

UNC Workgroup 0831/0831A Minutes

Allocation of LDZ UIG to Shippers Based on a Straight Throughput Method

Allocation of LDZ UIG to Shippers (Class 3 and 4) Based on a Straight Throughput Method

10:00 Thursday 22 June 2023

via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RH)	Joint Office
Ben Mulcahy (Secretary)	(BM)	Joint Office
Aleksandra Cebo	(ACe)	EDF
Andy Clasper	(AC)	Cadent
Dan Stenson	(DS)	Brook Green Trading
David Mitchell	(DM)	SGN
Ellie Rogers	(ER)	CDSP (Xoserve)
Fiona Cottam	(FC)	CDSP (Xoserve)
Harry Hailwood	(HH)	Brook Green Trading
James Lomax	(JL)	Cornwall Insight
Kathryn Adeseye	(KA)	CDSP (Xoserve)
Kevin Clark	(KC)	Utilita
Louise Hellyer	(LH)	TotalEnergies Gas & Power
Mark Jones	(MJ)	SSE Energy Supply
Sally Hardman	(SH)	SGN
Steve Mulinganie	(SM)	SEFE

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0831>

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 September 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/0831/220623>

1. Introduction and Status Review

Rebecca Hailes (RH) welcomed everyone to the meeting.

1.1. Approval of Minutes (25 May 2023)

The minutes from the meeting held on 25 May 2023 were approved.

1.2. Approval of late papers

No late papers had been submitted.

1.3. Review Outstanding Actions

Action 0501: BR1 is to be amended by Proposer (MJ), working with CDSP (ER) and Cadent (AC) to ensure that the requirements to appoint the AUGÉ are removed.

Update:

Mark Jones (MJ) advised that he had added the UIG table to the Solution as a fixed value table and had replaced the text in Business Rules 1 and 2 to simplify them. He also replaced the original Business Rules 3, 4 and 5. The new Business Rule 3 states the rationale behind the requirement to keep the UIG table in Code. Business Rules 4 and 5 were also new and, in turn, remove the AUG processes from Code and the Framework for Appointment as a UNC Related Document respectively.

MJ also highlighted to the Workgroup the text that had been added to the Implementation section regarding timings, stating that if an implementation decision should be issued before 18 August 2023, then the Modification should be implemented on 01 Oct 2023. He stated that he was aware that with the steps still yet to be completed before an implementation decision could be made, including issuing consultations, a decision before 18 August did not seem possible, so was minded to remove this sentence.

Ellie Rogers (ER) suggested that the Modification could state that implementation be made as soon as possible after the decision is made, provided it stipulated that it would have to be the first day of the month and allowed the 6 weeks specified in the ROM.

RH agreed with this suggestion asking the Proposer to ensure the stipulations stated were included.

MJ then asked the Workgroup if the Modification was now ready for Legal Text to be produced, and Andy Clasper (AC) agreed to progress this.

RH requested that the Proposer make the amendments discussed in Workgroup to the Modification Proposal and then send it to the Joint Office as formally amended version 4.0. MJ confirmed he would do this, with the Joint Office likely to receive it the following week.

Action Closed

Action 0502: Proposers to provide Joint Office with new drafts of 0831/0831A Modifications with revised BRs to be provided to JO before 14 June

Update:

A new draft of 0831 was to be provided as discussed under action 0501 and the Proposer for 0831A agreed to provide a new draft of their Modification Proposal to the Joint Office once the new draft of 0831 had been made available.

Action Carried Forward.

Action 0503: CDSP (ER) to review and clarify timebound requirements within ROM.

Update:

This action was addressed in the ROM discussions under Item 5 below.

Action Closed

Action 0504: CDSP (ER) to review ROM wording regarding forward AUGE contractual costs.

Update:

This action was addressed in the ROM discussions under Item 5 below.

Action Closed

Action 0505: Proposer (MJ) and CDSP (ER) to discuss and agree revised implementation timeline.

Update:

This action was addressed in the discussion under Action 0501 above.

Action Closed

2. Amended Modification 0831

Amendments to Modification were discussed under Action 0501 above.

3. Amended Modification 0831A

Harry Hailwood (HH), as the new Proposer for this Modification with the initial Proposer due to leave the business soon, confirmed he intends to revise the Modification to consider solely Product Class 1, and verified that he would look to copy across the new Implementation text from UNC 0831.

As noted under Action 502 HH proposed providing the amended Modification once the new version of 0831 had been produced to use as a template for the common considerations.

4. Legal Text consideration

AC confirmed that he would speak with the lawyers who would be producing the Legal Text after this Workgroup meeting to get the process underway but noted that they would need to see Modification 0831A as soon as possible to facilitate this.

