

UNC Workgroup 0681S Minutes

Improvements to the quality of the Conversion Factor values held on the Supply Point Register

Tuesday 21 May 2019

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

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MiB)	Joint Office
Alan Raper	(AR)	Observer
Alexander Mann*	(AM)	Gazprom
Andy Clasper	(AC)	Cadent
Carl Whitehouse*	(CW)	Shell Energy
Derek Clark	(DC)	CNG Ltd
Emma Smith	(ES)	Xoserve
Fiona Cottam	(FC)	Xoserve
Guv Dosanjh	(GD)	Cadent
Imran Shah*	(IS)	Centrica
John Welch	(JW)	npower
Kirsty Dudley*	(KD)	E.ON
Leanne Jackson	(LJ)	Xoserve
Louise Hellyer	(LH)	Total Gas & Power
Luke Reeves*	(LR)	EDF Energy
Mark Bellman*	(MB)	Scottish Power
Mark Jones	(MJ)	SSE
Mark Palmer*	(MP)	Orsted
Megan Coventry*	(MC)	SSE
Rob Johnson*	(RJ)	Waters Wye Associates
Rose Kimber	(RK)	CNG Ltd
Simon Harris	(SH)	Xoserve
Stephanie Clements	(SC)	Scottish Power
Tracey Saunders	(TS)	Northern Gas Networks

**via teleconference*

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0681/210519>

The Workgroup Report is due to be presented at the UNC Modification Panel by 20 June 2019.

1. Introduction and Status Review

1.1. Approval of Minutes (29 April 2019)

The minutes from the previous meetings were approved.

2. Consideration of Amended Modification

During a quick onscreen review of the latest iteration of the modification (v2.0, dated 13 May 2019), there were no further comments forthcoming from Workgroup participants.

3. Consideration of Legal Text

During a brief onscreen review of the (draft) legal text, it was suggested that the [shipper pack] reference contained within new paragraph 4.2.16 for TPD Section M, should be changed to read as a date instead. When SH explained how the system generates the information and associated reports, ESm suggested that we could 'hook into' the notification file, as specified in the provisions of TPD Section G, paragraph 1.6.6 – KD indicated that she would be willing to amend the modification accordingly after the meeting.

Referring to new paragraph 1.3.7 for TDIIC and the reference to 30 days, LH enquired as to why this was chosen to which KD responded by explaining that the aim is to allow sufficient time for Shippers to make any necessary changes, and that this was consistent with previous Workgroup/industry discussions. Supporting this view, SH pointed out that it would also help Xoserve to be able to satisfy process requirements as well. Furthermore, undertaking the change straight away provides the least cost solution. KD then explained that she has also tried to 'match' the requirements outlined within other industry forums.

When LH enquired whether it would be advantageous to look to link to the NRL, SH advised that whilst feasible, this would still potentially involve a 5 day lag in the process. He also confirmed that AQ movements (and associated dates) would also be considered during development of the modification.

In recognising that the modification might not be optimal solution (i.e. some parties might experience small impacts, others larger impacts as a consequence), KD pointed out that she is not intending to change the scope of the modification on the grounds that the drafting matches the industry consensus view and represents an incremental step forward.

RJ requested that where there was a convertor in situ it should be an exclusion within the modification as the Thermal Energy Regulations allowed for consumer agreed site specific conversion. KD responded by advising that in her opinion when her colleague Sallyann Blackett original conceived the modification (with Xoserve's assistance), it was not proposed to include conversion factors within the scope of the modification.

AR reminded those present that even sites with convertors have specific conversion factors, and in his opinion, this is not really an AQ issue, especially when bearing in mind that there is a single default conversion factor value that 'kicks in' if a convertor fails to read. In noting that the system automatically looks to tidy up when these instances arise, FC wondered whether there could be any possible Thermal Energy Regulatory impacts that the Workgroup would potentially need to consider. Responding to the points being put forward, RJ quoted a statement that explained how failed convertors are 'carved out' and suggested that site specific conversion factors would be needed for such instances.

