

UNC Distribution Workgroup Minutes
10:00 Thursday 24 August 2023
via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Ben Mulcahy (Secretary)	(BM)	Joint Office
Andy Clasper	(AC)	Cadent
Charlotte Gilbert	(CG)	BU-UK
Colin Paine	(CP)	Engie UK
Colin Wainwright	(CW)	SGN
David Mitchell	(DMi)	SGN
Edd Green	(EG)	Eon Next
Fiona Cottam	(FC)	CDSP (Xoserve)
James Barlow	(JB)	CDSP (Xoserve)
James Harris	(JH)	Wales & West Utilities
James Lomax	(JLo)	Cornwall Insight
Jenny Rawlinson	(JR)	BU-UK
Josie Lewis	(JLe)	CDSP (Xoserve)
Julie Chou	(JC)	Wales & West Utilities
Kevin Clark	(KC)	Utilita
Louise Hellyer	(LH)	TotalEnergies Gas & Power
Lee Greenwood	(LG)	British Gas
Mark Jones	(MJ)	SSE Energy Supply
Paul Orsler	(POr)	CDSP (Xoserve)
Paul O'Toole	(POT)	Northern Gas Networks
Peter Morgan	(PM)	SGN
Richard Tester	(RT)	CDSP (Xoserve)
Sharon Dudley	(SD)	CDSP (Xoserve)
Slama Akhtar	(SA)	Northern Gas Networks
Steve Mulinganie	(SM)	SEFE Energy Limited
Tom Stuart	(TSt)	Wales & West Utilities
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <https://www.gasgovernance.co.uk/Dist/240823>

Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of all papers are available at: <https://www.gasgovernance.co.uk/Dist/240823>

1. Introduction and Status Review

Rebecca Hailes (RHa) welcomed everyone to the meeting and gave a brief overview of the scheduled items for discussion, noting that whilst the Workgroups for Modification 0842 *Gas Entry onto the Total system via an Independent Gas Transporter* and Modification 0851R *Extending the Annually Read PC4 Supply Meter Point (SMP) read submission window* remained on the agenda in recognition of their allocation to the Distribution Workgroup, they had been deferred until the October meeting.

1.1. Approval of Minutes (27 July, 28 July, 04 August 2023)

All three sets of minutes were approved.

1.2 Approval of late papers

No late papers for the main Distribution Workgroup Agenda to report

1.3. Review Outstanding Actions

Action 0701: Industry Parties to provide CDSP (DA) with any concerns regarding the de minimis figure of 1200 kWh as a priority.

Issue Update: Steve Mulinganie (SM) advised the Workgroup that the action relates to the mechanism proposed for use in Modification 0855 – *Settlement Adjustments for Supply Meter Points impacted by the Central Switching System P1 Incident* adding that the latest version of the Modification does not use a de minimis rule, with the rationale having agreed by consensus that, whilst individual supplies may prove to require such small adjustments that may not pass the de minimis figure, the number of such instances, and therefore volume in aggregate, would be sufficiently large to require addressing. In comparison Modification 0836S *Resolution of Missing Messages following Central Switching Service implementation and integration with REC Change R0067* was more about assessing individual cases, meaning that there was a cost benefit in applying the de minimis mechanism under such a Self-Governance Modification, the same rationale did not really work for Modification 0855.

Action closed.

1.4. Modifications with Ofgem

No discussion of this subject was held, though it should be noted that the latest update on all UNC Modifications with The Authority, as updated on 17 August 2023, can be reviewed at <https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable>

1.5. Pre-Modification discussions

No Pre-Modifications were presented at the meeting.

2. CSS REC Consequential Changes Update

Sharon Dudley (SD) presented this item, committing to provide a brief verbal summary.

She confirmed that REC0067 was still an ongoing piece of work in relation to the missing messages issue and that the CDSP had recently been in conversation with the DCC and Landmark to review the details of the design document. The resulting feedback has now been included in the CDSP's design planning, which is due to be completed by 24 September 2023.

Paul Orsler (POr) added that the CDSP will implement the resultant Change on the date of 6 December 2023 in coordination with the REC's work.

SD stated that a number of requests have been made by REC parties to update the Data Access Matrix. CDSP is currently working on two.

- REC change request R0110 is in progress and on track. The response to the detailed Impact assessment, triggered by RECCo, is due to be completed by 04 September. Once approved the anticipated delivery date is mid-November.
- Work on R0071 was delayed by two weeks as a result of the work required to address the recent P1 incident.
- R0071 is also in the Detailed Impact assessment stage with Xoserve with a response date of 15 September.

Conversations with the REC Technical Services Team had been held as part of the Market-Wide Half-Hourly Settlement (MHHS) programme testing required in the electricity market, and the REC had reached out late to the CDSP to request that they also provide a data cut on the same date (19 August 2023) as was being provided to electricity partners, pre-empting any collaborative testing that may later prove to be required.

SD summarised that the impact of the recent P1 incident was circa 84k switches that did not go through from 03 July when the DCC 'lost' the related data, noting that the DCC maintained that the data was not lost and was instead unretrievable. Activity to address the issue had started around 03 August 2023 and was performed in a series of batches, with the incident causing the gas market a lot of problems, switch dates and related meter reads were not aligned which created settlement impact. SD shared that the last batch of meter reads was being sent out on the day of the meeting, meaning that all parties should have the reads associated with the CSS switch date. She added that GES APIs and portal dates were still being worked on and advised that the market will be encountering effects of the P1 going forward which were likely to last until at least Christmas 2023 and maybe afterwards as well, with activities Xoserve and Correla required to continue to do.

Steve Mulinganie (SM) commented that this was a good summary of the current state of play in the works underway to address the P1 impact, sharing that the CDSP was still providing daily update calls and that the REC questionnaire on 'Lessons Learnt' had been sent out and the deadline for responses had been extended for a further three 3 weeks to the 08 September 2023.

