

**UNC Modification Panel**  
**Minutes of Meeting 277 held on**  
**Thursday 16 September 2021**  
**via teleconference**

**Attendees**

**Voting Panel Members:**

<b>Shipper Representatives</b>	<b>Transporter Representatives</b>	<b>Consumer Representatives</b>
D Fittock (DF), Corona Energy M Jones (MJ), SSE R Fairholme (RF), Uniper R Kealley (RK), British Gas S Mulinganie (SM), Gazprom Energy	A Travell (AT), BU-UK D Lond (DL), National Grid NTS D Mitchell (DM), SGN G Dosanjh (GD), Cadent R Pomroy (RP), Wales & West Utilities T Saunders (TS), Northern Gas Networks	S Hughes (SH), Citizens Advice

**Non-Voting Panel Members:**

<b>Chairperson</b>	<b>Ofgem Representative</b>	<b>Independent Supplier Representative</b>
W Goldwag (WG), Chair	R Fernie (RFe)	(None)

**Also, in Attendance:**

C Aguirre (CA), Pavilion Energy  
E Rogers (ER), Xoserve - CDSP Representative  
J Semple (JS), Ofgem  
L Heyworth (LH), Cornwall Insight  
L Jauss (LJ), RWE Supply & Trading GmbH  
M Bhowmick-Jewkes (MBJ), Joint Office  
P Garner (PG), Joint Office  
R Hailes (RH), Joint Office

Y Reid-Healy (YRH), Joint Office

## **Record of Discussions**

### **277.1 Introduction**

The UNC Modification Panel Chair, Wanda Goldwag (WG), welcomed all attendees.

### **277.2 Note of any alternates attending the meeting**

R Kealley on behalf of M Bellman, ScottishPower

S Mulinganie on behalf of A Green, Total Gas and Power

WG noted this meant that SM held both his own vote and that of A Green.

### **277.3 Record of apologies for absence**

A Green, Total Gas and Power

A Jackson, IGT-UNC Panel Chair

H Chapman, SGN

M Bellman, ScottishPower

### **277.4 Minutes of the last meeting (19 August 2021)**

Panel Members approved the minutes from 19 August 2021.

### **277.5 Review of Outstanding Action(s)**

**Action PAN 08/01:** Write to stakeholders seeking views on the approach to hosting future industry meetings e.g. All teleconference, hybrid or face to face and the timescales for each.

**Update:** P Garner (PG) advised that the Joint Office had so far written to Panel Members and regular Panel attendees and were currently reviewing the responses submitted. PG noted that most respondents had expressed a preference for hybrid working and a further update would be provided at the October UNC Modification Panel.

WG noted that by 'hybrid' she understood it to mean some people in the room together and some on teleconference. By contrast she understood 'face to face' to mean no-one dialling in to the teleconference and everyone in the room together physically.

**Closed.**

### **277.6 Consider Urgent Modifications**

- a) None

### **277.7 Consider Variation Request**

- a) None

### **277.8 Final Modification Reports**

**a) 0769S - Adding Local Authorities as a new User type to the Data Permissions Matrix**

Panel Discussion: see the Final Modification Report published at:

<https://www.gasgovernance.co.uk/0769>.

Panel Members considered the Representations made noting that implementation was unanimously supported in the two representations received.

PG advised that this Modification is identified as having a Cross Code impact and an associated IGT Modification 157 has been raised. PG highlighted A Jackson's (AJ) email in relation to the IGT Modification 157:

*...this is probably the most challenged mod of this type so far i.e., to add parties to the DP Matrix, so it might not go unchallenged. However, I would suspect that the UNC is the first place we would see that kind of challenge if there was to be one.*

PG suggested that considering AJ's comments, Transporters and IGTs would have to work together to determine an implementation date.

G Dosanjh (GD) asked what issues AJ was referring to. PG advised that the email from AJ was the only communication the Joint Office had recently received in relation to this topic.

WG suggested that in future any issues being mentioned should be clarified.

WG asked A Travell (AT) as the IGT Representative if he was aware of what challenges AJ was referring to. AT advised that he did not think the challenges were in relation to IGT constituents, but rather in relation to access to data this Modification would allow

E Rogers (ER) advised she had attended some IGT Workgroups for this Modification but was not aware of any concerns being raised, noting that this was simply an enabling Modification.

