

**Uniform Network Code Committee**  
**Minutes of the 163<sup>rd</sup> Meeting held on Thursday 21 September 2017**  
**at Elexon, 350 Euston Road, London NW1 3AW**

**Attendees**

**Attendees**

**Voting Members:**

<b>Shipper Representatives</b>	<b>Transporter Representatives</b>
A Green (AG), Total A Margan (AM), British Gas A Love (AL), ScottishPower M Jones (MJ), SSE R Fairholme (RF), Uniper S Mulinganie (SM), Gazprom*	C Warner (CW), Cadent Gas D Lond (DL), National Grid NTS H Chapman (HC), SGN Joanna Ferguson (JF), Northern Gas Networks R Pomroy (RP), Wales & West Utilities N Rozier (NR), BUUK Infrastructure

**Non-Voting Members:**

<b>Chairman</b>	<b>Ofgem Representative</b>	<b>Consumer Representative</b>
A Plant (AP), Chair	N Hafeez (NH)	Not present

**Also in Attendance:**

P Garner (PG), Joint Office; Mike Berrisford (MB), Secretary; R Hailes (RHa), Joint Office; F Cottam (FC), Xoserve; R Hinsley (RHi), Xoserve, and S Britton (SB), Cornwall Energy.

\* by teleconference

**163.1 Note of any alternates attending meeting**

N Hafeez for R Elliot (Ofgem)

**163.2 Apologies for Absence**

R Elliot

**163.3 Minutes and Actions from the previous meeting**

The Minutes from 17 August 2017 meeting were approved.

#### **163.4 Matters for the Committee's Attention**

- a) UNC Modification 0570 'Obligation on Shippers to provide at least one valid meter reading per meter point into settlement once per annum' – *Discussion on the effective implementation date.*

When CW provided a brief overview on the progress made towards identifying a suitable effective implementation date for the modification, members indicated that they had not had any issues raised by their respective industry contacts.

AL reminded those present that the CMA April 2018 date is an altogether different matter to the 0570 effective implementation date.

In referring to the equivalent iGT Modification, NR explained that this had been discussed at the previous day's iGT Panel meeting where it was recognised that the iGT modification would be included within the proposed November iGT system release.

With this in mind, UNCC members agreed that the effective implementation date for UNC Modification 0570 should be aligned to the equivalent iGT modification, namely 05:00 on 03 November 2017.

- b) AQ Validation Rules

RH advised that an amended version of the approved Validation Rules (v2.0, effective 11 October 2017) had been published ahead of the meeting in change marked format.

DL pointed out that the reference to the UNC Transition Document section (in item 1 on page 2) is incorrect and should read as 'Part IIC' rather than 'Part IIE'. Responding, RH agreed to make the necessary change.

#### **163.5 Any Other Business**

- a) PAC Members Voting Alternate Vote Status

During a brief discussion relating to the practical aspects of one voting member being nominated as an alternate for one or more other voting members, and whether this constitutes a single person in terms of quoracy, it was noted that a similar situation had arisen at the DSC meeting the day before.

Members concluded that for quoracy, a party must be either present in the room, or attending via a teleconference / Skype link. It was also noted that it is 'best practice' to look to avoid one voting member holding more than one other (alternate) vote at the same time.

PG suggested that a change to the current (generic) Terms of Reference to clarify the position might be appropriate. Any changes would be returned to the UNCC for approval.

- b) PAC Sub-committee governance

Members agreed that a (PAC) sub-committee / group is automatically enabled by the very fact of being established under the auspices of the main Performance Assurance Committee, and therefore falls under the same governance arrangements.

In short, UNC Committees have the authority to establish sub-committees / groups.

c) Allocation of Unidentified Gas processes – *progress update on the first year 2016/17*

FC provided an update stating that seven formal responses had been received. XoServe will providing a summary report (including the AUGÉ Year aspects) to the UNCC meeting in October.

FC explained that she had spoken to the Xoserve lawyer who has indicated that some aspects of the AUGÉ contract information are strictly confidential and cannot be revealed to UNCC members. A number of members voiced their concerns around a perceived lack of transparency.

FC confirmed that it is no longer feasible to change the AUGÉ for next year due to the timelines involved. If changes to the AUGÉ contractor were required these would have had to have been in place ahead of the consultation phase beginning. (i.e. at the point when the AUG table was delivered).

When asked about the consultation responses, FC explained that some of these were in respect of the requirements contained within the Framework Document relating to undertaking the scheduled review for the AUG Year (i.e. a review of the actions undertaken by the AUGÉ and other parties to get us to the table). FC also added that some of the feedback provided linked to wider industry matters.

FC also explained that the AUGÉ has requested more clarity around their scope and this will need to be considered by the industry. This may result in either the raising of a new UNC modification or changes to the Framework Document to accommodate the request. In FC's view, the Framework Document route is the preferred option.

When asked, FC confirmed that some of the responses have suggested that the AUGÉ has not fulfilled its role successfully, although this requires further detailed consideration before any potential changes to the process are contemplated.

AP noted that some of the identified issues related to the manner in which the supporting processes were initially defined, whilst other issues related to the performance of the AUGÉ itself. It was requested that all issues should be categorised and highlighted within Xoserve's forthcoming report.

SM requested that the report also look into recommendations and supporting timelines around any potential conclusions. RP suggested consideration be given as to whether or not the AUGÉ is in breach of their contract, or simply under performing.

AP also pointed out that care is needed around ascertaining what the real issues are before any approach to the AUGÉ on this matter is undertaken.

AP suggested that Xoserve / UNCC need to set out a range of options and associated timelines alongside recommendations on how best to move forward.

When specifically asked about when the AUGÉ contract renewal date (break clause) was, FC advised that she was unable to disclose the precise terms of the contract, although she was able to confirm that we (the industry) retain the option to invoke the break clause. Some members questioned whether or not it is appropriate that this type of information should be deemed as confidential. FC was asked to provide clarification around the legal advice received in her October report (i.e. what elements can or cannot be released) and to set out all the elements for the future and termination clauses. RP observed that it might be worth bearing in mind that it is not preferable for future (AUGÉ) contracts to contain confidentiality clauses.

When asked whether or not we can expect a similar set of issues in relation to the PAFA, FC confirmed that this is unlikely as the contract terms are subtly different.

PG suggested that perhaps the DSC could also consider any best practices and lessons learned aspects going forwards.

Concluding discussions, AP requested that Xoserve (FC) provide a copy of the report by no later than close of play on Friday 13 October 2017.

**New Action 0901: Xoserve (FC) to look to provide an Allocation of Unidentified Gas Processes Summary Report (inc. AUG Year aspects; a range of potential options and recommendations and supporting timelines around any potential conclusions; and provide clarification around the legal advice received) to the October meeting.**

**163.6 Next Meeting**

Thursday 19 October 2017, immediately after the UNC Modification Panel meeting.

**Action Table (21 September 2017)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0901	21/09/17	163.5(c)	To provide an Allocation of Unidentified Gas Processes Summary Report (inc. AUG Year aspects; a range of potential options and recommendations and supporting timelines around any potential conclusions; and provide clarification around the legal advice received) to the October meeting.	Xoserve (FC)	<b>Pending</b>