

**UNC Modification Panel**

**Minutes of the 203<sup>rd</sup> Meeting held on Thursday 16 March 2017  
at Elexon, 350 Euston Road, London NW1 3AW**

**Attendees**

**Voting Members:**

<b>Shipper Representatives</b>	<b>Transporter Representatives</b>	<b>Consumer Representative</b>
A Green (AG), Total A Love (AL), ScottishPower A Margan (AM), British Gas R Fairholme (RF), Uniper S Mulinganie* (SM), Gazprom	C Warner (CW), National Grid Distribution D Lond (DL), National Grid NTS H Chapman (HC), Scotia Gas Networks J Ferguson (JF), Northern Gas Networks R Pomroy (RP), Wales & West Utilities	S Moore (SMo), Citizens Advice

**Non-Voting Members:**

<b>Chairman</b>	<b>Ofgem Representative</b>
A Plant (AP), Chair	R Elliott (RE)

**Also in Attendance:**

A Cebo\* (AC), EDF Energy; C Logue (CL), National Grid NTS; L Jenkins (LJ), Deputy Chair; R Fletcher (RF), Secretary; R Hinsley (RHi), Xoserve;  
S Britten (SB), Cornwall Energy.

*\* via teleconference*

## **Record of Discussions**

### **Introduction**

AP introduced the meeting and said he had reflected on the last Panel and UNCC meetings and wanted to make some observations on the standards of behaviour he believed should be exhibited during meetings. He suggested it was important that challenges should be focussed on the arguments at hand, and offered constructively.

He reminded members that their role is to represent the interests of the wider industry and its customers, not an individual company position. He also commented that demonstrating professional behaviour would help to show that Panel is delivering good governance and would show the sector in a positive light.

Lastly, he asked that members made themselves available for the whole of both meetings, preferably in person, so that all matters before them could be transacted effectively.

AP's comments were supported by JF, who agreed that behaviours at the last meeting had not lived up to the standards that should be expected. Other members also supported AP's comments.

#### **203.1 Note of any alternates attending meeting**

None.

#### **203.2 Record of Apologies for absence**

None.

#### **203.3 Minutes and Actions of the Last Meeting(s)**

Members approved the minutes from the previous meeting (16 February 2017).

No outstanding actions to consider.

#### **203.4 Consider Urgent Modifications**

None.

#### **203.5 Consider New Non-Urgent Modifications**

- a) Modification 0613 - Revised UK Link Manual CDSP Data Services Document

CW introduced the modification and its aims. CW pointed out that he may need to raise an associated Fast Track modification to change the effective date of the Nexus/FGO updated UK Link Manual implementation date from 01 June to July or later, as the aim is to ensure the amended document is fit for purpose and not rushed to meet a specific date.

DL was surprised that this modification has come forward so late in the process. He suggested it should have been part of Modification 0604S. CW agreed, but explained that there were conflicting priorities due to Nexus and FGO implementation. RH confirmed there is an aspect of change congestion associated with the delay.

AL asked why this was a modification when it could have been a change managed through the DSC Change process. CW felt it was more appropriate to manage this change under the UNCC process, as it was supporting transition from the current regime to the post Nexus/FGO regime and would benefit from consistency in its approach.

AM asked when the document would be available, RH advised that it would be provided in due course and possibly for the first meeting on 23 March.

For Modification 0613, Members determined:

- It is not related to the Significant Code Review;
- The criteria for Self-Governance are met as this modification is not expected to have a material impact on competition and the contractual regime for the transportation of gas through pipes;
- That Modification 0613S be issued to Workgroup 0613S for assessment, with a report to be presented no later than the May 2017 Panel;

b) Modification 0614 - Introducing IHD (In-Home Display) Installed Status of Failed

AC introduced the modification and its aims. JF raised a concern that, whilst this change may be desirable, with FGO being implemented on 01 April, any proposals should be managed through the DSC Change process, rather than through Panel.

RP advised that the change has been presented to SPAA and therefore it should be managed through the SPAA/DSC committee relationship and that UNC modification was dual governance.

JF explained the process discussions should be at SPAA with a DSC change driven by that process and that this modification could be withdrawn.