AT asked what level of data would be shared under this Modification and how it would be managed. GD clarified that any release of data would be managed through the DSC Contract Management Committee.

Panel Members discussed the reasons Local Authorities are interested in this data noting that the aim of any Local Authority would be working towards Net Zero.

S Mulinganie (SM) noted that a proper user case would also be required prior to any data access agreement.

Panel Members agreed that this Modification positively impacted Relevant Objective f) *Promotion of efficiency in the implementation and administration of the Code.*

Considering the Cross Code impact Panel Members agreed that implementation should be in conjunction with IGT Modification 157. The Implementation date will be stated as 'To be Confirmed' by the Transporter.

Panel Members then determined (13 Panel votes were available for the determinations):

- That there were no new issues requiring a view from Workgroup, by unanimous vote (13 out of 13).
- It is not related to the Significant Code Review, by unanimous vote (13 out of 13).
- Modification 0769S implemented, by unanimous vote in favour (13 out of 13).

**b) 0774S - Alignment of UNC TPD to the National Grid Licence in respect of the NTS**

Panel Discussion: see the Final Modification Report published at:

<https://www.gasgovernance.co.uk/0774>.

Panel Members considered the Representations made noting that implementation was unanimously supported in the one representation received.

Panel Members agreed that this Modification positively impacted Relevant Objective f) *Promotion of efficiency in the implementation and administration of the Code* and the implementation date would be on Friday 08 October 2021.

Panel Members then determined (13 Panel votes were available for the determinations):

- That there were no new issues requiring a view from Workgroup, by unanimous vote (13 out of 13).
- It is not related to the Significant Code Review, by unanimous vote (13 out of 13).
- Modification 0774S implemented, by unanimous vote in favour (13 out of 13).

**277.9 Consider New, Non-Urgent Modifications**

**a) Modification 0779A - Introduction of Entry Capacity Assignments with Defined End Date**

L Jauss (LJ) introduced the Modification, explaining that the purpose of the Modification is to enable Network Users to transfer, in full or in part, both the Capacity and associated financial Liability at an Aggregated System Entry Point (ASEP).

LJ noted new Modification 0779A should be considered an Alternative to Modification 0779, which was raised by National Grid.

LJ added that Modification 0779 was seeking Authority Direction and was due to report to Panel in February 2022, whilst Modification 0779A was seeking the Self- Governance route and aiming to report to the UNC Modification Panel in December 2021.

LJ advised that Modification 0779 and 0779A were similar proposals, with the key difference being that Modification 0779A allowed Users additional flexibility so they can define any end date to an assignment. Also, Modification 0779A would not exclude assignments from contracts procured in weekly capacity auctions.

LJ added that RWE had asked National Grid to include the ability to assign capacity for a limited period rather than for the remainder of a contract within Modification 0779, but National Grid confirmed that it was not something that they would be able to support. Hence this Proposal has been raised as an Alternative.

SM asked why National Grid was not amenable to amending the original Modification.

D Lond (DL) noted Modification 0779A is aligned to exit capacity and the solution is wider and seeking additional flexibility by moving into secondary market trading, which National Grid did not support.

R Pomroy (RP) asked whether the new proposal would lead to a situation where one party can potentially buy all the capacity at entry or exit points and then corner the market.

LJ noted that there are currently entry points with no capacity and where capacity cannot be purchased but which has Users who have capacity, which they do not use. This proposal would free up the availability of capacity for all Users.

LJ and DL discussed weekly capacity as well as exit capacity contract and auctions.

DL advised that he was satisfied the new proposal was an Alternative and noted further discussions could be held in the Workgroup.

T Saunders (TS) advised that if this proposal was an Alternative to Modification 0779, the Governance for both would need to be aligned.

PG agreed with this view and asked Panel Members to consider also when the combined Modifications would report to the UNC Modification Panel and their Governance criteria.

Reporting:

LJ suggested the timeline for both Modifications should include three months of Workgroups, with a report due at the December 2021 UNC Modification Panel.

DL noted that three months was too ambitious and suggested that six months development would be ideal, but National Grid was amenable to a four-month development period.

LJ accepted the four-month timeline, noting a combined Workgroup report for both Modifications could be presented at the January 2022 UNC Modification Panel.

RH asked if National Grid were aware of any other Alternatives being developed for Modification 0779. DL confirmed that whilst he was aware of other parties who were considering different solutions, he was unaware of any other Alternates being raised at this time.