SD acknowledged this, adding a request that Parties respond to the questionnaire out of an awareness that the gas market was a smaller party in the matter than electricity and so needed to be as vocal as possible on the subject. She added that some DCC works had been catapulted forward in scheduling as a result of the P1 and the CDSP was keeping an eye on these to ensure the impact and any ramifications were captured.

SM commented that, following the release of the latest data spreadsheet, SEFE were still not receiving any corrector reads, which were needed, and asked if there was a central point they could approach to address this. SD advised approaching herself or Michelle Downes, adding that the CDSP were to keep the 09:30 daily 'check-in' calls the following week so parties could come back to them, and suggested raising the issue there, suggesting it would embolden other attendees to speak up too.

3. Workgroups

3.1. **0819 – Establishing/Amending a Gas Vacant Site Process**

(Report to Panel 19 October 2023)

<https://www.gasgovernance.co.uk/0819>

3.2. **0842 - Gas Entry onto the Total system via an Independent Gas Transporter**

(Report to Panel 14 December 2023)

<https://www.gasgovernance.co.uk/0842>

Consideration deferred to September.

3.3. 0850 - Amendments to Allocation of Unidentified Gas Expert (AUGE) arrangements to introduce a new Residual Upstream Contributor

(Report to Panel 18 July 2024)

<https://www.gasgovernance.co.uk/0850>

3.4. 0851R - Extending the Annually Read PC4 Supply Meter Point (SMP) read submission window

(Report to Panel 18 July 2024)

<https://www.gasgovernance.co.uk/0851>

Consideration deferred to September.

4. Distribution Workgroup Change Horizon

POr talked through this presentation. Please note a copy of the '*Distribution Workgroup Change Horizon*' can be found at www.gasgovernance.co.uk/Dist/240823.

This provided a current view of the delivery of CDSP Changes required to implement approved UNC Modifications and POr commented that the main update for this meeting was that Modification 0811S - *Shipper Agreed Read (SAR) exceptions process* had been confirmed as part of the scope of the February 2024 main release, alongside Modification 0816 - *Update to AQ Correction Processes*.

POr also noted that the Change (XRN5652) for Modification 0844 - *Enabling Direct Contractual Arrangements with Consumers for Demand Side Response* included changes that the CDSP needed to make to accommodate the requirement for National Gas Transmission (NGT) to contract directly with Class 1 Consumers to ensure the first year of such direct contractual relationships were in place.

POr also observed that the Change Horizon report provided much of the information required to provide the insight recently discussed at the Modification Panel to provide a view of approved Modifications and the elapsed time until the subsequent implementation of system changes.

SM agreed it was possible to derive the elapsed period between these two points for the Modification Panel to consider changes that have gone beyond certain thresholds, suggesting that the Change Horizon report probably provided 90% of what was required, adding it was useful to see how long, even small changes, have been awaiting delivery.

RHa noted that the prioritisation of all UNC Modification Changes would have already been considered as part of Change Management.

SM acknowledged this, highlighting that such prioritisation had been made on the basis of certain delivery timescales, and citing in comparison that the REC Change management process reconsiders priorities if Changes remain queued for delivery beyond the originally anticipated timelines.

POr noted that the report was showing confirmed delivery for all those that were not awaiting confirmation or Authority approval, with the exception of Modification 0799 - *UNC arrangements for the H100 Fife project (100% hydrogen)* which was awaiting the Proposer, SGN, confirmation of a required date.

SM commented that the focus of the data Panel might use was more as to what was required of the enduring regime framework that manages the Change process, and if the Modification Panel is sufficiently empowered to enable the alteration of Change prioritisation. If this was not the case, and there was a UNC rule that restricts revisiting priorities then the regime was not agile and should be addressed.

He added that if it is agreed there is such a 'roadblock' then he was happy to raise a Modification to remove it, adding that such considerations needed to be data-driven to efficiently manage the process.

Tracey Saunders (TS) suggested that if the Change Horizon report was to be the basis of the proposed report then from the Modification Panel perspective it could be beneficial to track from the Modification approval date through to when implementation should be, perhaps with colour coding on any delivery line that spans backwards one or two years or have an 'accepted' lead time and colour code anything that goes beyond this, enabling parties to distinguish between those Changes that have recognised rationales for their prolonged delivery and those that did not, citing Modification 0701 - *Aligning Capacity booking under the UNC and arrangements set out in relevant NExAs* as an example of a Modification that had a long implementation lead time attributed to a known and accepted factor, namely CSS implementation. She added that as a Modification Panel member herself she would find such distinctions helpful.

RHa added that elapsed days could either be measured in Working Days or Calendar Days. Workgroup Participants generally felt Calendar days was the appropriate measure.

SM suggested that in the report for the Modification Panel it may help to note when Modifications were sent for Authority Approval as it could take years for a decision to be returned. He confirmed that he thought POr was right that this could make the basis for the report that the Modification Panel were looking to obtain to enable them to review the time between Modification approval and the implemented solution.

TS added that from a Distribution Workgroup perspective, the current Change Horizon Roadmap was so much better than the previous 'Bubbling Under' report and expressed her thanks to the CDSP for the improvement.

5. Product Class Capacity

This item was carried across from the July Distribution Workgroup meeting, where it had not been covered due to time limitations, the presentation discussed can be found at www.gasgovernance.co.uk/Dist/240823 and is entitled '5. Product Class 2 Capacity (deferred from July) (23 August 2023)'.

