

## UNC Governance Workgroup Minutes

Tuesday 01 March 2022

via Microsoft Teams

Attendees		
Yvonne Reid-Healy (Chair)	(YRH)	Joint Office
Maitrayee Bhowmick-Jewkes (Secretary)	(MBJ)	Joint Office
Clare Manning	(CM)	EON
Darren Lond	(DL)	National Grid
Harry Brazier	(HBr)	Ofgem
Heather Ward	(HW)	Energy Assets
Jennifer Semple (only for Modification 0803)	(JS)	Ofgem
Mark Field	(MF)	Sembcorp
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/gov/010322>

### 1. Introduction and Status Review

Yvonne Reid-Healy (YRH) welcomed everyone to the meeting.

#### 1.1. Approval of Minutes

The minutes from 14 February 2022 were approved.

#### 1.2. Approval of Late Papers

None to approve.

#### 1.3. Review of outstanding Actions & Issues Log

**Action 1104:** Joint Office (PG) to review the use of pre-meeting briefs by Joint Office meeting Chairs.

**Update:** This topic will be covered in the Joint Office Annual Report which is due to be published in April 2022. **Carried Forward.**

**Action 0201: Modification 0800:** Ofgem (HBr) to share the criteria that Ofgem use for initiating the Send Back process.

**Update:** Ofgem (HBr) advised the Send Back process had been shared by Ofgem at the Distribution Workgroup meeting. TS asked if it could be published on the Governance Workgroup meeting page. YRH agreed the Joint Office would publish this. **Closed.**

**Action 0202: Modification 0800:** Proposer (TS) to update the wording in the Modification to ensure it stipulates that Panel will consult once the derogation is in place.

**Update:** Tracey Saunders (TS) advised Modification 0800 would be reviewed under Agenda item 3.1. **Closed.**

**Action 0203: Modification 0800:** Ofgem (HBr) to clarify what value is added by Panel making recommendation in the derogation process – what is the justification for Panel involvement.

**Update:** Ofgem (Harry Brazier (HBr)) advised that he had discussed this with TS and suggested that it was up to the UNC Modification Panel to decide on their involvement in the process. However, HBr suggested that any recommendations from Panel would be similar to Panel recommendations for Modifications and would take into account the collective knowledge and expertise of the Panel Members. **Closed.**

**Action 0204:** *Modification 0800:* Business Rule 6 - Proposer (TS) to clarify that UNC Modification Rules 2.1 are correctly quoted.

**Update:** TS advised Modification 0800 would be reviewed under Agenda item 3.1. **Closed.**

**Action 0205:** *Modification 0800:* Business Rule 13 – Proposer (TS) to reconsider the wording for this Business Rule in line with Workgroup comments.

**Update:** TS advised Modification 0800 would be reviewed under Agenda item 3.1. **Closed.**

**Action 0206:** *Modification 0800:* Proposer (TS) to check if DCUSA and/or BSC have a similar rule to Business Rule 19 (Back-Stop Date).

**Update:** TS advised Modification 0800 would be reviewed under Agenda item 3.1. **Closed.**

**Action 0207:** *Modification 0800:* Additional Business Rule – Proposer (TS) to consider adding a further Business Rule around Panel responsibilities.

**Update:** TS advised Modification 0800 would be reviewed under Agenda item 3.1. **Closed.**

**Action 0208:** *Modification Panel Voting Arrangements* – Joint Office (KE) to interpret voting rules in layman’s terms and issue to some Panel members for review.

**Update:** YRH noted that KE had circulated an interpretation of the Voting Arrangements to the Workgroup Members who were also Panel Members and asked if there was any feedback.

TS was concerned that the current Panel Voting Arrangements are incorrect and suggested the correct rules should be implemented immediately (from the March 2022 Panel) or an explanation of the interpretation of the rules as they are now should be provided to Panel Members.

YRH agreed she would confirm that either the Panel voting arrangements would change or a written explanation of the current voting arrangements would be provided.

**New Action 0301:** Joint Office (YRH) to provide confirmation that the Panel Voting Arrangements will be updated and implemented immediately, or a written explanation of the current arrangements will be provided to all Panel Members.

#### **Carried Forward.**

**Action 0209:** Joint Office (HB) to raise at the next CACoP meeting and ask if it is worth considering using the same approach Government uses for documents.

**Update:** YRH advised that the next CACoP meeting had not yet take place and this will be raised when it does. **Carried Forward.**

#### **1.4. Modification(s) with Ofgem**

YRH advised that there are currently 5 Modifications awaiting a decision from Ofgem.

Jennifer Semple (JS) advised that there were no further updates on these Modifications at this time.

*HBr provided the following updates in italics post meeting.*

- Modification 0790 (Urgent) - Introduction of a Transmission Services Entry Flow Charge *See NTSCMF minutes.*
- Modification 0780 - Amendment to Gas Quality NTS Entry Specification at the St Fergus SAGE System Entry Point *no update provided*
- Modification 0779/A - Introduction of Entry Capacity Assignments *Under review*
- Modification 0746 - Application of Clarificatory change to the AQ amendment process within TPD G2.3 from 1st April 2020 *Decision date TBC*
- Modification 0696V - Addressing inequities between Capacity booking under the UNC and arrangements set out in relevant NExAs *Under review*

#### **1.5. Pre-Modification Discussions**

None.

## **2. BEIS/Ofgem Energy Codes Governance Review**

HBr advised he would provide an update on the Code Governance Review as soon as possible.

**New Action 0302:** Ofgem (HBr) to provide an update on the BEIS/Ofgem Code Governance Review and Modifications awaiting an Ofgem decision.

