

Terms of Reference – V1.0
UNC Modification Reference Number 0208
Information relating to Unallocated Energy

Purpose

The aim of the review should be to bring forward all relevant information from Shippers, Transporters and their agents in order to firstly; quantify the costs drivers and secondly; to form an evidence based conclusion with regard to the most appropriate mechanism to allocate any costs. Where possible any such mechanism should target costs to drive behaviour which reduces risk of unallocated energy occurring and where it does occur, identifies and mitigates the risk.

Scope and Deliverables

The Group is asked to:

- Quantify the relative contribution of cost/risk drivers, including:
 - Theft of Gas
 - Meter Read Performance
 - Meter Accuracy
 - All Shipperless Sites – isolated & withdrawn and unfound/unregistered
 - Other contributing factors to RbD costs
- Identify division of costs between market sectors
- Identify the relative contribution of the cost/risk drivers for each market segment.
- Identify incentives to improve performance in the cost/risk drivers identified above
- Investigate methods by which costs could be accurately allocated between market segments.
- Consider the impacts of potential changes to Transportation Charging Methodologies e.g. Capacity/Commodity split
- Identify the impact on changes to central systems associated with the implementation of any identified solutions.

A Review Group Report will be produced containing the findings of the Review Group in respect of the work identified above.

Limits

The Review Group will consider changes required to the following:

- Uniform Network Code

The Review Group in its initial phase will not concern itself with:

- Detailed changes required to processes and procedures
- Detailed changes required to existing systems
- Development of detailed business rules

Composition

The Review Group will comprise the following representation

Name	Organisation
Julian Majdanski (Chair)	Joint Office
Helen Cuin (Secretary)	Joint Office
Richard Street (Proposer)	Corona Energy
Bali.Dohel	Scotia Gas Networks
Brian Durber	EON UK
Chris Warner	National Grid UKD
Fiona Cottam	xoserve
Joanna Ferguson	Northern Gas Networks
John Edwards	Wales and West Utilities
Linda Whitcroft	xoserve
Mark Jones	SSE
Mitch Donnelly	Centrica
Phil Broom	Gaz de France
Richard Dutton	Total Gas & Power
Shelley Rouse	Statoil Hydro
Stefan Leedham	EdF

A Review Group meeting will be quorate provided at least 2 Transporter and 2 User representatives are present.

Information Sources

- Uniform Network Code – Sections (to be identified).
- GT, Shipper and Supplier Licences.
- Gas Act.
- Various Industry legislation as appropriate – may include reference to:
 - Gas Safety (Installation & Use) Regulations.
 - Gas Safety (Management) Regulations.
 - Industry Codes of Practice as relevant.

Timetable

It is proposed that a total period of 6 months be allowed to conclude this review.

- Frequency of meetings – monthly. The frequency of meetings will be subject to review and potential change by the Review Group.

- Meetings will be administered by the Joint Office and conducted in accordance with the Chairman's Guidelines.