

UNC Distribution Workgroup Minutes
Thursday 24 October 2019
at Elexon, 350 Euston Road, London NW1 3AW

Attendees

Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Loraine O'Shaughnessy	(LO)	Joint Office
Maitrayee Bhowmick-Jewkes	(MBJ)	Joint Office
Andy Clasper	(AC)	Cadent
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
Ellie Rogers	(ER)	Xoserve
Fiona Cottam	(FC)	Xoserve (699 only)
Gurvinder Dosanjh	(GD)	Cadent
John Cooper*	(JC)	BUUK
Kirsty Dudley	(KD)	E.ON
Lorna Lewin*	(LL)	Orsted
Louise Hellyar	(LH)	Total Gas & Power
Megan Coventry*	(MC)	SSE
Mark Jones*	(MJ)	SSE
Oorlagh Chapman*	(OC)	British Gas
Richard Pomroy	(RP)	Wales & West Utilities
Sally Hardman	(SH)	SGN
Stephanie Clements	(SC)	Scottish Power
Steve Britton*	(SB)	Cornwall Insights
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

*via teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/dist/241019

1. Introduction and Status Review

Alan Raper (AR) welcomed everyone to the meeting and invited introductions.

1.1. Approval of Minutes (26 September 2019)

The minutes from the previous meeting were accepted.

1.2. Review Outstanding Actions

Action 0801: Xoserve (ER) to confirm if the estimated meter reading will be taken at D+5 or D+10.

Update: The update for this action was provided at the meeting held on 26 September 2019.
Closed

Action 0802: Xoserve (ER) to provide an update on how the Gas day misalignment is being addressed.

Update: The update for this action was provided at the meeting held on 26 September 2019.
Closed

Action 0803: Xoserve (ER) to provide an update on the NOMs and Offers process and whether real time pricing can be provided.

Update: The update for this action was provided at the meeting held on 26 September 2019.
Closed

Action 0804: Xoserve to remove all house-keeping related changes with the UNC Validation Rules document for the approval at the 29 August 2019 UNCC Meeting.

Update: The update for this action was provided at the meeting held on 26 September 2019.

Closed

Action 0807: Xoserve (ER) to issue a communication in relation to those Shippers re-designated as Class 1 and provided details of the suspension of the process and what actions are required and the associated timelines.

Update: The update for this action was provided at the meeting held on 26 September 2019.

Closed

Action 0901: Joint Office to add standing agenda item to future Distribution workgroup meetings to review matters arising from the implementation of Modification 0700 (Urgent) – Enabling large scale utilisation of Class 3 progress update.

Update: The standing agenda has been updated.

Closed

1.3. Modifications with Ofgem

Modification 0687 – Creation of new charge to recover Last Resort Supply Payments remains outstanding with Ofgem, AR confirmed he has no update.

AR further advised that no update was available for the other distribution related Modification Proposal with Ofgem for determination, Modification 0696.

At this point, SM raised a concern that even though the alternative raised to Modification 0696, had since been determined by the UNC Panel as a separate Modification, (now referenced as Modification 0701 - Aligning Capacity booking under the UNC and arrangements set out in relevant NExAs), it was effectively being treated by Ofgem as an alternative, in terms of tying the two together for a single determination. As such, his view was that each of the proposals should be judged on their individual merits, and that Ofgem's treatment of these related Modifications was inappropriate.

Many of the Workgroup participants agreed with the concern raised.

1.4. Pre-Modification discussions

There were no pre-modification discussions.

2. Workgroups

The following Workgroup meetings took place:

2.1. 0692S - Automatic updates to Meter Read Frequency

(Report to Panel 21 November 2019)

www.gasgovernance.co.uk/0692

2.2. 0694R - CDSP provision of Class 1 Read service

(Report to Panel 19 December 2019)

www.gasgovernance.co.uk/0694

2.3. 0697S – Alignment of the UNC TPD Section V5 and the Data Permissions Matrix

(Report to Panel 19 March 2020)

www.gasgovernance.co.uk/0697

2.4. 0699 - Incentivise Key Areas of Performance using additional UIG Charges

(Report to Panel 16 January 2019)

www.gasgovernance.co.uk/0699

2.5. 0701 - Aligning Capacity booking under the UNC and arrangements set out in relevant NExAs

(Report to Panel 19 December 2019)

www.gasgovernance.co.uk/0701

Deferred to November 2019 meeting.

2.6. 0702S – Introducing ‘Research Body’ as a new User type to the Data Permissions Matrix and UNC TPD Section V5
(Report to Panel 16 January 2020)
www.gasgovernance.co.uk/0702

2.7. 0704S - Review of Transporter Theft Reporting
(Report to Panel 16 April 2020)
www.gasgovernance.co.uk/0704

3. Modification 0700 (Urgent) Enabling large scale utilisation of Class 3 progress update

DA provided an update and advised that the migration of meter points to Class 3 had reached 2 million and count is still on an upward trajectory. He confirmed that the process seems to be progressing well, although the associated updated PAC reports had not been finalised.

With respect to the implementation of Modification 700, DA confirmed that there have been no deficiencies identified.

4. Issues

4.1. New Issues

No new issues were raised.