**Post Meeting Update:** HBr advised Ofgem will publish the Government response to the Code Governance Review consultation as soon as possible and provided updates on the Modifications awaiting Ofgem's decision as noted under agenda item 1.4. **Closed.**

### 3. Workgroups

#### 3.1. Modification 0800 – Introducing the concept of a derogation framework into Uniform Network Code (UNC) (Authority Direction)

Report to Panel 17 March 2022

[www.gasgovernance.co.uk/0800/010322](http://www.gasgovernance.co.uk/0800/010322)

#### 3.2. Modification 0803 – Exceptional Circumstances Modification process

Report to Panel 18 August 2022

[www.gasgovernance.co.uk/0803/010322](http://www.gasgovernance.co.uk/0803/010322)

### 4. Any Other Business

#### 4.1 Modification Panel Voting Arrangements

This was discussed under Action 0208. *(haven't repeated the discussion as it was the same).*

#### 4.2 Maintaining Legal Text for Modifications Awaiting Ofgem Decision

YRH advised that the Joint Office is proposing that the Legal Text providers should review the Legal Text of Modifications with Ofgem every six months to ensure that it remains relevant.

TS noted that Legal Text providers are unable to change the Legal Text for a Modification that is awaiting a decision from Ofgem, even if a change to the text can be identified. TS added that if a change to the text is required, Ofgem highlights this in their decision letter, allowing the industry to update the text prior to the Modification being implemented.

The Workgroup discussed this, and some Workgroup Members were of the opinion that until Ofgem issues a decision on a Modification, there is no benefit in reviewing the Legal Text.

YRH asked Ofgem (JS) for comments. JS stated she was unsure of the process and was unable to comment but agreed to provide a view on whether the Legal Text in a Modification can be amended whilst awaiting Ofgem's decision.

**New Action 0303:** Ofgem (JS) to provide a view on whether the Legal Text in a Modification can be amended whilst awaiting Ofgem's decision.

Mark Field (MF) asked if a Modification awaiting Ofgem's decision was amended to update the Legal Text, would it be pushed to the back of the queue adding to the time taken by Ofgem to make their decision.

**New Action 0304:** Ofgem (HBr) to advise whether a Modification awaiting Ofgem's decision would need additional time for a decision to be issued if it's Legal Text was updated.

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

Time / Date	Venue	Workgroup Programme
10:00 – 16:00	Via Microsoft Teams	<ul style="list-style-type: none"><li>Standard Agenda Items</li></ul>

Wednesday 06 April  
2022

**Action Table (as of 01 March 2022)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1104	04/11/19	8.0	Joint Office (PG) to review the use of pre-meeting briefs by JO meeting Chairs (included as a Joint Office annual report point for consideration).	Joint Office (PG)	<b>Carried Forward</b>
0201	14/02/22	1.5.2	Modification 0800: Ofgem (HBr) to share the criteria that Ofgem use for initiating the Send Back process.	Ofgem (HBr)	<b>Closed</b>
0202	14/02/22	1.5.2	Modification 0800: Proposer (TS) to update the wording in the Modification to ensure it stipulates that Panel will consult once the derogation is in place.	Proposer (TS)	<b>Closed</b>
0203	14/02/22	1.5.2	Modification 0800: Ofgem (HBr) to clarify what value is added by Panel making recommendation in the process – what is the justification for Panel involvement.	Ofgem (HBr)	<b>Closed</b>
0204	14/02/22	1.5.2	Modification 0800: <i>Business Rule 6</i> - Proposer (TS) to clarify that UNC Modification Rules 2.1 are correctly quoted.	Proposer (TS)	<b>Closed</b>
0205	14/02/22	1.5.2	Modification 0800: <i>Business Rule 13</i> – Proposer (TS) to reconsider the wording for this Business Rule in line with Workgroup comments.	Proposer (TS)	<b>Closed</b>
0206	14/02/22	1.5.2	Modification 0800: Proposer (TS) to check if DCUSA and/or BSC have a similar rule to Business Rule 19 (Back-Stop Date).	Proposer (TS)	<b>Closed</b>
0207	14/02/22	1.5.2	Modification 0800: <i>Additional Business Rule</i> – Proposer (TS) to consider adding a further Business Rule around Panel responsibilities.	Proposer (TS)	<b>Closed</b>

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0208	14/02/22	4.1	<i>Modification Panel Voting Arrangements –</i> Joint Office (KE) to interpret voting rules in layman’s terms and issue to some Panel members for review.	Joint Office (KE)	<b>Carried Forward</b>
0209	14/02/22	4.3	Joint Office (HB) to raise at the next CACoP meeting and ask if it is worth considering using the same approach Government uses for documents .	Joint Office (HB)	<b>Carried Forward</b>
0301	01/03/22	1.3	Joint Office (YRH) to provide confirmation that the Panel Voting Arrangements will be updated and implemented immediately, or a written explanation of the current arrangements will be provided to all Panel Members.	Joint Office (YRH)	<b>Pending</b>
0302	01/03/22	2.0	Ofgem (HBr) to provide an update on the BEIS/Ofgem Code Governance Review and Modifications awaiting an Ofgem decision.  <i><b>Post Meeting Update:</b> HBr advised Ofgem will publish the Government response to the Code Governance Review consultation as soon as possible and provided updates on the Modifications awaiting Ofgem’s decision as noted under agenda item 1.4.</i>	Ofgem (HBr)	<b>Closed</b>
0303	01/03/22	4.2	Ofgem (JS) to provide a view on whether the Legal Text in a Modification can be amended whilst awaiting Ofgem’s decision.	Ofgem (JS)	<b>Pending</b>
0304	01/03/22	4.2	Ofgem (HBr) to advise whether a Modification awaiting Ofgem’s decision would need additional time for a decision to be issued if it’s Legal Text was updated.	Ofgem (HBr)	<b>Pending</b>