

UNC Workgroup 0676R Minutes

Friday 08 March 2019

at Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA

Attendees

Chris Shanley (Chair)	(CS)	Joint Office
Mike Berrisford (Secretary)	(MiB)	Joint Office
Alex Travell	(AT)	BUUK
Chris Warner	(CW)	Cadent
Clare Cattle-Jones*	(CCJ)	SSE
Dan Fittock*	(DF)	Corona
David Mitchell	(DM)	SGN
Linda Whitcroft	(LW)	Xoserve
Penny Garner	(PG)	Joint Office
Richard Pomroy	(RP)	Wales & West Utilities
Steve Mullinganie*	(SM)	Gazprom
Teresa Thompson*	(TT)	National Grid
Tracey Saunders	(TS)	NGN

*via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0676/080319>

1. Introduction and Status Review

1.1. Approval of Minutes (08 February 2019)

The minutes of the previous meeting were approved.

2. Review of Outstanding Actions

Action 0201: *Reference Joint Office Funding Arrangements* – Joint Office (PG) to enquire whether the Joint Governance Arrangements Committee (JGAC) would be willing or able to share information (including consideration around any confidentiality issues, etc.).

Update: PG explained that she had spoken with the Transporters on this matter and that it is hoped that a (very) high level set of information would be provided ahead of the next Workgroup meeting. **Carried Forward**

Action 0202: *Reference the Test Applied to Confirm if the Industry Could Deliver the Changes Required table* – All parties to look to consider the areas identified and provide views on whether they can be assessed via the UNC Request or not.

Update: When CS explained that this action would be 'covered off' under consideration of agenda item 4. Below, the Workgroup agreed to close the action. **Closed**

3. Consideration of the Test Applied to Confirm if the Industry Could Deliver the Changes Required

Whilst this agenda was not discussed specifically, it was considered as part of the discussions under agenda item 4.0 below.

4. Sign Off of the Scope Document

During an onscreen challenge and review exercise based on draft version 0.3 of the 'Scope Document', the Workgroup debated various key aspects to the statements contained therein during which in response, CS made the necessary (appropriate) amendments.

Notable key items are provided in summary form (by exception), as follows:

- CS outlined the amendments to the scope undertaken since the last meeting;
A cross code scanning perspective has already been included within the scope and CS offered as part of his CACoP role (on behalf of the Joint Office) to provide further information on CACoP or seek their views on behalf of the Workgroup. Other points discussed were;
 - recognition that historic delivery of CACoP improvements could have been better;
 - CACoP are currently working towards how to improve and assist industry initiatives going forwards;
 - CACoP are looking to outline their role and responsibilities and minutes of the meetings are freely available for industry consumption;
 - CACoP has moved from Electralink (DCUSA) to National Grid (Grid Code);
 - CACoP are currently considering development of a web site portal;
 - it would be prudent to 'measure' CACoP on their future initiatives, rather than past failings;
- Joint Office (PG) are currently undertaking a strategic piece of work with the JGAC which it is hoped would be available early summer 2019;
 - when concerns were voiced that the potential outputs from this exercise would not necessarily be impartial, PG requested that the Workgroup awaits her findings before casting doubt on their validity;
 - it intends to link in closely with BEIS/Ofgem work areas and involve a wider ranging view of the industry picture, than simply a JGAC focused request;
 - include an assessment of potential licence related aspects and impacts
 - the Workgroup were once again asked to respect the feelings and aspirations of the current Joint Office resource pool;
 - when concerns were voiced that 'the industry' has no input into the work piece, PG responded by pointing out that neither the JGAC or Joint Office have discussed any matter with Ofgem that the industry is not aware of;
 - PG explained that the aim is to obtain an 'holistic' view for the benefit of the whole industry, not simply individual organisations / parties;
 - care is needed around consideration of funding and resourcing aspects;
 - utilisation of an Independent Expert (IE) was debated and value of such an exercise questioned on the grounds that BEIS/Ofgem are already looking at these areas;
 - recognition that engagement of an IE could be reviewed at a later date;
 - parties remain divided on whether or not the Joint Office provides a 'cost effective' service in its current guise;
- a review of the table under item '2. Test applied to confirm if the industry could deliver the changes required' undertaken by the Workgroup during which CS undertook changes inline with discussions and the feedback provided;

- aligns with Panel requested approach;
- CW offered to provide an overview of the current legal text procurement, production and delivery processes (pros and cons) and how concerns around a 'centralised' legal text provision are influenced by historical experiences;
 - it was noted that the recent three UIG related modifications that did not reach a successful completion cost the Transporters circa £60k in 'lost' legal text costs;
 - it was also noted that there are other suitable 3rd party legal text entities (other than Dentons) that could provide a legal text provision service (i.e. Gowlings who currently provide a service to the SPAA);
- recognition that technological improvements and initiatives and new work practices are delivering cost effective benefits across the industry such as the recently introduced Huddle provision;
- Xoserve (LW) offered to provide an overview of recent technological developments deployed by Xoserve, such as the Huddle system etc.
- it was requested, and agreed to separate funding from other perceived issues;
 - it was acknowledged that different service provisions in future would need careful funding considerations, especially when trying to understand any future funding model;
 - potentially relates / links to a Price Control related piece of work;
 - acknowledgment that 'Blue Sky' thinking potentially comes at a cost and care needed to fully understand how any potential innovations would be funded going forward is required;
- the potential future funding model for the Joint Office was briefly discussed;
 - PG advised that any funding related figures would be provided on a by year basis;
 - outlining a future focus on delivering items that they (the JO) are currently 'constrained' from providing;
 - potential improvement in the JO agility including a view on areas of interest they would like to have a more active role in – one example being the recent Brexit related modification that under a different set of circumstances, the JO could have sponsored/raised;
 - bridging potential model gaps could provide a more 'cost effective' solution going forwards;
 - examination of existing processes could deliver potential enhancements based around a simply 80:20 rule approach;
- it was recognised that there are potential cross code benefits in exchanging / sharing process 'best practice' knowledge and expertise, to the benefit of the whole energy sector, not simply the gas arena;
- the Joint Office remains committed to the aims of the Request proposals;

Concluding discussions, CS advised that he would 'tidy up' the document and look to include it as an appendix within a revised version of the (draft) Request Workgroup Report.

5. Development of the Request Workgroup Report

In providing a brief onscreen review of the (draft) Request Workgroup Report, CS he would include a new appendix to include the completed scope document, as refined under item 4. above.

6. Next Steps

CS briefly summarised the next steps as being:

- submission of the Request Workgroup Report (version 1.0, dated 08 March 2019) to the 21 March 2019 asking Panel to note the inclusion of the scope and test applied aspects;
- request that Panel determines that the Request Workgroup continues work, and

7. Any Other Business

None.

8. 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
To be confirmed by Joint Office	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Standard Workgroup Agenda, plus <ul style="list-style-type: none"> • Transporters to provide an overview of the current legal text procurement, production and delivery processes (pros and cons) • Continued development of the Request Workgroup Report.

Action Table (as at 08 March 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0201	08/02/19	2.1	<i>Reference Joint Office Funding Arrangements</i> - Joint Office (PG) to enquire whether the Joint Governance Arrangements Committee (JGAC) would be willing or able to share information (including consideration around any confidentiality issues, etc.).	Joint Office (PG)	Carried Forward
0202	08/02/19	2.1	<i>Reference the Test Applied to Confirm if the Industry Could Deliver the Changes Required table</i> – All parties to look to consider the areas identified and provide views on whether they can be assessed via this UNC Request or not.	All	Update provided. Closed