

UNC Workgroup 0734S Minutes Reporting Valid Confirmed Theft of Gas into Central Systems and Reporting Suspected Theft to Suppliers

Thursday 28 October 2021

via Microsoft Teams

| Attendees | | |
|---------------------------|-------|---|
| Alan Raper (Chair) | (AR) | Joint Office |
| Helen Bennett (Secretary) | (HB) | Joint Office |
| Alison Tann | (AT) | National Grid |
| Carl Whitehouse | (CW) | Shell Energy |
| Claire Louise Roberts | (CLR) | Scottish Power |
| Clare Manning | (CM) | E.ON Energy |
| David Addison | (DA) | Xoserve |
| Dan Fittock | (DF) | Corona Energy |
| David Mitchell | (DM) | SGN |
| David Morley | (DMo) | Ovo Energy |
| Ellie Rogers | (ER) | Xoserve |
| James Knight | (JK) | Centrica |
| Kate Lancaster | (KL) | Xoserve |
| Kundai Matiringe | (KM) | BU-UK |
| Louise Hellyar | (LH) | Totalenergies Gas & Power |
| Mark Field | (MF) | Sembcorp Energy UK |
| Marion Joste | (MJ) | ENI |
| Martin Attwood | (MA) | Correla on behalf of Xoserve (0763R only) |
| Ryan Prince | (RPr) | Northern Gas Networks |
| Shiv Singh | (SS) | Cadent |
| 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/0734/281021>

The Workgroup Report is due to be presented at the UNC Modification Panel by 18 November 2021.

1.0 Introduction and Status Review

1.1. Approval of Minutes (23 September 2021)

The minutes were approved.

1.2. Approval of Late Papers

There were late papers, however, AR advised Workgroup that if they are not considered there would be very little to progress in this meeting, the late papers refer to minor changes to the Business Rules in the Modification and the Legal Text.

1.3. Review of Outstanding Actions

0602: Xoserve (DA) to provide narrative to develop the zero-incrementing read issue for considering whether this is covered within Guidance or UNC

Update: Dave Addison (DA) advised this topic has been a long running theme throughout Workgroup discussions and is now covered in the Legal Text. **Closed**

0801: SM to review paragraph E3.5 to check that it is not conflicting with REC

Update: Steve Mulinganie (SM) advised this paragraph has been removed and resolved in the legal text drafting. **Closed**

0802: SM to review the preferred Legal Text and check against the Business Rules for any final amendments

Update: SM advised this has been completed and a further amendment is required. **Closed**

0803: Xoserve (DA) to look at system options in terms of solution implementation

Update: DA advised this relates to an implementation timeline and will be captured in the Workgroup Report and is included in the Rough Order of Magnitude (ROM) options. **Closed**

2.0 Amended Modification and Review of Business Rules

SM advised Workgroup that a minor amendment has been made to the Modification which is now v6.0 and dated 26 October 2021. He clarified that during a review of the Legal Text and the Business Rules in the Modification, it was identified that an extra Guidance Note was needed against Business Rule 2:

Business Rule 2: For the avoidance of doubt if the correction is not objected to this will result in the previous claim being withdrawn and the CDSP will act accordingly.

Guidance 3: Supplier For the avoidance of doubt a Confirmed Energy Theft Correction will need, if energy is subsequently required to be put into settlement, to be followed with by a Confirmed Energy Theft Claim i.e. having submitted a Correction the Supplier will then have to then submit a Energy Theft Claim

SM advised that a further review of the Legal Text and the Business Rules has since highlighted that the process described as a *correction* is effectively a *termination*. Agreement between the Legal Text provider, David Mitchell (DM) Xoserve (DA) and the Proposer (SM) concluded that the Legal Text and the Modification should include revised terminology, and this would involve replacing the word *correction* with the word *termination*.

SM verified that, even if this does delay the Modification reporting to the November 2021 UNC Modification Panel, the goal is to reflect this properly so that it reads correctly and concurred with the SGN Lawyer's view that the word *termination* is a better use of language rather than *correction*.