POr provided some background to this item, and in reviewing **Slide 1** he advised that originally Modification 0831A - *Allocation of LDZ UIG to Shippers Based on a Straight Throughput Method* 0831A had proposed excluding Class 1 and Class 2 from UIG allocation but that it now only excludes Class 1 from UIG due to concerns over massed migration to Class 2. He added that in light of these concerns, the CDSP was asked about the current maximum volumes for Class 2.

The CDSP had responded that Class 2 was specified to a certain demand, with a 50k maximum under the UK Link IS service definition. POr added that, as detailed on **Slide 2**, for context, as of May 2023, there were 687 sites in Product Class 2, representing 1.4% of the available 50k capacity.

Historically, POr explained, Class 2 was shaped based on being an elective class for customers with daily meter reads and was predominately expected to be Large Supply Points and not necessarily the growing Smart Meter market.

POr also highlighted Modification 0664VVS - *Transfer of Sites with Low Valid Meter Reading Submission Performance from Classes 2 and 3 into Class 4* was implemented to address the issue of sites that failed to meet meter reading targets under Class 2, moving them into Class 4 until they met these requirements, citing that the Minimal Valid Meter Reading target was only 25% over the period of three months but even then, the Modification moved 7.4% of the then Class 2 portfolio for failing to hit the targets.

In the context of future considerations and working with suppliers, CDSP has looked at the Class 2 restrictions and what would need to be done to improve the current Class 2 capacity.

SM stated that his understanding was that, as part of Nexus, Class 2 was supposed to scale to allow for Smart Metering.

POR responded that was a requirement of Class 3, which was built to scale to 12m. SM asked where this was confirmed, to which POR directed attention to the excerpt from the UK Link IS Service document on **Slide 2**. SM noted the references to assumptions and asked what drove them.

POR explained that the CDSP issues an annual capacity plan consultation as to whether these volumes were still appropriate, via a Change Pack consultation process. It also includes functionality to consider changes in Classes with parameters around such core performance interaction.

Louise Hellyer (LH) suggested the question could be more about there being a volumetric point of view, noting the focus on supplies over 732,000 kWh and asking if there was much benefit for customers smaller than that who want to go to Class 2, in effect limiting customers that do want to move.

SM added there was a consideration in the non-daily metered (NDM) Demand Side Reduction (DSR) trials, sharing that SEFE Energy had a local authority that wanted to be included, meaning SEFE would be moving large numbers of supplies that had to be Class 2 to be in the trials.

LH asked if Parties would support such moves given that there are risks coming into Class 2.

SM agreed that part of the discussion would be the Class 2 restraints that had been carried over from Class 1 which, for smaller customers, did not make a lot of sense.

In response, POR read through the proposal on **Slide 5**, detailing a set of analysis and testing that the CDSP could undertake that would produce a set of recommendations and an options report to advise of the systems changes that could be made, which would have an expected cost range for £350k to £450k. He added that funds were available within the UK Link Roadmap Investment to undertake this analysis which would not consider changes to existing Class 2 rules or logic.

POR then moved to **Slide 6** which proposed an alternative in that an Industry Review (potentially a UNC request) is undertaken to consider what is best for settlement in terms of the utilisation and nature of the Product Classes and to ascertain if the current rules are still fit for purpose. He added the proposed analysis work detailed on the previous slide could then potentially be undertaken after such a review.

SM stated that he agreed with the idea of an Industry Review, noting that with Gemini Sustain underway and at the back end of the Smart Metering deployment and with MHHS and DSR underway the market needs systems and processes to better fit for the daily data granularity that is available. Perhaps having an umbrella catch-all of a review is the best way of doing this.

RHa agreed, ensuring the rest of the Workgroup had an opportunity to express any other thoughts, with none raised.

POR finished the item by reviewing the Summary on **Slide 7** which highlighted the two options proposed and confirmed that the CDSP recommended that a UNC Review be held in the first instance to gain agreement with the industry on the requirements for each Product Class and whether the current capacity is fit for purpose.

6. Issues

No issues were raised.

7. Any Other Business

RHa shared that XRN5651 Tolerance Proposals was given as an item in this meeting's agenda as, whilst it had been discussed in the July Distribution Workgroup, it felt appropriate to ensure there was no further discussion or updates on the matter required,

POR stated in response that the Tolerance Proposals had been approved at the last UNCC and they were subsequently to be issued as version 8 of the UNC Validation Rules.

7. Diary Planning

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

Time / Date	Paper Publication Deadline	Venue	Programme
Thursday 10:00 28 September 2023	5 pm 19 September 2023	Microsoft Teams	Standard Agenda including any Modification Workgroups relating to Distribution Workgroup
Thursday 10:00 26 October 2023	5 pm 17 October 2023	Microsoft Teams	Standard Agenda including any Modification Workgroups relating to Distribution Workgroup
Thursday 10:00 23 November 2023	5 pm 14 November 2023	Microsoft Teams	Standard Agenda including any Modification Workgroups relating to Distribution Workgroup
Monday 10:00 11 December 2023	5 pm 30 November 2023	Microsoft Teams	Standard Agenda including any Modification Workgroups relating to Distribution Workgroup

Distribution Workgroup Action Table

Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0701	27/07/23	2	Industry Parties to provide CDSP (DA) with any concerns regarding the de minimis figure of 1200 kWh as a priority.	August 2023	Industry	Closed

**UNC Workgroup 0819 Minutes
Establishing/Amending a Gas Vacant Site Process
10:00 Thursday 24 August 2023
via Microsoft Teams**

