

UNC Workgroup 0734S Minutes
Reporting Valid Confirmed Theft of Gas into Central Systems and
Reporting Suspected Theft to Suppliers
Thursday 25 November 2021
via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
Clare Manning	CL	E.ON Energy
Claire Louise Roberts	(CLR)	Scottish Power
Dan Fittock	(DF)	Corona Energy
Dan Wilkinson	(DA)	EDF Energy
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
David Morley	(DMo)	Ovo Energy
Eddie Proffitt	(EP)	Major Energy Users' Council
Ellie Rogers	(ER)	Xoserve
Gareth Evans	(GE)	Waters Wye Associates
Guv Dosanjh	(GD)	Cadent
Kate Lancaster	(KL)	Xoserve
Kundai Matiringe	(KM)	BU-UK
Louise Hellyer	(LH)	Totalenergies Gas & Power
Luke Reeves	(LR)	EDF Energy
Mark Field	(MF)	Sembcorp Energy UK
Mark Jones	(MJ)	SSE
Richard Pomroy	(RP)	Wales & West Utilities
Rhys Kealley	(RK)	British Gas
Robert Johnstone	??	Utilita
Sally Hardman	(SH)	SGN
Steven Britton	(SB)	Cornwall Insight
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0734/251121>

The Workgroup Report is due to be presented at the UNC Modification Panel by 16 December 2021.

1.0 Introduction and Status Review

1.1. Approval of Minutes (28 October 2021)

The minutes were approved.

1.2. Approval of Late Papers

Workgroup considered the draft amended Modification that was submitted late for the meeting and agreed to accept it because the changes reflected discussion at the October 2021 Workgroup meeting.

1.3. Review of Outstanding Actions

0110: Proposer (SM) to submit an amended Modification to incorporate the word change of *correction* to *termination* within the Business Rules

Update: Draft v7.0 of the Modification has been submitted as material for this meeting. **Closed**

Action 0210: DM to provide final Legal Text which will also include the removal of questions that are outstanding in the Explanatory Table.

Update: David Mitchell (DM) confirmed the questions have been removed from the explanatory table. **Closed**

Action 0310: Workgroup to review the Legal Text, published 28 October 2021, ahead of the next Workgroup meeting in November 2021 and pass any comments to Dave Mitchell, SGN.

Update: Action completed. **Closed**

2.0 Amended Modification and Review of Business Rules

The Proposer, Steve Mulinganie (SM) provided an overview of the changes made to the Modification 0734S which is published on the meeting page as draft v7.0.

SM explained that a replacement of the word 'correction' to 'termination' has been made throughout the Business Rules.

The Modification now has the inclusion of Business Rule 8:

Shippers shall use reasonable endeavours to ensure relevant Suppliers who they provide Shipping services for are made aware of any relevant suspected thefts which they themselves have been made aware of, by a party other than the relevant Supplier, and which relate to that relevant Supplier who they provide Shipping services for in relation to that Supply Meter Point. The Shipper shall retain evidence of such notification and acknowledge they may be asked to provide such evidence upon request from a relevant party.

When Workgroup considered the wording for this Business Rule, in the context of GDPR, it was noted that the Business Rule does not request specific data items, therefore it is up to parties to assess their own compliance with GDPR in the context of how they submit their information.

Dave Addison (DA) highlighted he is keen to see Business Rule 8 staying in the Modification.

It was confirmed this will be recorded in the Workgroup Report and a suggestion put forward to UNC Panel that the following statement is put in the Consultation Template:

'In relation to [the modification] [BR8] do parties have any concerns in relation to data protection? If so, please set out the specific nature of those concerns below'.

RHa showed on screen a paper provided at short notice from the SGN lawyer in relation to Business Rule 8 and GDPR:

Workgroup reviewed each of the points made and concluded:

Statement 2 There are no new data flows; it is a new process

Statement 3 SM advised, in the context of Business Rule 8, should not require the MPRN to be disclosed.

Statement 4 DA reiterated that the CDSP do not want Business Rule 8 to be removed. SM confirmed that Business Rule 8 will remain in the Modification.

Statement 7 It was noted that all of the flows under this Modification are in respect of theft. In particular Business Rule 1 deals with the submission of a claim that relates to valid confirmed theft of gas).

SM clarified that Business Rule 8 is a requirement where there is a suggestion of an allegation of a theft taking place. The rest of the Business Rules relate to a point after a theft has been proven.

The paper being referred to can be found published on the meeting page here: <https://www.gasgovernance.co.uk/0734/251121>.

Workgroup agreed that Business Rule 8 should remain in the Modification and the Workgroup Report will suggest that UNC modification Panel place a question in the Consultation Template to help ensure respondents have no further concerns.

RHa captured Workgroup comments in the Workgroup Report.

New Action 0111: SM agreed to submit Modification 0734S v7.0 to be formally amended.

3.0 Consideration Legal Text

DM provided an overview of the Legal Text changes. The key changes were made to the following sections of the Transportation Principal Document:

- List of Defined Terms
- Section E – Daily Quantities, Imbalances and Reconciliation
- Section V – General

DM confirmed that the Legal Text has been written in the context of draft Modification version 7.0.

