

## UNC Workgroup 0825 Minutes

### Removal of the remaining Retrospective Asset, Address and Supply Point (RAASP) elements of the Retrospective Adjustment arrangements put in place under Modification 0434

Tuesday 02 November 2022

via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RH)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Vera Li	(VL)	Joint Office (Observing)
Aleksandra Cebo	(ACe)	EDF
Andy Clasper	(AC)	Cadent Gas
Ben Mulcahy	(BM)	Northern Gas Networks
David Mitchell	(DM)	SGN
Ellie Rogers	(ER)	Xoserve
Fiona Cottam	(FC)	Correla
Gurvinder Dosanjh	(GD)	Cadent Gas
Kathryn Adeseye	(KA)	Xoserve
Louise Hellyer	(LH)	TotalEnergies Gas & Power
Mark Jones	(MJ)	SSE
Michelle Brown	(MB)	Energy Assets
Oorlagh Chapman	(OC)	Centrica
Paul Bedford	(PB)	Drax
Paul Orsler	(PO)	Xoserve
Sally Hardman	(SH)	SGN
Tom Stuart	(TS)	Wales & West Utilities

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0825>

The Workgroup Report is due to be presented at the UNC Modification Panel by 20 April 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/dist/011122>

## 1.0 Outline of Modification

Aleksandra Cebo (ACe) introduced the Modification supported by a presentation which can be found published on the meeting page here: [www.gasgovernance.co.uk/0825/021122](http://www.gasgovernance.co.uk/0825/021122).

ACe explained the purpose of the Modification is to remove the remaining Retrospective Asset, Address and Supply Point (RAASP) elements of the Retrospective Adjustment arrangements put in place under Modification 0434 and further amended by Modification 0651.

This Modification has been raised following on from the approval of Modification 0651 and the POC (Proof of Concept) completed and presented by Xoserve.

PO (Paul Orsler) explained that there were a number of options as set out in *Modification 0434 - Project Nexus – Retrospective Adjustment*. Subsequently *Review 0624R - Review of arrangements for Retrospective Adjustment of Meter Information, Meter Point/Supply Point and Address data* was raised to discuss those options. An outcome of Review 0624R was the raising of *Modification 0651 - Changes to the Retrospective Data Update provisions*. Currently there is a potential to commit costs and resources to commence the implementation process for Modification 0651. Implementation of 0651 had been delayed allowing for CSS implementation.

RH asked why the SMART meter rollout is causing errors? PO advised Meter exchange close to the switching date could have resulted in issues updating technical data; the primary driver was, if data is entered incorrectly by the previous User, the current User is unable to correct that data, this can only be updated post switch.

RH asked why it is important to have the retrospective date? PO advised, from a UNC perspective, the main driver is to ensure the data is accurate and that Settlement can be corrected. The solution implemented for Modification 0434 was that if the new Supplier found an error, they would request Xoserve to update the energy calculation and update in UK Link. Modification 0651 allows the data to be corrected in the system with an equivalent consumption adjustment.

ACe explained the reason Modification 0825 has been raised is that Modification 0651 was approved in 2019 when the industry landscape was very different to now. Xoserve have completed a data analysis in 2021 following approval of Modification 0651 and identified the improvement would have been 1-2% improvement and now, 3 years later, the cost in comparison has increased 2-3 times which will, her view provide a very limited benefit.

Ellie Rogers (ER) provided clarification of the costings from Modification 0651:

- (assessed in 2018): ROM (Rough Order of Magnitude) costs: high-level indicative cost £500k.
- (assessed in July 2021) POC (Proof of concept - more certain than the ROM cost): £1.8million to £2.4million.

The changes to the landscape since Modification 0651 include faster switching and Code landscape changes. These include the introduction of REC (Retail Energy Code). REC is looking at data improvement performance to ensure accurate data is provided.

RH asked what has changed that means Modification 0651 is no longer needed? PO advised that the Modification 0651 change has not yet been implemented, the Legal Text provided another way for the offtake reconciliation to be done with the data to be provided by the Shipper. Modification 0651 solution has not yet been delivered.

**New Action 0111:** Proposer and CDSP to assess the cost benefit position:

- What does the system solution for Modification 0651 provide (what is the benefit of 0651)?
- What is the justification for Modification 0825 that we no longer need that benefit?
- We know two versions of cost for Modification 0651 implementation, what is the cost of delivering Modification 0825.

PO noted that Modification 0651 has not yet gone into a detailed design phase, therefore, the solution could be a workflow solution or file-based solution.

**New Action 0211:** Workgroup participants to consider if Modification 0651 should still go ahead and be implemented, in particular, why is it still needed.

Paul Bedford (PB) noted his initial view was that there is some merit in Modification 0825.

It was suggested for ACe to discuss this proposal with Ofgem (David O'Neill).