FC proposed that these concerns could be addressed at the DSC Change Proposal level, rather than within the legal text elements. In noting that this would potentially contravene a previous quoted Xoserve position, BF suggested that it might be preferable to refine the modification to exclude convertors under appropriate circumstances (preferably as a whole).

In pointing out that the modification was not raised in order to look to provide a 'whole world' solution, KD suggested that should any other Code party have specific areas of concern, they always have the option of raising their own modification to look more closely at the question of convertors – in short, and for the avoidance of doubt, this modification will NOT be looking to change current provisions in this regard and is simply looking for a 'quick win'. However, KD did agree to amend the modification in order to provide a 'hook into' TPD Section G1.6.6 provisions and to also include potential PAC reporting.

Recognising RJs concerns around correction factors, MB advised that he fully supports KDs view that these should not form part of the modification, however he does believe that there would be value in obtaining further information in order to make informed decisions going forwards.

When MB enquired as to where the Workgroup had progressed in respect of the circa 15k UIG sites being corrected/updated, KD responded by indicating that she would be more than happy to seek as early an implementation as possible for the modification, but did warn that there are potential DSC Change Management Committee approval and prioritisation timelines to consider.

When asked whether there could be some Shipper system changes involved should the modification be implemented, KD responded by explaining that that would depend on how the CDSP views the potential (system) Release requirements (i.e. involving either a minor or major release) and associated changes to existing file formats. ESm pointed out that whilst Xoserve could look at a transitional and enduring solution delivery based approach, it would need the modification implementing before being in a position to consider how best to deliver the system changes (i.e. the modification needs to be approved before the CDSP are allowed to undertake any associated changes, although any 'sweep up' aspects can be completed as part of a transitional phase).

4. **Consideration of ROM**

Whilst it was noted that this would be formally raised in due course, further consideration of this item was deferred.

5. **Review of Impacts and Costs**

Consideration deferred.

6. **Review of Relevant Objectives**

Consideration deferred.

7. **Consideration of Wider Industry Impacts**

Consideration deferred.

8. **Development of Workgroup Report**

During a brief discussion, BF confirmed that the Workgroup Report is due to be submitted to the 20 June 2019 Panel meeting for consideration, subject to the Workgroup being able to complete the report in time. Following a successful submission and approval at the June Panel meeting the Draft Modification Report would then potentially be issued out to the industry as part of a standard 15 business day consultation, before the Final Modification Report would be submitted for consideration at the 15 August 2019 Panel meeting.

In noting that this could possibly mean that the industry would witness the correction of the circa 15k UIG sites problem by the end of October 2019, MB felt that this was timely progress.

9. **Review of Outstanding Actions**

Action 0401: Xoserve (FC) to investigate if an equivalent Modification is required for the IGT UNC.

Update: When FC advised that she had considered the matter and believes that at this time, and equivalent IGT UNC Modification is not required, the Workgroup agreed that the action could now be closed. **Closed**

10. **Next Steps**

BF outlined the next steps as follows:

- consideration of amended modification;
- consideration of amended legal text;
- submission of the associated ROM, and
- completion of the Workgroup Report.

11. Any Other Business

None.

12. Diary Planning

During a brief discussion, it was agreed to undertake a teleconference meeting to commence at 09:30 on Friday 07 June 2019 in order to consider the amended modification and supporting legal text and complete the Workgroup Report.

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
09:30 Tuesday 07 June 2019	Teleconference only	Standard Workgroup agenda, plus <ul style="list-style-type: none"> • Consideration of amended modification and legal text • Completion of Workgroup Report

Action Table (as at 21 May 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0401	29/01/19	2.0	Xoserve (FC) to investigate if an equivalent Modification is required for IGT UNC.	Xoserve (FC)	Update provided. Closed