

Record of Determinations: Panel Meeting 17 August 2017

Modification	Vote Outcome	Shipper Voting Members						Transporter Voting Members					IGT Voting Member	Consumer Voting Member	Determination Sought
		AG	AM	AL	MJ	RF	SM	CW	DL	HC	JF	RP	NR	SH	
0625 - Extension of 6 months to 12 months to transfer non-mandatory sites from Class 1	Not related to the Significant Code Review - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	X	X	Is Modification related to Significant Code Review
	Modification 0625 is not a self-Governance Modification - majority vote against	✓	X	X	X	X	✓	X	X	X	✓	✓	X	X	Does Modification 0625 satisfy the Self-Governance criteria
	Issued to Workgroup 0625 with a report presented by the 19 October 2017 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be issued to Workgroup with a report by the October 2017 Panel?
0613S – Revised UK Link Manual CDSP Data Services Document	Consultation to close out on 08 September 2017 - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should DMR be Issued to Consultation (includes a deemed request for Legal Text)?
0619 - Application of proportionate ratchet charges to daily read sites	Workgroup 0619 to report to the October Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Workgroup reporting date be extended to the October 2017 Panel
0616S - Capacity Conversion Mechanism for Interconnection Points	Legal text requested for 0616S - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Request Legal Text for 0616S
0570 - Obligation on Shippers to provide at least one valid meter reading per meter point into settlement once per annum	No new Issues identified - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	X	X	Did Consultation raise new issues?
	Implementation Recommended - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification 0570 be implemented? (only votes in favour recorded)
0593V - Provision of access to Domestic Consumer data for Price Comparison Websites and Third Party Intermediaries	Proceed to Consultation, Consultation to close out on 08 September 2017 - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should DMR be Issued to Consultation?
0615S - Representation on DSC Committees: amendment to include mid-year	No new Issues identified - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	X	X	Did Consultation raise new issues?

amendment to include mid-year appointments

Modification 0615S is implemented - unanimous vote in favour

✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
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Should Modification 0615S be implemented? (only votes in favour recorded)

In favour	Not in Favour	No Vote Cast	Not Present
✓	X	NV	NP

UNC Modification Panel
Minutes of the 210th Meeting held on Thursday 17 August 2017
at Elexon, 4th Floor, 350 Euston Road, London NW1 3AW

Attendees

Voting Members:

Shipper Representatives	Transporter Representatives	Consumer Representative
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 D Lond (DL), National Grid NTS H Chapman (HC), SGN J Ferguson (JF), NGN R Pomroy (RP), WWU N Rozier (NR), BUUK Infrastructure	S Horne (SH), Citizens Advice*

Non-Voting Members:

Chairman	Ofgem Representative
A Plant (AP), Chair	R Elliott (RE)

Also in Attendance:

L Jenkins (LJ), Joint Office; R Fletcher (RF), Secretary; R Hailes (RHa), Joint Office; R Hinsley (RHi), Xoserve; R Johnson* (RJ), ES Pipelines; S Britton (SB), Cornwall Energy.

* by teleconference

Record of Discussions

Introduction

AP welcomed attendees to the meeting. He asked Members to note that this would be the last Panel meeting LJ would be attending as deputy Chair due to his upcoming retirement. He said that he would like to extend his thanks on behalf of Members for the support and guidance LJ had provided as deputy Chair and CEO of the Joint Office over the years of his tenure, and the very significant wider contribution he had made to the sector over his career.

Members supported the Chair's statement. They thanked LJ for his support and commitment, and wished him well in his retirement.

210.1 Note of any alternates attending meeting

None to record.

210.2 Record of Apologies for absence

None to record.

210.3 Minutes and Actions of the Last Meeting(s)

RP asked for some comments made at the previous meeting to be reflected in the minutes against the discussion for Modification 0611S - Amendments to the firm capacity payable price at Interconnection Point.

"RP asked whether this modification should have been assessed using the relevant objectives for charging methodologies. LJ said that these were only used for changes relating to TPD section Y charging methodologies. JF noted that we had charging methodology changes before section Y was introduced."

Following a discussion about what discussion points should be included in the text of the FMR, and what should be included in the minutes as general discussion, Members were content that the changes proposed by RP should be included in the minutes.

AL requested the following addition to the July minutes:

"209.5 add bullet – Some Panel Members suggested that market trials and testing could be needed."

Following agreement to include the above changes proposed, Members approved the minutes from the previous meeting 20 July 2017.

210.4 Consider Urgent Modifications

None.

210.5 Consider New Non-Urgent Modifications

- a) Modification 0625 – Extension of 6 months to 12 months to transfer non-mandatory sites from Class 1

SM introduced the modification and its aims.

RP asked what specific problem is preventing Shippers changing the Product Class of a site. SM advised that Shippers were facing resource and prioritisation issues in trying to manage the current DM asset and reads issues following Nexus implementation. It seemed prudent to wait until the environment was stable and the system operating as it should before mandating Product Class changes required currently under Code.