**New Action 0311:** Joint Office (RH) to invite Ofgem to future Workgroup meetings.

### Post Meeting Note:

Ofgem have been invited to the next Workgroup meeting which will be held on 29 November 2022.

Please refer to the summarised discussion captured at the UNCC meeting held on 20 October where a UNCC view was sought by DSC Change Management Committee on the governance and interactions of *XRN4914 Modification 0651- Retrospective Data Update Provisions*, and *Modification 0825 – Removal of the remaining Retrospective Asset, Address and Supply Point (RAASP) elements of the Retrospective Adjustment arrangements put in place under Modification 0434 - Project Nexus – Retrospective Adjustment*.  
[www.gasgovernance.co.uk/uncc/201022](http://www.gasgovernance.co.uk/uncc/201022).

## 2.0 Initial Discussion

### 2.1. Issues and Questions from Panel

**2.1.1.** Workgroup to consider the financial arrangements associated with Modification 0651, any existing funding provisions and commitments, and the treatment of them in the event that Modification 0825 is approved.

ACe confirmed she did not have access to this information. ER advised this was raised at the October 2022 UNC Panel and she has started to draw out this information. She suggested a combined CDSP/Xoserve and DN response to this panel question which Workgroup could then comment on.

**New Action 0411:** CDSP and DNs to provide a combined response to Panel Question: *2.1.1. Workgroup to consider the financial arrangements associated with Modification 0651, any existing funding provisions and commitments, and the treatment of them in the event that Modification 0825 is approved.*

**2.1.2.** Workgroup are asked to present in the Modification Report an update of the Cost-Benefit Analysis for 0434/0651. And explain how the Net Cost or Net Benefit (as evidenced) informs their conclusions for 0825.

This was discussed as part of this Workgroup meeting and will be provided as an output of actions.

**2.1.3.** Workgroup are asked to note that this Modification is proposing to overturn a Modification that has already been directed by the Authority but not yet implemented.

To clarify this very unusual situation the Workgroup are asked to confirm that Modification 0825 impacts on Relevant Objectives are either:

- i) New and therefore incremental to 0651 Relevant Objectives, or
- ii) A re-evaluation of the original 0651 impact in view of the passage of time

Modification 0651 would have been deemed to further the Relevant Objectives. ACe will assess the ROs as part of the actions taken and bring feedback to the next Workgroup meeting.

**New Action 0511:** Proposer (ACe) to assess the Relevant Objectives for Modification 0651 and update Workgroup on her findings as to how Modification 0651 would further the Relevant Objectives.

**2.2. Initial Representations**

Not discussed

**2.3. Terms of Reference**

Panel questions are included in the Terms of Reference which is published here: <https://www.gasgovernance.co.uk/0825>.

**3.0 Next Steps**

Workgroup will consider action updates at the next meeting in November 2022.

**4.0 Any Other Business**

None.

**5.0 Diary Planning**

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Workgroup meetings will take place as follows:

Time / Date	Paper Publication Deadline	Venue	Programme
Thursday 10:00 29 November 2022	5pm 15 November 2022	Microsoft Teams	Standard Agenda
Thursday 10:00 12 December 2022	5pm 01 December 2022	Microsoft Teams	Standard Agenda

**Action Table (as at 02 November 2022)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Reporting Month	Status Update
0111	02/11/22	1.0	Proposer and CDSP to assess the cost benefit position: <ul style="list-style-type: none"> <li>- What does the system solution for Modification 0651 provide (what is the benefit of 0651)?</li> <li>- What is the justification for Modification 0825 that we no longer need that benefit?</li> <li>- We know two versions of cost for Modification 0651 implementation, what is the cost of delivering Modification 0825</li> </ul>	Proposer (ACe) and CDSP (PO)	November 2022	<b>Pending</b>

**Action Table (as at 02 November 2022)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Reporting Month	Status Update
0211	02/11/22	1.0	Workgroup participants to consider if Modification 0651 should still go ahead and be implemented, in particular, why is it still needed	Workgroup	November 2022	<b>Pending</b>
0311	02/11/22	1.0	Joint Office (RH) to invite Ofgem to future Workgroup meetings	Joint Office (RH)	November 2022	<b>Closed</b>
0411	02/11/22	2.1.1	CDSP and DNs to provide a combined response to Panel Question: <i>2.1.1. Workgroup to consider the financial arrangements associated with Modification 0651, any existing funding provisions and commitments, and the treatment of them in the event that Modification 0825 is approved</i>	CDSP and DNs	November 2022	<b>Pending</b>
0511	02/11/22	2.1.3	Proposer (ACe) to assess the Relevant Objectives for Modification 0651 and update Workgroup on her findings as to how Modification 0651 would further the Relevant Objectives.	Proposer (ACe)	November 2022	<b>Pending</b>