AC wanted to understand the process and how it should be managed but also wanted assurances that the change would not be delayed, as there was a similar change in electricity with a November implementation date.

RH advised that a full impact assessment is required and that this change may need to go into a release pot prioritised by the DSC Change Committee.

AM wanted to understand what the obligation is required to make the Shipper pass the information on, this modification doesn't appear to do so. JF advised the obligation would be set through the SPAA change and there is a general obligation to pass on relevant data if provided.

AM felt this change could impact on licence requirements to install an IHD, should Ofgem be asked to provide a view on potential conflicts.

AC was aware of similar changes being included previously and this change would not allow parties to avoid their licence obligations.

Members requested that Xoserve support the proposer in managing a change request using the DSC Change process and its links with the SPAA process.

AC agreed to consider if the change should be raised following the DSC Change process. If so this modification would be withdrawn.

For Modification 0614, Members determined:

- To defer consideration to the April meeting, pending further consideration by the proposer.

### **203.6 Existing Modifications for Reconsideration**

None.

### **203.7 Consider Workgroup Issues**

None.

### **203.8 Workgroup Reports for Consideration**

- a) Modification 0570 – Obligation on Shippers to provide at least one valid meter reading per meter point into settlement once per annum

For Modification 0570, Members determined that:

- It should be returned to Workgroup 0570 for further assessment with a report presented to the June Panel.

- b) Modification 0604S - Central Data Service Provider - Arrangements following implementation of Project Nexus

AM advised that there is likely to be a tidy up modification for the iGT Code due to the number of changes being due to FGO and Nexus related modifications, however this would not impact the UNC process.

For Modification 0604S, Members determined that:

- It should proceed to Consultation with a close out date of 06 April 2017.

- c) Modification 0606S – National Grid Gas plc and National Grid Gas Distribution Ltd transitional invoicing arrangement post Project Nexus implementation

For Modification 0606S, Members determined that:

- It should proceed to Consultation with a close out date of 06 April 2017.

- d) Modification 0608S – Implementation of 'single service provision' arrangements for iGT connected system exit points (Project Nexus transitional modification)

For Modification 0608S, Members determined that:

- It should proceed to Consultation with a close out date of 06 April 2017.

- e) Modification 0609 – Transitional arrangements for gas settlement and replacement of Meter Readings (retaining AQ2017) (Project Nexus transitional modification)

AL asked if the paper submitted to PNSG advising that AQ activities should cease in March was published alongside the report, and if the paper sets out what the AQ appeal process would be should Nexus be delayed. AM felt this wouldn't be an option in the paper now, the programme would need to address the issue if there were a delay to Nexus.

For Modification 0609, Members determined that:

- It should proceed to Consultation with a close out date of 06 April 2017.

- f) Modification 0610S – Project Nexus - Miscellaneous Requirements

For Modification 0610S, Members determined that:

- It should proceed to Consultation with a close out date of 06 April 2017.

### 203.9 Consideration of Workgroup Reporting Dates and Legal Text Requests

Members determined unanimously to extend the following Workgroup reporting date(s):

Workgroup	New Reporting Date
None	

Members determined unanimously to request Legal text for the following modification(s):

Modification
None

### 203.10 Consideration of Variation Requests

None.

### 203.11 Final Modification Reports

- a) Modification 0571 0571A - Application of Ratchet Charges to Class 1 Supply Points (and Class 2 with an AQ above 73,200kWhs)

RE advised that Ofgem had noted a concern in representations which had identified an issue where SOQs could potentially be understated during the summer and the ratchet would be applied the following Winter without any associated incentive payments, this was creating a perverse incentive.

BF felt this was an issue linked to the Class 2 soft landing requirements established by Nexus and not directly related to these modifications.

It was felt that this issue should be considered by Workgroup while the Safety Case issues was being analysed by Scotia Gas Networks and the FMR was on hold.

AM asked if this issue is related to the protection offered by Modification 0445 which should introduce a back charge, does the scope need to change. CW agreed this should be considered by the Workgroup in terms of how the requirements fit together.