Governance:

SM noted that Modification 0779A was a commercial modification and therefore should follow Authority Direction.

TS and D Fittock (DF) agreed with this view. DF added there were also some concerns regarding competition that would need to be addressed.

J Semple (JS), from Ofgem, advised that Ofgem believe that both Modifications 0779 and 0779A should follow Authority Direction.

WG agreed with this view.

Panel Questions:

1. Consider the suitability for Self-Governance for both Modifications 0779 and 0779A.

For Modification 0779A Members determined (13 Panel votes were available for the determinations):

- It is not related to the Significant Code Review, by unanimous vote (13 out of 13).
- The criteria for Self-Governance are not met, as Modification 0779A is likely to have a material effect on the UNC Modification Rules and governance process, by unanimous vote (13 out of 13).
- Modification 0779A is an alternative to Modification 0779 and should be issued to Workgroup 0779/0779A (Transmission Workgroup) with a combined report to be presented to the January 2022 UNC Modification Panel, by unanimous vote (13 out 13).

**277.10 Existing Modifications for Reconsideration**

- a) None

**277.11 Workgroup Issues**

- a) None

**277.12 Workgroup Reports for Consideration**

- a) **Modification 0772S - Transparency Improvements to the Process for Changing Gas Quality Limits in NTS Connection Agreements**

Panel Members noted the Workgroup Report recommendation that this Modification should be issued to Consultation.

It was agreed that Consultation would be for 15 days and the Final Modification Report would be considered at the October 2021 UNC Modification Panel.

For Modification 0772S, Members determined (13 Panel votes were available for the determinations):

- Modification 0772S to be issued to consultation (including a request for deemed legal text) with a close out date of 08 October 2021 and to be considered at the 21 October 2021 Panel, by unanimous vote (13 out of 13).

**b) Modification 0775S - Amendment to the Requirement to Conduct the Transporting Britain's Energy (TBE) Consultation**

Panel Members noted the Workgroup Report recommendations that this Modification should be issued to Consultation.

S Hughes (SH) noted that Panel Members had asked the Workgroup several questions which had not been captured in the Workgroup Report and asked if the Workgroup Chair could clarify if the questions had been addressed:

- Consider Future Energy Scenarios (FES) interactions
- Consider any impact on the FES process from the separation of the Electricity System Operator (ESO) and National Grid

RH confirmed that the UNC Modification Panel questions had been discussed and that the Workgroup were satisfied that both questions had been addressed in full.

PG reminded SH, that the Modification Panel could add additional Panel questions to the Consultation, or send the Modification back to Workgroup, if he was not satisfied that the Workgroup had adequately answered the UNC Modification Panel questions.

SH confirmed he was seeking clarity and did not want to add additional questions or send the Modification back to Workgroup.

SM suggested that the question about the separation of the ESO and National Grid was still relevant and should be included in the consultation. Panel Members agreed to add the question to the consultation.

Panel question for consultation:

1. Consider any impact on the FES process from the separation of the Electricity System Operator (ESO) and National Grid.

It was agreed that Consultation would be for 15 days and the Final Modification Report would be considered at the October 2021 UNC Modification Panel.

WG noted that for the future, Workgroup questions from Panel should be fully addressed in the Workgroup Report. RH agreed with this view.

For Modification 0775S, Members determined (13 Panel votes were available for the determinations):

- Modification 0775S to be issued to consultation with a close out date of 08 October 2021 and considered at the 21 October 2021 Panel, by unanimous vote (13 out of 13).

**277.13 Consideration of Workgroup Reporting Dates and Legal Text Requests**

Panel Members determined unanimously to extend the following Workgroup reporting date(s), recorded here with some additional data:

<b>Modification number and title</b>	<b>Current Panel reporting date</b>	<b>Requested Panel reporting date</b>	<b>Reason for request to change Panel reporting date/Comments</b>
0646R - Review of the Offtake Arrangements Document	October 2021	December 2021	2 Month Extension Requested – Workgroup requires additional time for the report to be concluded
0763R - Review of Gas Meter By-Pass Arrangements	October 2021	January 2022	3 Month Extension Requested – Workgroup requires additional time for the analysis to be completed

**0749R - Increased DM SOQ Flexibility**

A two-month extension for Request 0749R was requested, for the period October 2021 to December 2021.