Ellie Rogers (ER) sought clarification on the following sections of the Legal Text drafting:

TPD Section V 14.1.6

Within fifteen (15) Supply Point Systems Business Days of receiving a Confirmed Energy Theft Notification from the CDSP a relevant CET Registered User may object, in respect of the Supply Meter Point referred to therein, where that CET Registered User wishes to claim a Confirmed Energy Theft Claim contains a manifest error or that it would be inappropriate to permit a Confirmed Energy Theft Withdrawal to progress (a “Confirmed Energy Theft Objection”). Notification of such Confirmed Energy Theft Objections, together with reasons for the same, shall be made to the CDSP.

ER was concerned that the updated legal text suggested that a Claim or Withdrawal could have different outcomes in terms of an Objection. Workgroup reviewed the clause and were comfortable that the legal text confirmed a Claim or Withdrawal can both be Objected by a Shipper.

TPD Section V 14.1.8

Providing the CDSP does not receive a Confirmed Energy Theft Objection that is compliant with the requirements of paragraph 14.1.6, and subject to no Confirmed Energy Theft Withdrawal existing in relation to a Confirmed Energy Theft Claim, the CDSP shall utilize the Theft Energy Value contained within the Confirmed Energy Theft Claim to perform an Offtake Reconciliation. The CDSP may, as it determines necessary, apply the Theft Energy Value to an existing Offtake Reconciliation in accordance with Section E1.3.1 (c)(iv) or insert a nil incrementing Meter Reading in order to generate an initial Offtake Reconciliation.

ER advised she is concerned if CDSP do not receive a rejection, if there is no energy theft withdrawal; does this imply that a claim and a withdrawal are sent at the same time?

DM confirmed, in the absence of an objection the Theft Energy Value starts the process.

TPD Section V 14.1.9 paragraph (b)

the CDSP shall have no power or responsibility to

- (i) verify whether a CET Registered User's claim that a Confirmed Energy Theft Claim contains a manifest error is correct; or
- (ii) review a CET Registered User's claim that it would be inappropriate to permit a Confirmed Energy Theft Withdrawal to progress, and shall, in all cases, accept the CET Registered User's claim;

DM clarified that the triggers set out in (ii) would never come from a Shipper and said it might be possible to simplify this paragraph.

TPD Section V 14.1.10 clause (b) (iv)

in the case of a Confirmed Energy Theft Withdrawal, the CDSP shall: (1) make reference to the Confirmed Energy Theft Withdrawal having been raised and not objected to, along with reasons, in the CDSP's reporting on the same to each of RECCo and PAC;

ER advised this is already covered in 14.1.7 therefore this particular clause is a duplication.

4.0 Completion of Workgroup Report

RHa shared Workgroup Report v2.0 based on v6.0 of the Modification and captured Workgroup comments from the review of the concerns raised by the SGN lawyer relating to Business Rule 8 and GDPR.

Workgroup concluded this is a matter which can be addressed through the inclusion of a suitable consultation question, such as:

"In relation to Modification 0734S, do parties have any comments in relation to data protection? If so, please set out the specific nature of these below."

As a result of the consultation question Workgroup agreed this may change the governance route of the Modification with a possible change from Self-Governance to Authority Direction.

Implementation

The interim solution will be discussed at the DSC Change Management Committee on 08 December 2021.

In summary the Workgroup Participants unanimously supported the Modification.

End of discussion

5.0 Next Steps

RHa confirmed the Workgroup will put the finishing touches to the Workgroup Report at the next meeting on 13 December and in the meantime the Proposer should formally submit v7.0 so it can be formally amended. After 13 December, the Report will be presented to the December 2021 UNC Panel.

6.0 Any Other Business

6.1. Rough Order of Magnitude update

As discussed at Workgroup on 28 October 2021, ER confirmed with Workgroup that there is an agenda item for the DSC Change Management Committee meeting on 08 December 2021 where the option to introduce the interim solution until the CMS rebuild is complete will be considered.

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	Publication Deadline	Venue	Programme
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Monday 10:00 13 December 2021	5pm 02 December 2021	Microsoft Teams	Standard Agenda
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Action Table (as of 25 November 2021)						
Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0110	28/10/21	2.0	Proposer (SM) to submit an amended Modification to incorporate the word change of <i>correction</i> to <i>termination</i> within the Business Rules	November 2021	Gazprom Energy (SM)	Closed
0210	28/10/21	2.0	DM to provide final Legal Text which will also include the removal of questions that are outstanding in the Explanatory Table	November 2021	SGN (DM)	Closed
0310	28/10/21	5.0	Workgroup to review the Legal Text, published 28 October 2021, ahead of the next Workgroup meeting in November 2021 and pass any comments to Dave Mitchell, SGN	November 2021	Workgroup	Closed
0111	25/11/21	2.0	SM agreed to submit Modification 0734S v7.0 to be formally amended	December 2021	Proposer (SM)	Closed