Members then voted unanimously to return Modifications 0571 0571A to Workgroup for further assessment with a supplemental report provided by the May Panel.

- b) Modification 0593 - Provision of access to data for Price Comparison Websites and Third Party Intermediaries

AP reminded members of the issues set out in the Ofgem send back letter and the actions Panel must consider. He also advised that the iGT UNC Panel Chair has written to Panel requesting a Cross Code Workgroup.

AP noted that an offer of help had been given by MRASCo, although there was a need to understand confidentiality requirements of the approach and if the privacy impact assessment could be made available for review.

RP noted that MRASCo had been unwilling to provide information on their confidentiality assessment to Xoserve directly, therefore if they are not prepared to share then there appears to be no advantage in asking them to support meetings.

JF advised that it is proposed for Xoserve to manage the privacy assessment process.

**New Action PAN0103: AP to write to the MRASCo to ask if they would be willing to share a copy of their privacy assessment.**

RP is concerned that this modification allows Transporters to comply with their obligations placed on them by the CAM and that no undue delay should be allowed in turning the report around.

RE was aware that Ofgem have made its views on the privacy issues to the CMA and that the UNC process needs to be followed.

Members then voted unanimously to return Modification 0593 to Workgroup for further assessment with a supplemental report provided by the July Panel.

- c) Modification 0600S - Amend obligation for the acceptance of EPDQD revisions made after D+5

Panel discussion see the Final Modification Report published at:  
<http://www.gasgovernance.co.uk/0600>

Members then voted and determined by unanimous vote to implement Modification 0600S.

## **203.12 Any Other Business**

- a) Panel Attendance

Members noted attendance at meetings and no other comments were provided.

b) Formal Closure of FGO Workgroup

AP advised that as the FGO Workgroup has conclude its assessment of FGO related modifications and other UNC related activities, he recommended that the Workgroup should now be closed.

Members unanimously agreed to close the FGO Workgroup.

c) Forward Workplan

LJ explained that the COB had reviewed the plan and had agreed that they were the correct forum to oversee the plan going forward or until another forum was appointed to do so.

Members unanimously agreed this activity was now closed and the item could be removed from the agenda.

d) CGR3 Project Management and Assurance obligation

RE confirmed that following a meeting between Ofgem and Xoserve, a new approach to project management had been proposed which would establish a process under the CDSP/DSC arrangements. This would make "Request 0612R - Project Management and Assurance provisions for gas industry changes surplus" to requirements as it would be dual governance and therefore they supported its withdrawal.

RP asked if there was going to be an oversight committee to replace PNSG.

HC advised that Ofgem and Xoserve were working together to develop a committee to manage this role hence why Request 0612R was going to be withdrawn.

LJ provided a brief overview of the steps taken to implement the requirements under CGR3 and RE confirmed that Ofgem were content that these requirements had been met.

Members unanimously agreed that the CGR3 requirements had been established and that this item could be removed from the agenda.

e) Independent Panel Chairperson appointment process update

LJ provided an overview of the process followed and that the consultation had now closed.

LJ confirmed JGAC has provided its responses to the consultation and that the final process document was published. Currently a recruitment agency is being sought to support the process.

f) Panel Appointments

LJ requested views on the nomination process to be used for the Panel membership changes required by the implementation of Modification 0440 on 01 June.

LJ suggested that the additional User representative nomination process should commence in early April, this would allow sufficient time for nominations and an election process to be run (if required) ahead of 01 June.

LJ advised that the AiGT would be requested to nominate a representative in time for 01 June.

**203.13 Conclusion of Meeting and agreed Date of Next Meeting**

10:30, Thursday 20 April 2017, at Elexon

**Action Table (16 March 2017)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
PAN0102	16/02/17	202.11 (a)	Consider potential Safety Case impacts of Modifications 0571 and consult with the HSE and 0571A and provide a report by the May meeting.	Scotia Gas Networks (HC)	<b>Pending Report to be provide by May Meeting</b>
PAN0103	16/03/17	203.11 (b)	Write to the MRASCo to ask if they would be willing to share a copy of their privacy assessment.	Panel Chair (AP)	<b>Pending</b>