SM noted that the Proposer of this Request had not attended any of the Workgroup meetings since May 2021 and suggested that the UNC Modification Panel should close the Request.

RP and GD agreed with this view, noting that the Joint Office had done all that was possible to facilitate the Workgroup.

PG clarified the process when a Workgroup extension request is denied and asked for a formal direction from the UNC Modification Panel.

Panel Members unanimously denied the extension request.

**New Action PAN 09/01:** JO (RH) to invite Proposer to the October Panel to confirm if further workgroup assessment is required

### Legal Text Requests

UNC Modification Panel Members discussed a number of Legal Text Requests and determined unanimously to make Legal Text Requests for the following Modification(s):

Legal Text Requests for Modifications
0761 - Arrangements for Interconnectors with additional Storage capability
0771S - Removal of the absolute requirement to include a Remotely Operable Valve (ROV) Installation for all new NTS Entry connections
0772S - Transparency Improvements to the Process for Changing Gas Quality Limits in NTS Connection Agreements
0776S - Revision of the Modification Panel Meeting Location Requirement in the Modification Rules

### 277.14 AOB

#### a) Final Modification Report (FMR) Consultation Responses Process

RH provided an overview of the FMR Consultation response process on behalf of K Elleman who had chaired discussions at the Governance Workgroup.

RH advised that the Workgroup had proposed changing the FMR process, so that Consultation Responses are not partially reproduced into the FMR . The FMR will only include the data points of whether a response supports, opposes, or has provided comments and respondents' assessment of impacts on appropriate Relevant Objectives (positive/negative/none) , with each full representation appended to the FMR. This is in line with how consultation responses were recorded for [Modification 0678 and its alternatives](#).

RH also asked UNC Modification Panel Members to consider whether they wanted the Joint Office to implement this change immediately or whether they would prefer a pilot.

UNC Modification Panel Members briefly discussed this, noting the proposed change will provide a synopsis rather than a detailed response to a Consultation within the FMR, with the full response available in the Appendix to the FMR.

TS noted that the pilot should be for more than one month to allow for the method to be trialled on a range of Modifications.

PG suggested the pilot should be until the end of December 2021 (to include all FMRs prepared for October, November and December 2021 Panel meetings) with an update to Panel in December 2021.

Panel Members unanimously supported this proposal.

**b) Joint Office New Company Update**

PG advised on behalf of JGAC, that the Joint Governance Arrangements Committee (JGAC) are working through the questions raised by Ofgem and then intend to provide a response, adding that no further updates are expected until December.

SH asked for confirmation as to the delay and whether Ofgem had raised further clarification question. PG confirmed that Ofgem had not raised further clarification questions and a response to Ofgem would be provided shortly by JGAC.

PG noted that further information and industry engagement will be forthcoming.

**c) Non-Domestic Consumers' Representative Update**

JS advised that Ofgem has spoken to both nominees and the new Non-Domestic Consumer Representative.

**d) Panel Member Changes**

PG advised that there had been some changes to Panel Members, which would take effect from October.

A Green (AG) and MJ would cease to be Panel Members following this September 2021 meeting. WG thanked both Mark and Andrew for their commitment to the Modification Panel and wished them both well for the future.

PG stated that there would be two new Shipper Panel members joining from October and they were D Morley and O Chapman.

WG notified the Panel that D Mitchell had now joined Panel as a permanent Transporter member representing SGN from this meeting as H Chapman would shortly be taking maternity leave. WG welcomed David and wished Hilary every health and happiness.

In addition, PG advised that she had written to Ofgem asking for WG's tenure to be extended and that she was now awaiting a response from the Authority.

**277.15 Date of Next Meeting(s)**

10:00, Thursday 21 October 2021, by teleconference

**Action Table (16 September 2021)**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>	<b>Date of Expected update</b>
<b>PAN 08/01</b>	19/08/21	276.15	Write to stakeholders seeking views on the approach to hosting future industry meetings e.g. All teleconference, hybrid or face to face and the timescales for each.	Joint Office (KE)	<b>Closed</b>	<b>September 2021</b>
<b>PAN 09/01</b>	16/09/21	277.13	JO (RH) to invite Proposer to the October Panel to confirm if further workgroup assessment is required	Joint Office (RH)	<b>Pending</b>	<b>October 2021</b>