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Ben Mulcahy (Secretary)	(BM)	Joint Office
Lee Greenwood (Proposer)	(LG)	British Gas
Andy Clasper	(AC)	Cadent
Charlotte Gilbert	(CG)	BU-UK
Colin Paine	(CP)	Engie UK
Colin Wainwright	(CW)	SGN
David Mitchell	(DM)	SGN
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Fiona Cottam	(FC)	CDSP (Xoserve)
James Barlow	(JB)	CDSP (Xoserve)
James Harris	(JH)	Wales & West Utilities
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Jenny Rawlinson	(JR)	BU-UK
Josie Lewis	(JLe)	CDSP (Xoserve)
Julie Chou	(JC)	Wales & West Utilities
Kevin Clark	(KC)	Utilita
Louise Hellyer	(LH)	TotalEnergies Gas & Power
Mark Jones	(MJ)	SSE Energy Supply
Paul Orsler	(POr)	CDSP (Xoserve)
Paul O'Toole	(POT)	Northern Gas Networks
Peter Morgan	(PM)	SGN
Richard Tester	(RT)	CDSP (Xoserve)
Sharon Dudley	(SD)	CDSP (Xoserve)
Slama Akhtar	(SA)	Northern Gas Networks
Steve Mulinganie	(SM)	SEFE Energy Limited
Tom Stuart	(TSt)	Wales & West Utilities
Tracey Saunders	(TS)	Northern Gas Networks

The Workgroup Report is due to be presented at the UNC Modification Panel by 19 October 2023.

Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of all papers are available at: <https://www.gasgovernance.co.uk/0819/270723>

1.0 Introduction and Status Review

Rebecca Hailes (RHa) welcomed everyone to the meeting and gave a brief overview of the scheduled items for discussion.

1.1. Approval of Minutes (27 July 2023)

The minutes from the meeting held on 27 July 2023 were approved.

1.2. Approval of Late Papers

RHa confirmed that there were no late papers to report and asked the CDSP for an update on the provision of a Rough Order of Magnitude (ROM) for the Modification.

Paul Orsler (POr) advised that the ROM was being finalised and should prove available before the close of the meeting.

1.3. Review of Outstanding Actions

Action 0602: CDSP (ER) to provide awareness of Modification 0819 in REC space regarding GES and DAM

Update:

POr shared that recognition had been expressed within the soon-to-be-issued ROM for related REC Change to be progressed, but that this would be managed separately, confirming that this would not hold up the modification. He committed to ascertaining as to whether it needed to be in the Data Access Matrix (DAM) and would discuss this with David Addison and their Shipper customers.

RHa recalled discussing the viability and, separately, the desirability or otherwise of making Vacant status visible for third parties on GES.

Steve Mulinganie (SM) agreed it had been discussed, stating that any such visibility needed to be fairly limited.

RHa asked the Proposer if the Modification specified such a requirement.

Lee Greenwood (LG) replied that he did not think the status should be visible in GES given that a supply would come out of Vacant status should it transfer (triggered by a change of supplier).

SM acknowledged that there had been a concern discussed about an incoming Shipper taking a site and whether they should have visibility of its status.

Louise Hellyer (LH) suggested that it could be the case that a site might contract with a Shipper first before starting to consume energy, so it is probably right that the status be removed, adding if the site was part of a larger customer portfolio, they should be managing it as part of a group and thus inform the Shipper that the site is vacant.

SM observed that there was a benefit of knowing the status from the start of supply.

LH stated that she did not think it did any harm to know but it probably should not be a requirement, whilst recognising from a customer point of view they would want the Shipper to manage it.

SM agreed that having the customer inform the Shipper would provide a heads-up to manage the responsibilities to register the site as Vacant again, stating that it felt like there was value here.

RHa observed that the Modification's Business Rules currently state that a transfer (change of supplier) takes a site out of Vacant status.

SM responded that it was a fair point that it was the duty of the incumbent Shipper to enact the Vacant Status.

RHa asked that parties consider this scenario, which would remain the case that visibility of a Vacant Status is not available to third parties unless an alternative case is made.

Action Closed

Action 0701: Proposer (LG) to confirm the outcome of failing to meet the criteria specified under “Rejection of Vacant Status” in the Guidance Document.

Update:

This Action was completed and discussed in more detail under Item 4 below

Action Closed

Action 0702: Proposer (LG) to add a statement at the beginning of the Guidance Document that sites designated as Vacant are an area that falls into PAC visibility, and Shippers may be called upon to justify their position.

Update:

This Action was completed and discussed in more detail under Item 4 below.

Action Closed

Action 0703: Legal Text Provider (AC) to amend 10.1.1 to state “... is neither an operational Smart Meter nor Advanced Meter.”

Update:

This Action was completed and discussed in more detail under Item 5 below.

Action Closed

Action 0704: Legal Text Provider (AC) to confirm legal view as to refer to sites being ‘registered’ or ‘classified’ as Vacant.

Update:

The Legal Text Provider addressed this issue in Item 5 below.

Action Closed

2.0 Amended Modification

Lee Greenwood (LG) advised the Modification had not been amended and that it was only the Guidance document that had been updated.

3.0 Review of New ROM

POR talked in general terms that the costings within the new ROM were likely to remain as before, with it being predominantly a UK Link file solution, either using existing file formats or a new one, to enable the CDSP to respond with rejections and reasons.

SM suggested that such file changes would impact all Parties, as their systems would all need changes made at their costs.

POR responded that if it used a new file format it would not necessarily be the case. He added that they were not suggesting there should not be a CMS option to add in vacant sites flag, but in reviewing the requirements it was apparent that the lion’s share of the work is within the UK Link system, doing all the logic etc. He added that CMS was not a reporting tool so would not allow reporting in that system, hence revisions were being made, and reiterated that the cost is more or less the same, advising that the timeline was roughly six months to enable a baseline

design, but different options could be considered, such as tweaking an existing file or introduce a new file.

The new ROM was then made available during the meeting to enable POr to share with the workgroup. Workgroup considered having, for example, an hour to read and consider the document but this was rejected on good governance grounds. SM observed the Workgroup had the time available to review the ROM as a group and that it would probably be better to have the CDSP talk the attendees through the document.