5. Any Other Business

5.1. GSIU Regulations – Service Cut-Offs (SM)

SM asked, in light of the recent prosecution for the New Ferry explosion, Transporters to provide clarification regarding each party's obligations in this area; essentially, who is supposed to do what and when for these disconnections and where does the ongoing liability rest. He further asked if there are any pre-existing arrangements that support the process?

Following this Workgroup discussion, it was agreed that the Transporters should provide their process for this scenario and communicate it to the Workgroup.

New Action 1001: Transporters to set out their processes for the treatment of service cut-offs.

5.2. Appeals under Modification 0665 process (SM)

SM asked Xoserve to provide clarification of the process when a site is under appeal.

DA advised this was a stage within the process where network designated reason flags are applied and agreed to communicate the process.

Post Meeting update:

What action is expected from Shippers for a Network Designated Supply Point which is under an appeal.

Within the legal text produced for 0665 it is stated that the Shipper has 20 business days from either the notification from the CDSP of the site being Network Designated or the notification of the appeal being rejected by the Transporter. As such, when a Supply Point is under an appeal, no action is required from the Shipper until they receive the outcome of the appeal.

Legal text:

4.7.21 Where the Transporter designates a Class 2, 3 or 4 Supply Point for the purposes of paragraph 4.7.16, the Registered User shall within twenty (20) Supply Point Systems Business Days of the later of CDSP's notification under paragraph 4.7.16 or the Transporter's rejection of the Registered User's objection in accordance with paragraph 4.7.19(b) submit a Supply Point Amendment to change the Class of the Supply Meter Point and Supply Point to Class 1 (failing which the CDSP shall make such amendment to the Supply Point Register and notify the Registered User of such amendment).

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There have also been questions raised regarding the application of the Network Designation Flag under UNC Modification 0665:

Within the legal text produced for 0665 it is stated that the Network Designation Flag shall apply from the point that the notification is issued to Shippers, until such time as the Network Designation of such a Supply Point is subject to a successful appeal. As such, following the notification to Shippers, the Network Designation Flag was applied to the UK Link system.

Legal text:

4.7.16 Where any of the circumstances set out in the Class 1 Ratchet Charge Guidance Document apply in respect of a Class 2, 3 or 4 Supply Point the Transporter may designate the Supply Point as one in respect of which Class 1 Ratchet Charges should apply; and where the Transporter so designates a Supply Point it shall notify the CDSP, and the CDSP shall promptly notify the Registered User and the designation shall be effective from the date of the CDSP's notification unless paragraph 4.7.19(a) applies.

...

4.7.19 Following the CDSP's notification under paragraph 4.7.18, the Transporter shall notify the CDSP of the Transporter's response to the User's objection within twenty (20) Supply Point Systems Business Days of notification of the User's objection; and where:

(a) the Transporter accepts the circumstances do not apply the Supply Point shall not be so designated, and Class 1 Ratchet Charges shall not apply (and in the event any Class 1 Ratchet Charges have been applied in relation to the Supply Point an adjustment shall be made (in the case of Class 2 Supply Point on the basis Class 2 Ratchet Charges should have been applied and in the case of a Class 3 or 4 Supply Point on the basis no Supply Point Ratchet Charges should have applied);

(b) the Transporter rejects the User's objection; Class 1 Ratchet Charges shall apply from the date of the CDSP's notification under paragraph 4.7.16.

Following the setting of the Network Designation Flag, until such time as the appeal is confirmed as having been successful any new Shipper must nominate and confirm any such Supply Meter Point as a Class 1 Supply Meter.

New Action 1002: DA to provide clarification on the Appeal process under Modification 0665 – Changes to Ratchet Regime.

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6. Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:30, Thursday 28 November 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Distribution Workgroup standard Agenda

Action Table (as at 24 October 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0801	22/08/19	2.0	Xoserve (ER) to confirm if the estimated meter reading will be taken at D+5 or D+10.	Xoserve (ER)	Closed
0802	22/08/19	2.0	Xoserve (ER) to provide an update on how the Gas day misalignment is being addressed.	Xoserve (ER)	Closed
0803	22/08/19	2.0	Xoserve (ER) to provide an update on the NOMs and Offers process and whether real time pricing can be provided.	Xoserve (ER)	Closed
0804	22/08/19	6.1	Xoserve (SHa) to remove all house-keeping related changes with the UNC Validation Rules document for the approval at the 29 August 2019 UNCC Meeting.	Xoserve (SHa)	Closed
0807	22/08/19	6.3	Xoserve (ER) to issue a communication in relation to those Shippers re-designated as Class 1 and provided details of the suspension of the process and what actions are required and the associated timelines.	Xoserve (ER)	Closed
0901	26/09/19	4.1	Joint Office to add standing agenda item to future Distribution workgroup meetings to review matters arising from the implementation of Modification 0700 (Urgent) – Enabling large scale utilization of Class 3 progress update.	Joint Office (AR)	Closed
1001	24/10/19	5.1	Transporters to set out their processes for the treatment of service cut-offs	Transporters (All)	Pending
1002	24/10/19	5.2	DA to provide clarification on the Appeal process under Modification 0665 – Changes to Ratchet Regime	CDSP (DA)	Pending