

UNC Energy Balancing Credit Committee Minutes
Tuesday 25 May 2021
via Microsoft Teams

Attendees

Rebecca Hailes (Chair)	(RH)	Joint Office	Non-Voting
Maitrayee Bhowmick-Jewkes (Secretary)	(MBJ)	Joint Office	Non-Voting
Brendan Gill	(BG)	Xoserve	Non-Voting
Sharon Bright	(SB)	Xoserve	Non-Voting
Yvonne Reid-Healy	(YRH)	Joint Office	Non-Voting

Voting Members

David Holland	(DH)	ScottishPower
Jane Morrison	(JM)	SSE
Joanna Bulley	(JB)	E.On
Thomas Grove	(TG)	British Gas
Steve Mulinganie	(SM)	Gazprom

Copies of all papers are available at: <https://www.gasgovernance.co.uk/ebcc/250521>

1. Introduction

Rebecca Hailes (RH) welcomed all representatives to the meeting.

1.1. Apologies for absence

None provided ahead of the meeting.

1.2. Note of Alternates

None.

1.3. Quoracy Status

RH confirmed the meeting was quorate.

1.4. Approval of Minutes (24 February 2021)

The minutes of the previous meeting were approved.

1.5. Approval of Late Papers

There were no late papers to consider.

2. Operational Update

2.1. Energy Cash Collection

Sharon Bright (SB) reported that the Cash Collection Performance had been consistently high and Cash Collection target achieved by Payment Due Date for February, March and April 2021.

Month	Payment Due Date	Payment Due Date + 2	Failure to Pay Notices Issued
February 2021	99.98%	100%	6
March 2021	100%	100%	0
April 2021	100%	100%	0

2.2. Cash Calls

SB confirmed that during:

- **February 2021** there were two (2) Cash Call Notices issued, of which two (2) were paid and two (2) were withdrawn;
- **March 2021** there were six (6) Cash Call Notices issued, of which two (2) were paid and four (4) withdrawn, and
- **April 2021** there was one (1) Cash Call Notice issued, which was then paid.

SB clarified that there were no apparent issues or signals that any customers were having difficulties paying as a consequence of the prevailing COVID-19 pandemic conditions.

2.3. Further Security Requests (FSRs)

SB confirmed that there were no Further Security Requests issued during the reporting period.

2.4. Terminated Shipper Update

SB explained that four (4) Shippers had terminated since 2018 with a total debt of £15,059,834.78 which is being pursued through appointed administrators via regular updates. Furthermore, the Debt would be smeared (via Energy Balancing Invoices) 2 months after invoice due date to the community.

As of 30 April 2021, there has not been any offer of settlement from the Administrators.

2.5. Direct Debit Update

SB presented a brief update on Direct Debits, advising that Xoserve had now completed all steps and obligations to be able to offer Direct Debit as a method of payment for DSC invoices. SB added that the application process for Energy Balancing invoice settlements will also soon begin.

3. Outstanding Energy Balancing Adjustments

SB noted the adjustments detailed below are planned to be actioned and included on the next two Energy Balancing invoices. The process has been automated meaning a higher volume of processing each month.

Shippers Affected	Billing Month	Energy Difference (Kwh)
3	October	-2162

4. Modifications

None.

5. Proposed Changes to the EBCC Credit Rule

Brendan Gill (BG) advised that Xoserve had proposed amendments to the EBCC Rules and had now written to Committee Members, inviting them to attend a walkthrough of changes to the Credit Rules on 14 June 2021, between 2:00pm – 3:30pm.

BG added that the Draft Rules would be issued to the Committee on 04 June for them to review before the meeting.

6. Review of Outstanding Actions

Action 0801: All Committee Members to confirm their acceptance of the EBCC Credit Rules to Brendan Gill via brendan.gill@xoserve.com.

Update: Steve Mulinganie (SM) suggested the Committee should convene to formally approve the new Rules instead of noting their approval via email or waiting for the next formal meeting. RH agreed with this view and advised she would dial in towards the end of the review meeting (14 June 2021, between 2:00pm – 3:30pm) and formally convene the Committee to approve the new Rules. The Committee agreed with this approach. **Close.**

Action 0201: *Reference Green Network Energy Limited* – Xoserve (SB/BG) to provide an update at the 25 May 2021 EBCC meeting, including a view on the £4.6m daily debt build up breakdown.

Update: BG provided an update on EDF's offer on Green Network Energy.

The Committee discussed EDF's offer. Jane Morrison (JM) asked if Ofgem were aware of it. BG confirmed this had been flagged to Ofgem, who had not responded. The Committee agreed Ofgem needed to be involved in the decision-making process.

The Committee heard from BG about the review process underway involving colleagues from Xoserve, Ofgem and the Transporters to look at the process used at Ofgem and the effects of delays in revoking the Shipper licence (a review meeting took place in April).

RH suggested inviting Ofgem to the next meeting. SM did not believe there would be any benefit to this as the issues had already been presented to Ofgem and there was nothing further that could be done to expedite the situation.

BG suggested he would draft a paper noting all the charges incurred by the industry incurred as a result of the delay in revoking Green Network's licence. JM suggested including EDF's offer timeline as well. BG agreed and noted he would collate this information and circulate it to the Committee before passing it to Ofgem. The Committee agreed with this course of action.

New Action 0501: Xoserve (BG) to collate a paper to include the charges incurred by the industry incurred as a result of the delay in revoking Green Network's licence, including EDF's timeline of offers, to circulate to the Committee and forward to Ofgem.

Closed.

7. Key Messages

It was agreed that there are no 'Key Messages' for dissemination after the meeting.

8. Any Other Business

8.1. Information Shared with other Codes in an Event of Default

RH noted that a request had come into the Joint Office via CACOP to seek views on what information can and cannot be shared in relation to an Event of Default under UNC and whether it would be beneficial to do so. As background, a SEC Panel member had highlighted that a Party who is facing insolvency may be in Event of Default under other Codes as well as the SEC. BG confirmed that he had sent an overview of what the UNC states regarding user default (UNC Section V4.3). He noted that a default does not automatically result in Termination and that when an user is terminated, the termination notice (under UNC Section V4.3.8) could be shared providing Transporters approved this, but reasons for a default could not be shared. RH clarified that she was sharing this with the Committee for information only.

9. Diary Planning

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

Time / Date	Venue	Workgroup Programme
14:00 – 15:30 14 June 2021	Teleconference (arranged by Xoserve)	Review and Approve amended EBCC Credit Rules
09:30 – 10:30 24 August 2021	Teleconference	Standard agenda items
09:30 – 10:30 23 November 2021	Teleconference	Standard agenda items

Action Table (as at 25 May 2021)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0801	17/08/20	1.4	All Committee Members to confirm their acceptance of the EBCC Credit Rules to Brendan Gill via brendan.gill@xoserve.com	All	Closed
0201	24/02/21	7.1	<i>Reference Green Network Energy Limited</i> – Xoserve (SB/BG) to provide an update at the 25 May 2021 EBCC meeting, including a view on the £4.6m daily debt build up breakdown.	Xoserve (SB/BG)	Closed
0501	25/05/21	8.1	Xoserve (BG) to collate a paper to include the charges incurred by the industry incurred as a result of the delay in revoking Green Network's licence, including EDF's timeline of offers, to circulate to the Committee and forward to Ofgem.	Xoserve (BG)	Pending