With this agreed, POr shared a view of the new ROM, based upon its precursor which had been completed by colleagues and largely remained much the same with some tweaks to the criteria and Business Rules (BRs) introduced since it was written in February 2023. He stated that it provided more detail on how the CDSP was looking to use CMS without adding additional complexity.

SM observed that another option may be better for Parties other than the CDSP, who may value the additional potential cost of a more CMS-based solution. POr responded that he felt this was a fair comment, adding that the CDSP considered economic costs with the best of intent. SM noted that the new and costly CMS system now potentially created a second possible route for system solutions which should be explored. POr advised that the intention with the ROM was to leave it open for a later decision on the actual solution, and simply quoting a range of costs and options was desirable so that a more complete view of the different options could be considered as the solution was taken forward.

RHa requested that a tracked change ROM be sent to the Joint Office for publishing so Parties could see the differences between the existing and the former ROM.

POr agreed to compile and provide a tracked change version of the document after the meeting.

POr continued to review the new ROM, noting that new PARR reporting based on criteria set by PAC was called out in the ROM and that the CDSP will seek to ensure that DDP will have functionality that will remain appropriate after the vacant site change had been delivered. He also noted that Customer Classes were potentially impacted, as were Shippers and DNs as relief was applied to some charges, with potential IGT impact also noted.

RHa asked the Proposer if the Modification affected any Transmission charges, or if the impact was only Distribution charge related, prompting other participants, especially those from DNs to speak up if they were able to confirm if Transmission charges were relevant.

LH responded by suggesting that there is the general transmission charge, which is a small element of the transportation charge under this element, which changes in October each year (suggesting it was not a DN charge) and not April (which is when DN charges would be updated). As such there is an element that Parties do pick up, adding that was the question will this be captured.

RHa shared that she believed it was the case that none of the Transmission charges were affected. Lee Greenwood (LG) as Proposer, agreed.

POr reviewed the Overview of the Impacts of the solution and talked through the high-level analysis across the CDSP estate adding that they would call out if a new type of file was required as a New CMS Contact (Variant) and read through the proposed process. This would mean that IGTs who also use the Bulk Contact Logging (BCL) would need to use it, as would Shippers (even if they are not using the Vacant status).

SM commented that a lot of the heavy lifting was within the UK Link and asked what the extra cost was for providing both routes to customers, which would help Parties understand the

options. The CDSP agreed to consider providing the costs of various options giving Parties more choice.

POR resumed reviewing the ROM, sharing that a new file format could use an existing file format that could remain as is and talked through this process.

James Barlow (JB) took the Workgroup through the UK Link Changes detailed, with new validation irrespective as to whether IX or CMS, with the criteria detailed in the Modification and Guidance Documents captured, complete with details of the transportation reliefs of settlement, commodity and performance obligations (must read, read performance etc) that would go to PAC.

POR covered the DDP section and the Consequential changes to existing dashboards, which RHa noted included details of shippers as to rejections and rejection reasons for PAC.

Whilst POR agreed and expressed the intention to also include it, potentially under point 20, RHa advised that it was PAC's call as to what was to be included. POR responded that the CDSP have presented to PAC what could be collated in the past, enabling PAC to take a final call on what to include and as such he expected they would use a similar approach in this case.

SM picked up on the text that stated that both accepted and rejected transactions would be considered for exit asking if this was where meter reads come in as they were the only criteria he could recall and asking if there were others.

JB advised that UPD can carry more, such as new physical metering information, which under the BRs would result in a site coming out of the Vacant status. He added there would be more detail later on.

The ROM listed CDSP Estate and UK Link component impacts in a table with CMS impact listed as medium, though Por acknowledged this would change if the Change subsequently included reporting etc. via a CMS Solution. UK Link Network element was also listed as medium impact, with changes to BSL or file formats in IX being activities the CDSP had done before and required testing, awareness training and performance tracking. DDP was listed as High Impact with the read dashboards already integral to the industry, these screens and reports would need to be changed. POR also noted that GES was listed as not applicable to Change as the Modification was currently written.

POR then moved on to the high-level cost and timescales, sharing that the enduring solution would cost at least £230k but probably not more than £655k, with a variant CMS solution increasing the overall cost estimates in the range of between £200k and £280k. He advised that the previous ROM, produced earlier in the Workgroup development phase, had a high-level cost estimate range of between £230k and £375k.

POR advised that following the further development of the UNC Business Rules and having had more time to assess the solutions, it was now that CMS would introduce an additional layer of validation, processing, and data transfer, which could be avoided if a full UK Link file-based solution is adopted.

Workgroup members acknowledged this point however there was a request to have clarity and to retain visibility of the choices of solutions available and associated costs to support industry consultation.

POR noted that, regarding any ongoing costs, the intention was for the Solution to be as automated as possible and that consequentially they did not foresee much management required after implementation. He added that the timeline would be extended by 4 weeks to capture variants and complexity so would be circa 24 to 28 weeks.

New Action 0801: CDSP (POr) to reflect the solution options in an updated ROM.

In regards to release scheduling, POr advised that the CDSP would scope a November 2024 release in February 2024, and to do this they would need to have a detailed design baseline (this was based on the 24 to 28-week delivery model). If this was not the case, then February 2025 would be targeted if the detailed design was available by April 2024. He added that as the solution needed customer solutions support set up it identified the Change as a Major release.

A June 2024 release was confirmed as not viable because it would require working at risk for most of the project.