AL asked why 6 months was needed when the sites could change Product Class. Wouldn't leaving the rules unchanged incentivise supporting the DM assets and reads issues? SM challenged this assumption, advising that an easy solution would be to move sites to Product Class 4 which would impact UIG as the impact would be hidden.

AL challenged whether the modification should be Self-Governance as it is likely to have a material impact, although evidence is not currently available to support a view either way.

RH advised that currently there were 1266 in Product Class 1 of which 474 were mandatory DM and would remain in the Class. 792 sites were DMV and should be moved in to Product Class 2.

The Workgroup is requested to consider the following questions:

1. Validate why an extension period of 6 months is the most appropriate period;
2. Quantify the number of sites and the volume of energy;
3. Link the issue to the relevant objectives.

For Modification 0625, Members determined:

- It is not related to the Significant Code Review;
- The criteria for Self-Governance are not met as this modification is expected to have a material impact on the contractual arrangements for the transportation of gas;
- That Modification 0625 be issued to Workgroup 0625 for assessment, with a report to be presented no later than the 19 October 2017 Panel.

210.6 Existing Modifications for Reconsideration

- None.

210.7 Consider Workgroup Issues

- None.

210.8 Workgroup Reports for Consideration

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

For Modification 0613S, Members determined:

- It should proceed to Consultation with a close out date of 08 September 2017.

210.9 Consideration of Workgroup Reporting Dates and Legal Text Requests

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

Workgroup	New Reporting Date
0619 - Application of proportionate ratchet charges to daily read sites	19 October 2017

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

Modification
0616S - Capacity Conversion Mechanism for Interconnection Points

210.10 Consideration of Variation Requests

a) None

210.11 Final Modification Reports

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

Panel discussion: see the Final Modification Report published at:
<http://www.gasgovernance.co.uk/0570>

Members then voted unanimously to recommend implementation Modification 0570.

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

AM felt the Privacy Impact Assessment (PIA) is useful to help identify the risks however, it doesn't identify all the detail as to how the risks and issues will be managed or mitigated; this is inconsistent with the approach taken in Electricity. That said, he was willing to support going out to consultation, subject to the expectation that the additional material, which it was understood would be imminently completed by Xoserve as part of the technical solution document, would be available shortly after the Consultation had commenced.

JF was supportive of this approach as the changes would not directly impact the modification or legal text.

Panel agreed that a question be included in the consultation to ask respondents if they felt that all the questions contained in Ofgem's send back letter, as noted in the Workgroup Report, had been addressed.

NR questioned whether the FMR should include the technical specification and PIA as these are not part of the modification solution but relate to a service that would be provided through the DSC arrangements.

Members felt that it would be useful to have these documents available to consider for consultees as they should inform respondents' views and provide feedback to the relevant DSC Committee that would manage the PCW arrangements.

For Modification 0593V, Members determined:

- It should proceed to Consultation with a close out date of 08 September 2017.

- c) Modification 0615S - Representation on DSC Committees: amendment to include mid-year appointments

For Modification 0615S, Members determined:

Panel discussion: see the Final Modification Report published at:

<http://www.gasgovernance.co.uk/0615>

Members then voted unanimously to implement Modification 0615S.

210.12 Any Other Business

- a) Review Legal Text Guidance Document

AP asked whether Members wished to provide any views on the current version of the Legal Text Guidance Document. No views were provided and it was agreed to review the document at the August 2018 Panel.

b) CMA Code Governance Remedies

RE provided the following update:

- Ofgem published their Update on the implementation of the CMA Code Governance Remedies on 27 July.
- In this open letter they summarised the responses received to their initial consultation and the next steps in terms of policy development.
- They proposed to work on the strategic direction and establishing the consultative board over the coming months, including with an industry workshop in Autumn.
- Although Ofgem still see licensing as an important component to deliver their objective, licensing will not be possible without primary legislation. Until the Government brings forward legislation, they will be prioritising the other work streams, seeing value in working collaboratively with industry stakeholders to embed the strategic direction and consultative board. They can see benefits in trialling the measures before making framework changes, be that through existing codes and licences or future legislation.

c) Draft Consent to Modify - Deferment of Retrospective Data Update earliest submission date

CW advised that a consent to modify is to be raised concerning the deferral of RAASP functionality which is currently in Code dated for delivery on 01 October 2017. This had been discussed in Distribution Workgroup and it was agreed that this date should be moved while the review of RAASP functionality was undertaken by Workgroup 0624R - *Review of arrangements for Retrospective Adjustment of Meter Information, Meter Point/Supply Point and Address data.*

The Consent would propose that the implementation date for RAASP should be no earlier than 01 November 2018.

No further comments provided.

210.13 Conclusion of Meeting and agreed Date of Next Meeting

- 10:30, Thursday 21 September 2017, at Elexon

Action Table (17 August 2017)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			(none)		