SM added that whilst he appreciates this is late in the Workgroup discussions, the existing theft reporting process is still available to be used, it therefore, feels like the right thing to do.

SM confirmed he will make the necessary amendment to the Business Rules within the Modification and will submit his amendment in due course.

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

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

DM reassured Workgroup that that the Proposer (SM); Xoserve (DA) and Legal Text provider (DM) have reviewed the Legal Text several times.

3.0 Consideration Legal Text

See Agenda item 2.0.

4.0 Completion of Workgroup Report

In undertaking a review of the Workgroup Report, Version 1.1 dated 26 October 2021, AR confirmed the report now reflects the amendments made to the latest version of the Modification (v6.0 dated 26 October 2021).

AR confirmed that a recommendation will be presented to the November UNC Modification Panel requesting that, due to a late variation to the Modification and Legal Text for the Panel to return the Report to Workgroup for a further month for completion.

AR invited Ellie Rogers (ER) to provide an overview of the ROM, (provided late for Workgroup) to add further clarification around the implementation of Modification 0734S.

ER advised that the proposal is to deliver the solution in two parts, an interim and an enduring solution and clarified the costs and timescales for Interim Solution.

Interim Solution

ER explained the long-term proposal is for the enduring solution to be incorporated into the CMS Rebuild Program that is ongoing at the moment. In light of the fact there is an aspiration to implement these arrangements earlier than CMS is concluded, there is an interim solution which will involve updates to the existing CMS system

CMS Rebuild Enduring Solution

ER advised, as the CMS Rebuild is still ongoing, Xoserve are unable to provide cost estimate for the Enduring Solution although discussions have started regarding DSC Direct Funding or a DSC Subscription Funded route.

ER confirmed that Modification 0734S will be included in the scope of the CMS Rebuild Program and will be funded by either DSC direct funding or DSC subscription route.

Timescales

DA advised he is keen to start work on the Interim Solution and is working on a paper to submit to the DSC Change Management Committee to seek approval to start the build of the Interim Solution, (at risk), to aim for an April 2022 implementation.

Workgroup agreed that a Workgroup recommendation in support of commencement of build at risk can be included in the paper to the DSC Change Management Committee.

When SM sought clarity, ER confirmed, for the purpose of this Interim, pre-CMS solution, the costs are up to £175k with an ongoing cost of £6k / month until the CMS Rebuild.

5.0 Next Steps

AR confirmed the next steps to be:

- SM to provide an amended Modification, (v7.0)
- DM to provide updated Legal Text
- Legal text will be reviewed at the November 2021 meeting.
- Finalise Workgroup Report

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| New 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. |
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6.0 Any Other Business

None

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 |
|------------------------------------|-------------------------|--------------------|-----------------|
| Thursday 10:00 25 November 2021 | 5pm 16 November 2021 | Microsoft Teams | Standard Agenda |

| Action Table (as of 28 October 2021) | | | | | | |
|--------------------------------------|--------------|------------|---|---|---------------------|---------------|
| Action Ref | Meeting Date | Minute Ref | Action | Reporting Month | Owner | Status Update |
| 0602 | 24/06/21 | 2.0 | Xoserve (DA) to provide narrative to develop the zero-incrementing read issue for considering whether this is covered within Guidance or UNC. | July September October 2021 | Xoserve (DA) | Closed |
| 0801 | 26/08/21 | 3.0 | SM to review paragraph E3.5 to check that it is not conflicting with REC | September October 2021 | Gazprom Energy (SM) | Closed |
| 0802 | 26/08/21 | 3.0 | SM to review the preferred Legal Text and check against the Business Rules for any final amendments. | September October 2021 | Gazprom Energy (SM) | Closed |
| 0803 | 26/08/21 | 6.0 | Xoserve (DA) to look at system options in terms of solution implementation | September October 2021 | Xoserve (DA) | Closed |
| 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) | Pending |
| 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) | Pending |
| 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 | Pending |