POr confirmed that the Service Area allocation was for discussion at the DSC Change Management Committee but noted that it was expected that the services that needed to be managed and supported impacted Service Areas 2, 3 and 10. The standard cost allocations for these areas are:

Service Area 2 – Monthly AQ Processes (100% Shipper)

Service Area 3 – Manage updates to customer portfolio (90% Shipper and 10% DNO)

Service Area 10 – Invoicing Customers (12% NGT, 88% DNO)

4.0 Review of the revised guidelines document

LG confirmed a statement at the beginning of the Guidance Document that sites designated as Vacant are an area that falls into PAC visibility, and Shippers may be called upon to justify their position. (Action 0702 completed).

LG confirmed the amendment of the 'Rejection of Vacant Status' on the fourth page, specifying that the CDSP will validate against criteria 1 to 4 and 5a and 5c, in recognition that the CDSP would be unable to validate against the other, Shipper warranted, criteria.

SM acknowledged this was as discussed in the last Workgroup and made a wording request that the paragraph states that the Shipper 'requests' rather than 'notifies' the Vacant status.

POr confirmed that a file/notification of failure would be sent back to the Shipper when questioned on the matter. SM subsequently noted that the Guidance Document does not specifically state that notification of rejection would be made.

RHa suggested a blanket statement be added to note that at the point of rejection, the CDSP should notify the Shipper and asked how quickly this criteria validation result should be provided. LG suggested as soon as possible, adding he would like to see a response the next day after the request, but was unsure of the practicalities. SM suggested wording the requirement as soon as reasonably practicable, which LG agreed to add to the Guidance Document, advising of the rejection and the reason. POr advised that the CDSP had been working to that assumption anyway but noted that it did not harm to specify this.

LG advised that no further amendments had been made to the Guidance Document, which RHa acknowledged, advising that the date and version numbering needed to be updated. As this was to be a UNC Guidance Document, RHa also noted that this needed to be stated at the start and document control summaries needed to be added to the start of the document.

5.0 Review of Revised Legal Text

Andy Clasper (AC) talked the Workgroup through the latest changes to the Legal Text, advising that clause 10.1.1 states the Supply Meter Installation is 'Neither an operational Smart Meter

nor an operational Advanced meter' to address the lack of clarity the previous wording was found to exhibit.

Similarly, in clause 10.4.1 (e) the supply point is referred to as 'recorded' as Vacant, as the prior use of the word 'registered' in this sentence was thought ambiguous.

6.0 Development of the Workgroup Report

RHa shared a screen view of the Workgroup Report, confirming with the Workgroup the Governance assessment that this was not to be a Self-Governance Modification.

The Reference Documents were identified as needing competing, as well as reference needing to be made to the pertinent UNC Section, which AC confirmed to be Section V.

RHa asked if the PARR considerations were in hand within PAC, Jenny Rawlinson (JR) could not recall specific discussions on the matter in PAC, which SM agreed was the case suggesting that this was why the caveat about PAC monitoring was in the documentation.

JR questioned if the Workgroup Report should specify the reporting PAC will require and asked the view of other participants, asking if the Workgroup should consider scenarios where Vacant site requests had been made, which the Shipper felt they have all the criteria correctly identified but was subsequently rejected by the CDSP. In effect a measure where the Shipper believes sites to be empty but prove otherwise. She suggested that in such cases, from a Settlement perspective, there would be a gap where there is consumption that the Shipper was not expecting.

RHa suggested this be presented as a user story where the CDSP discovers meter reads.

SM shared the view that there was not any consequence of such a scenario though, adding it would only be where the site has been accepted as Vacant would there be an issue, with the CDSP rejecting the request meaning that Settlement would not be affected. Adding that this was the rationale behind the discussions of monitoring how long sites remain as Vacant and the reasons for when they are 'forced out' of the status due to one of the criteria being triggered.

JR asked if a CDSP report was required to monitor the behaviour of Shippers who request sites be recorded as Vacant to identify those who make a lot of these requests and/or get a lot of rejections from the CDSP.

RHa noted that if the CDSP did have the meter reads to reject such requests she would ask why the Shipper was not aware of them.

SM observed that if the Modification did seek to introduce a system of reporting it would need to define them, which could delay the Modification as they were designed, instead proposing a preamble that recognised that the Modification touched on areas of PAC interest.

LG agreed, stating he was keen to get the Modification progressed and noted that there would be changes to PAC reporting relating to the AQ Correction Codes introduced by Modification 0816S - Update to AQ Correction Processes which would be similar to those likely to be considered when reviewing the impact of this Modification so were likely to be captured at the same time.

JR agreed that the specifics of the PARR Reporting should not hold up this Modification.

POr advised that the ROM recognised that PARR reports would be required and would need to be shaped by the PAC.

JR asked if the wording in the Solution that stated, '*This Modification also seeks to introduce additional reporting in the Performance Assurance Report Register (PARR) regarding the Vacant sites process.*' needed to be removed.

RHa added alternate wording in the WGR and asked if the PAC required to be advised that the

PARR needed amending and suggested that the Joint Office and CDSP seek confirmation from PAC if any commentary or specification for the PARR in the WGR was required.

New Action 0802: Joint Office and CDSP to seek PAC view as to the value of adding PARR considerations in WGR

The Workgroup discussed the Impacts and Other Considerations and the commentary about Customers potentially receiving lower bills. LG noted that if an AQ is lowered as a result of the site being Vacant then the billing could be lower.

JR shared that her reading of the Modification suggested the Shipper was not getting any information from the customer, and as such the billing will be just the basic charge, so she was not sure bills would be lower, and thought it more likely the benefit would be more accurate bills.

RHa advised that it was the Proposer's decision to retain or remove the reference to Lower Bills.

SM noted that Improved safety was given as an impact, sharing that he was sure all parties were already fulfilling their safety requirements, and as such an implication there is more that could be done was unfounded. In subsequent discussion, the Workgroup agreed that the text provided in this Area was better suited to feature under 'Improved quality of service.'

