacting GCFs and that unmetered volumes are pretty low.

DT advised that unmetered generation, whether from solar or other micro-generation sources, can be "split" into the electricity system. As these are unmetered, it is difficult to know how much of the "mismatch" we see between metered volumes and Group Take is due to this.

DT advised he did some analysis on the impact of solar, in particular the Eastern region which has a lot of solar, the analysis showed it was having an impact but wasn't the main cause of the GSP.

For any further information please refer to the presentation material published here: <https://www.gasgovernance.co.uk/0781/131221> and the Elexon Training Videos and Services as mentioned above.

Workgroup concluded

3.0 Next Steps

The next Workgroup will consider at a basic level the current end-to-end UIG process, including the market underpinnings, volatility, complexity, and the incentives, this will allow the Workgroup to agree a list of criteria and start ranking the options as provided on 28 October 2021 and the additional options outlined at today's meeting.

4.0 Any Other Business

None.

5.0 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	Programme
Thursday 10:00 27 January 2022	5pm 18 January 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 24 February 2022	5pm 15 February 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 24 March 2022	5pm 15 March 2022	Microsoft Teams	Standard Agenda

Action Table (as at 13 December 2021)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
No outstanding actions					

**UNC Workgroup 0784S Minutes
Transition to the Central Switching Service and the Retail Energy
Code v3.0**

Thursday 13 December 2021

via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Carl Whitehouse	(CW)	Shell Energy
Clare Manning	(CM)	E.ON Energy
Claire Louise Roberts	(CLR)	Scottish Power
Dan Stenson	(DS)	British Gas
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
David Morley	(DMo)	Ovo Energy
Ellie Rogers	(ER)	Xoserve
George MacGregor	(GMc)	Utilita
Guv Dosanjh	(GD)	Cadent
Heather Ward	(HW)	Energy Assets
Kundai Matiringe	(KM)	BU-UK
Louise Hellyer	(LH)	Totalenergies Gas & Power
Luke Reeves	(LR)	EDF Energy
Max Lambert	(ML)	Ofgem
Richard Pomroy	(RP)	Wales & West Utilities
Rhys Kealley	(RK)	British Gas
Sally Hardman	(SH)	SGN
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0784/131221>

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 February 2022.

1.0 Introduction and Status Review

1.1. Approval of Minutes (25 November 2021)

The minutes from the previous meeting were approved.

1.2. Approval of Late Papers

There were no late papers.

1.3. Review of Outstanding Actions

No outstanding actions to consider.

2.0 Amended Modification

The Modification has not been amended.

DA advised he has been in conversation with Dentons, the Legal Text drafters, and confirmed construction of the Legal Text has started. DA noted that whereas there may be some amendments to the Modification forthcoming from Dentons review, currently there is only one slight amendment to make to the Modification, which DA confirmed he will do as soon as possible, prior to Christmas.

DA provided a list of data items that he has been assessing as to the extent that they need to be included in the Modification. He concluded that, of the following list, only Shipper / Supplier Commercial Alliance needed to be added to Modification 0784S:

- RMP Status
- RMP Address
- MEM Appointment
- Shipper / Supplier Commercial Alliance
- Transporter / Shipper Reg Alliance
- MDD Organisation Data?

DA advised he has had discussions with Andrew Baugh, Ofgem, regarding the management of data during the transition period. Ofgem have requested one inclusion in the modification, a new obligation to be inserted to UNC post CSS go-live on Shippers.

DA provided an example of the RMP Status, which is a mix of Meter Point Status and Isolation Flag, he explained that Shippers currently have obligations to maintain this in the UNC. DA discussed this with Ofgem as to the extent that this needed to be defined in the Transition Modification, and both DA and Ofgem agreed it did not need to be included. DA further explained that the CDSP has the obligation in REC to send this information for Transition, this is true for all of the data items listed above, other than Shipper / Supplier Alliance, which is a new obligation from REC V3, therefore, there should be something in Transition for Shippers to set the values for Day 1 of Go-Live.

Steve Mulinganie (SM) questioned what if they get it wrong, DA advised that from Day 1 Go-Live a new process will be in place for Shippers to amend it, and that gets changed within day.

With regards to *Modification 0788 (Urgent) - Minimising the market impacts of 'Supplier Undertaking'* SM asked, going forward, in the event of a termination, how those scenarios are managed between Code and REC and is there anything that needs to be considered in terms of those relationships in the circumstances of deed of undertaking that needs to be considered.

DA advised that they are discrete activities, and he will provide a demonstration of how that works at the next meeting.

New Action 0112: Xoserve (DA) to provide a demonstration of how the relationship between the UNC and REC will be managed in the event of a termination.

DA concluded that this Modification is due for UNC Panel decision at the March 2022 Panel.

DA advised that the first set of transitional activities will start on 21 March 2022 which will be within the Appeal window and that all activities are starting 30 Business Days in advance of July 2022, therefore, 01 June 2022 is when the UNC obligations will commence.

It was confirmed that the proposed 18 July 2022 Go-Live date will be finalised in January 2022.

When SM asked if there is enough time during a standard Distribution Workgroup for this Workgroup to review the Legal Text, it was agreed that an extra Workgroup might be required to review the Legal Text.

New Action 0212: Joint Office (RHa) to commence a draft of the Workgroup Report. The draft Workgroup Report will then be completed at the January 2022 Workgroup.

Considering this Modification is set as Self-Governance, Workgroup raised the concern that if this Modification impacts the Switching SCR, should it be Self-Governance?

Guv Dosanjh (GD) asked Ofgem for a view on the Self-Governance status as that is always a dilemma when asked at UNC Panel if the Modification impacts an SCR.

New Action 0312: Ofgem (ML) to liaise with colleagues in order to provide a view on the Self-Governance status of this Modification and report back to January 2022 Workgroup.

This concluded Workgroup discussions.

3.0 Development of Workgroup Report

Not covered.

4.0 Next Steps

RHa clarified that the Workgroup Report will be completed during the January 2022 Workgroup; there may be a need for an extra Workgroup in order to review the Legal Text and Ofgem will provide a view on the Self-Governance status at the next meeting in January 2022.

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

Time / Date	Paper Publication Deadline	Venue	Programme
Thursday 10:00 27 January 2022	5pm 18 January 2022	Microsoft Teams	<ul style="list-style-type: none"> Completion of Workgroup Report Legal Text Review

Action Table (as at 13 December 2021)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0112	13/12/21	1.0	Xoserve (DA) to provide a demonstration of how the relationship between the UNC and REC will be managed in the event of a termination.	Xoserve (DA)	Pending
0212	13/12/21	2.0	Joint Office (RHa) to commence a draft of the Workgroup Report. The draft Workgroup Report will then be completed at the January 2022 Workgroup	Joint Office (RHa)	Pending

Action Table (as at 13 December 2021)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0312	13/12/21	2.0	Ofgem (ML) to liaise with colleagues in order to provide a view on the self-governance status of this Modification and report back to January 2022 Workgroup	Ofgem (ML)	Pending