RH asked that the Proposer of 0831A provide the amended Modification to the Joint Office and Legal Text provider as soon as possible, noting that much of the Legal Text would be the same for both Modifications and could include separate entries for each.

5. Rough Order of Magnitude (ROM)

ER advised that the ROM had not changed regarding either cost saving or testing but noted in the last Workgroup meeting there had been a few clarification requests about the annual process remaining in place and about midyear implementation.

Regarding the annual process, ER informed the Workgroup this was the current internal CDSP process where the AUG values are loaded in the system, and it had been asked why it was described as to be retained in the ROM. ER stated that the CDSP was intending to preserve this process as Gemini and the UK Link will maintain the concept of weighting factors. Accordingly, the CDSP will still load this data into the system, albeit the same table each time, as part of an internal process until/unless the idea of weighting factors is removed.

Addressing the issue of timescales and midyear implementation ER explained that for the commencement of AUG factor use on 01 October, the CDSP loads the factors into the system at the end of August, so the implementation could target this time, otherwise the given lead time for is 5 to 6 weeks.

Steve Mulinganie (SM) asked if this meant the reference to mid-year is in relation to a 01 October implementation only, with any other implementation date requiring a lead time of six weeks.

ER confirmed this understanding was correct and offered to produce a revised version of the ROM if it would assist.

RH noted there was a reference within the ROM to progressing the Change at risk. ER confirmed this was an option, especially as there were no costs in doing so given that AUGE 2023 had already been delivered and AUGE 2024 is already being worked on. She elaborated that there was no CDSP charge to produce a detailed design as they would not be building it from a system perspective.

SM commented that the lead time commentary was confusing.

ER clarified stating that the change management process was commencing with the Change Proposal, XRN5658, to be raised in the July meeting of the DSC Change Management Committee. She stated that as it was not a new design, the expectation was that it should go through the process fairly quickly. She also noted that the contract costs given were dependent on the timing of when the Authority approved the Modification.

SM asked if details were available to review any regret spend regarding the AUGE contract.

ER stated that the CDSP could not provide exact contract costs but that the ROM did include a saving figure range of £300k to £400k per annum. She explained that the AUGE was already working on the 2024 figures with the next stipulated contract breakpoint available in March 2024 adding that the CDSP could break the contract at any point with a cost implication.

SM acknowledged the cost-saving figure per annum and asked if a contract cancellation cost was available.

ER reaffirmed that if the contract breakpoint in March 2024 is passed then any subsequent contract break would have a fixed cost.

SM accepted this and presumed that this was accounted for in the range of the saving figures of £300k to £400k.

Fiona Cottam (FC) advised that the provider (Engage) was a month or two into the process, with most of their work done between June and Sept and was committed spend.

6. Development of Workgroup Report

Development of the Workgroup Report was deferred pending the submission of amendments to both Modifications.

RH shared a view of the Rough Order of Magnitude (ROM) Assessment and the Workgroup agreed wording around progressing through DSC Governance.

Next Steps

- Both Proposers to provide amended Modification Proposals to the Legal Text Provider and Joint Office.
- Legal Text request to be progressed.
- Development of the Workgroup Report

7. Any Other Business

None.

8. 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	Paper Publication Deadline	Venue	Workgroup Programme
Thursday 10:00 27 July 2023	5 pm 18 July 2023	Microsoft Teams	<ul style="list-style-type: none"> Consider Amended Modification 0831 Consider Amended Modification 0831A Consider Update on Legal Text Develop the Workgroup Report 0831/A (combined report)

Action Table (as of 22 June 2023)

Action Ref	Meeting Date	Minutes Ref	Action	Owner	Reporting Month	Status Update
0501	25/05/23	3	BR1 is to be amended by Proposer (MJ), working with CDSP (ER) and Cadent (AC) to ensure that the requirements to appoint the AUGE are removed.	Proposer (MJ)	June 2023	Closed
0502	25/05/23	3	Proposers to provide Joint Office with New drafts of 0831/0831A Modifications with revised BRs to be provided to JO. before 14 June	Proposers 0831(MJ) 0831A (HH)	June 2023 July 2023	Carried Forward
0503	25/05/23	5	CDSP (ER) to review and clarify timebound requirements within ROM.	CDSP (ER)	June 2023	Closed
0504	25/05/23	5	CDSP (ER) to review ROM wording regarding forward AUGE contractual costs	CDSP (ER)	June 2023	Closed
0505	25/05/23	5	Proposer (MJ) and CDSP (ER) to discuss and agree revised implementation timeline.	Proposer (MJ) and CDSP(ER)	June 2023	Closed