LG provided an update on the IGT UNC considerations, advising he was presenting to the IGT Panel Workgroup on 25 August 2023. To which JR added that the IGT Panel was to assess if the proposal was sufficient to progress, adding that it was numbered IGT168 and asked the Proposer if the changes made in this Workgroup would be added and presented to the IGT Panel, which LG confirmed was to be the case.

JR requested that, since changes were to be made to the IGT Modification, the Transportation Charge elements be confirmed as being in relation to DNOs and not IGTs, adding that, as an IGT UNC Modification Panel member herself, she thought this clarification might help. She asked if this understanding was accurate.

LG and POr subsequently both confirmed it was Commodity Charges in the first place that would be reduced, with Capacity Charge reduction available, should the Shipper request it, in the second part. These were all DNO and not IGT-specific charges.

JR added she thought it advisable that, wherever Transporter charges are referred to, this should be clarified, and to also make it clear within the Modification at some point that all IGT charges are excluded, so, for instance, parties know that IGT Metering charges are not included.

RHa asked LG if the Amending a Gas Vacant Site Process Guidance Document is referred to as a UNC-related document within the Modification, LG confirmed this was included in BR1.

RHa advised Implementation would normally be worded "as soon as reasonably practicable" suggesting that this be added as a 'for the avoidance of doubt' statement.

In reviewing the text for Relevant Objectives, SM was not certain if 'Upfront costs' was the right term to use. LG explained it referred to the need for Shippers to pay commodity charges upfront, which are subsequently reconciled on meter reads when they come in. SM suggested that 'upfront' might engender some pushback or questions.

RHA suggested the use of 'not applicable' which SM agreed was better as they were costs that were not necessary.

Tracey Saunders (TS) posed the question as to whether this would increase charges for the rest of the community as a counterbalance, noting that Transportation costs are net neutral, thus if something changes in one aspect, then it will balance out in another area's costs.

SM observed that it was better recovered elsewhere than from a party with a Vacant site.

LH submitted that the principal works while we have a gas system that is widely used and that if it got to the point that everyone was registered as Vacant then this would need to be considered. If it is a minority classified as Vacant then it is not such an issue.

TS observed that this raised the question regarding transportation balancing, and if there were to be many sites going vacant on implementation of the Modification.

SM asked if it mattered as the issue around redistribution is about the Capacity element after 12 months not the Commodity part at the start of this Modification.

TS agreed it was regarding Capacity.

SM continued that this would be reflective of an AQ dropping to 1 had it been possible to either obtain a meter read from visiting the site or if an Advanced meter or Smart meter was installed. As such this was not so much about a risk of parties taking advantage but correcting towards the actual use and addressing an imbalance that non-smart customers did not have the advantage of having, and their current exposure to higher AQs being automatically reduced.

TS suggested that the step change being at the 12-month marker needed to be considered in the assessment as well.

SM agreed, noting that it was not automatic, and was an option, stating that it did not give an advantage and instead just levelled the playing field.

RHa asked the Proposer if he had a view of how many sites are likely to go Vacant, which LG did not have a view of. The Workgroup discussed how best to assess the likely demographic the Vacant status could be applied to and asked the CDSP for a view.

POr sought to clarify the question, suggesting that the criteria would be Class 4 sites, rather than reviewing every site that had not had a meter read.

SM observed that whilst this could be the only way to get an idea, though it was a worst-case scenario, and misleading in as much as there would be Smart and Advanced meters in Class 4, with the true criteria being inaccessible meters. He suggested that perhaps the WGR note that the Modification Panel may wish to ask parties to provide to the Authority any indicative numbers they have, though was aware doing such was a bit leading and did give the Authority a reason to delay a decision.

RHa commented that it was possible that the volume of sites could prove small.

TS shared that her view that given a Modification had been raised there was an expectation that there were enough eligible sites to make the Code changes worthwhile.

LH suggested that a stipulation be set that a Review Group be convened if 10% or more of the population is classified as Vacant and asked if suggesting that the cost of all these parties being shifted across to the remaining population was fair. She added that hopefully, it would never get to this point but at least the measure would be in place.

TS put forward that a report that detailed how many sites are registered as Vacant compared to sites with Smart or Advanced metering that registered zero consumption would be useful.

LG responded that such a report had been suggested as a PAC report originally but had been removed to prevent the implication of impinging PAC self-determination when assessing their reporting requirements.

TS replied that she perceived the report being provided to DNs by Xoserve for their review rather than Settlement purposes and commented that she would liaise with the other DNs as to what may be required.

7.0 Next Steps

The Proposer is to provide an amended Modification for the next Workgroup to review.

The CDSP to provide a copy of the revised ROM.

Consider any IGT Modification feedback.

The Workgroup Report is to be finalised.

8.0 Any Other Business

No other business was discussed.

9.0 Diary Planning

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

Workgroup meetings will take place as follows:

Time / Date	Paper Publication Deadline	Venue	Programme
Thursday 10:00 28 September 2023	5 pm 20 September 2023	Microsoft Teams	<ul style="list-style-type: none">• Review the amended Modification Proposal.• Review amended ROM• IGT Update• Conclusion of Workgroup Report.

Distribution Workgroup Action Table						
Action Ref	Meeting Date	Minute Ref	Action	Owner	Reporting Month	Status Update
0602	22/06/23	2	CDSP (ER) to provide awareness of Modification 0819 in REC space regarding GES and DAM	CDSP (ER)	August 2023	Closed
0701	27/07/23	1.3	Proposer (LG) to confirm the outcome of failing to meet the criteria specified under "Rejection of Vacant Status" in the Guidance Document.	Proposer (LG)	August 2023	Closed
0702	27/07/23	1.3	Proposer (LG) to add a statement at the beginning of the Guidance Document that sites designated as Vacant are an area that falls into PAC visibility, and Shippers may be called upon to justify their position.	Proposer (LG)	August 2023	Closed
0703	27/07/23	3	Legal Text Provider (AC) to amend 10.1.1 to state "... is neither an operational Smart Meter nor Advanced Meter."	Legal Text Provider (AC)	August 2023	Closed
0704	27/07/23	3	Legal Text Provider (AC) to confirm legal view as to refer to sites being 'registered' or 'classified' as Vacant.	Legal Text Provider (AC)	August 2023	Closed
0801	24/08/23	3	CDSP (POr) to reflect the solution options in an updated ROM.	CDSP (POr)	September 2023	Pending
0802	24/08/23	6	Joint Office and CDSP to seek PAC view as to the value of adding PARR considerations in WGR	Joint Office & CDSP (RH a & POr)	September 2023	Pending

**UNC Workgroup 0850 Minutes
Amendments to Allocation of Unidentified Gas Expert (AUGE)
arrangements to introduce a new Residual Upstream Contributor
Thursday 24 August 2023
via Microsoft Teams**

Attendees

Rebecca Hailes (Chair)	(RHa)	Joint Office
Ben Mulcahy (Secretary)	(BM)	Joint Office
Steve Mulinganie (Proposer)	(SM)	SEFE Energy
Andy Clasper	(AC)	Cadent
Charlotte Gilbert	(CG)	BU-UK
Colin Paine	(CP)	Engie UK
David Mitchell	(DMi)	SGN
Edd Green	(EG)	Eon Next
Fiona Cottam	(FC)	CDSP (Xoserve)
James Barlow	(JB)	CDSP (Xoserve)
James Harris	(JH)	Wales & West Utilities
James Lomax	(JL)	Cornwall Insight
Jenny Rawlinson	(JR)	BU-UK
Josie Lewis	(JLe)	CDSP (Xoserve)
Julie Chou	(JC)	Wales & West Utilities
Kevin Clark	(KC)	Utilita
Louise Hellyer	(LH)	TotalEnergies Gas & Power
Lee Greenwood	(LG)	British Gas
Mark Jones	(MJ)	SSE Energy Supply
Paul Orsler	(POr)	CDSP (Xoserve)
Paul O'Toole	(PO)	Northern Gas Networks
Peter Morgan	(PM)	SGN
Richard Tester	(RT)	CDSP (Xoserve)
Sharon Dudley	(SD)	CDSP (Xoserve)
Slama Akhtar	(SA)	Northern Gas Networks
Tom Stuart	(TSt)	Wales & West Utilities
Tracey Saunders	(TS)	Northern Gas Networks

This Workgroup meeting will be considered quorate provided at least two Transporter and two Shipper User representatives are present.

Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of all papers are available at: <https://www.gasgovernance.co.uk/0850/240823>

The Workgroup Report is due to be presented at the UNC Modification Panel by 18 July 2024

1.0 Introduction and Status Review

Rebecca Hailes (RHa) welcomed everyone to the meeting and gave a brief overview of the scheduled items for discussion.

1.1. Approval of Minutes (28 July 2023)

The minutes from the meeting held on 28 July 2023 were reviewed.

Tracey Saunders (TS) requested an amendment to the minutes recording commentary attributed to Jenny Schofield of NGN in Item 2 Initial Discussion, asking that the sentence on page 3 stating "...if the Residual Upstream Contributor was introduced it would feature as part of Shrinkage and would be considered as passthrough, then..." be replaced with "...if the Residual Upstream Contributor was introduced and treated as part of Shrinkage and considered passthrough, then.."

The Workgroup agreed to this amendment and no other changes were requested.

The minutes, so amended, were duly approved.

1.2. Approval of Late Papers

RHa confirmed that there were no late papers to report.

1.3. Review of Outstanding Actions

Action 0701: DNOs (JS) to provide insight into the DNO Pricing Calendar as an aid to WG consideration of when the Residual Upstream Contributor (RUC) could be issued.

Update: TS confirmed that the documentation required for this action had been completed but was not yet internally signed off.

As such this action was agreed to be deferred to September.

Action deferred to September Workgroup.

2.0 Consider Initial Representations

The Proposer Steve Mulinganie (SM) confirmed he had not yet received any feedback or representations but commented that most Parties had been preoccupied of late with the recent P1 incident, and together with the seasonal leave typical of August felt it was appropriate to carry the time window for feedback forward to ensure Parties had the best opportunity to provide views, as his intent was to work by consensus.

He added that this Modification was not time-critical and with Modification 0831/091A recently deferred by the Modification Panel for similar reasons it felt appropriate for this Workgroup too.

He suggested that the Workgroup according also be deferred to the September meeting, where proceedings could commence with a review of the individual Business Rules and Modification Panel questions.

The Workgroup agreed with this suggestion and the meeting was closed.

3.0 Consider Panel Questions

Deferred until September meeting.

4.0 Review Business Rules

Deferred until September meeting.

5.0 Next Steps

RHa confirmed the next steps are:

- Consider any initial Representations and outstanding Panel questions.
- Review of the Business Rules

6.0 Any Other Business

No other business was raised.

7.0 Diary Planning

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

Workgroup meetings will take place as follows:

Time / Date	Paper Publication Deadline	Venue	Workgroup Programme
10:00 Thursday 28 September 2023	5 pm 20 September August 2023	Microsoft Teams	<ul style="list-style-type: none"> • Consider any Initial Representations received and Panel Questions. • Review Business Rules.

0850 Workgroup Action Table

Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0701	28/07/23	1	DNOs (JS) to provide insight into the DNO Pricing Calendar as an aid to WG consideration of when the Residual Upstream Contributor (RUC) could be issued.	August 2023 September 2023	NGN (JS)	Deferred