

**UNC 0836S Workgroup Minutes**  
**Resolution of Missing Messages following Central Switching Service**  
**implementation and integration with REC Change R0067**  
**Thursday 27 April 2023**  
**via Microsoft Teams**

<b>Attendees</b>		
Rebecca Hailes (Chair)	(RH)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
Ben Mulcahy	(BM)	Joint Office
Charlotte Gilbert	(CG)	BU-UK
Clare Manning	(CM)	E.ON
David Mitchell	(DMi)	SGN
Ellie Rogers	(ER)	CDSP
Fiona Cottam	(FC)	CDSP
Guv Dosanjh	(GD)	Cadent
Harry Hailwood	(HH)	Brook Green Supply
Hursley Moss	(HM)	Cornwall Insight
Jenny Rawlinson	(JR)	BU-UK
John R Harris	(JRH)	CDSP
Kathryn Adeseye	(KA)	CDSP
Kevin Clark	(KC)	Utilita
Lee Greenwood	(LG)	British Gas
Louise Hellyer	(LH)	TotalEnergies Gas & Power
Nick King	(NK)	CNG Services
Oorlagh Chapman	(OC)	Centrica
Phil Lucas	(PL)	National Gas Transmission
Tom Stuart	(TSt)	Wales & West Utilities
<b>Apologies</b>		
Steve Mulinganie	(SM)	SEFE Energy Limited
Tracey Saunders	(TS)	Northern Gas Networks

*The Workgroup Report is due to be presented at the UNC Modification Panel by 17 August 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: <http://www.gasgovernance.co.uk/0836/270423>*

## **1.0 Introduction and Status Review**

### **1.1. Approval of Minutes (23 February 2023)**

The minutes from the meeting held on 23 February 2023 were approved.

### **1.2. Approval of Late Papers**

There were no late papers to consider.

### **1.3. Review of Outstanding Actions**

**Action 0201:** Issues and Questions from Panel: Workgroup to consider the Materiality Test and feedback on any comments direct to David Addison or via Joint Office.

**Update:** The action update was considered as part of the Materiality presentation in agenda item 2. **Carried Forward**

**Action 0202:** Issues and Questions from Panel: CDSP (DA) to provide analysis on how big the issue has been to date using the 300 sites so far affected.

**Update:** The action update was considered as part of the Materiality presentation in agenda item 2. **Closed**

## 2.0 Amended Modification

RH noted the Modification has not been amended and currently stands as v1.0 dated 06 February 2023.

DA provided a presentation on the materiality of invoice adjustments. For a detailed update, please refer to the published slides on the meeting page.

The presentation covered the following main topics. Where there was specific interaction regarding particular slides with the Workgroup members, this has been captured within the minutes for each section of the presentation, and full details can be found on the published presentation here: [www.gasgovernance.co.uk/0836/270423](http://www.gasgovernance.co.uk/0836/270423).

### The materiality of Invoice Adjustments

David Addison (DA) advised he is not expecting this to be a material change, as the process progresses, as long as registrations are being processed within a short period, this will lessen the materiality.

### Modification Components – Slide 3

DA referred to the three main elements of what the Modification aims to provide:

1. Amendment to allow CDSP to update the Registration held within UK Link systems when it becomes aware that there is, or will be, a discrepancy between CSS and UK Link;
2. Consideration of the exception process where, if the Registration Effective From Dates in CSS and UK Link are not aligned, then clarity that the Shipper responsible within CSS will be responsible for invoicing in keeping with CSS mastering Registration on CSS Supply Points;
3. Allowing the CDSP to generate a Meter Reading that the Shippers may use in Settlement to agree responsibility for gas volumes, and the basis for which this can be replaced.

In addition to these, DA advised that the CDSP have the option to provide a materiality test to determine whether the Invoice Adjustment is actually required.

### CSS Effective Date Meter Reading - Slide 4

DA advised that he is proposing to insert a meter reading into UK Link systems which will provide distinct reconciliation periods and will allow the new Shipper to provide their opening reading.

DA advised that smaller Supply Point instances of them have been reduced and CSS has deployed patch fixes post the July 2022 implementation.

### Proposed Characteristics of the Meter Reading - Slide 5

DA advised he intends to amend the Modification to describe the characteristics to aid the development of the Legal Text.

DA clarified that Class 1 or 2 Sites are out of the scope of this Modification.

The process will be a 2-stage approach with the Registration being processed within a few days of notification, and then insertion of the meter readings will be progressed as part of the adjustment process.

### Materiality Test - Slide 6

DA advised that the main concern is not the initial adjustment, but the adjustments that will remain in the system that any future adjustments that come in may need to take into account.

DA provided an example of how the adjustment period would work:

- *01 May 2023 CSS set a Registration to go live.*
- *67 Registrations are set to go live but the notices have not been sent out.*
- *Following the implementation of the 67 Registrations, CDSP identifies the missing message, the next day an operational team will identify there is a missing Registration and request a refresh from CSS.*
- *CDSP then start the Registration process (2 days) within UK Link, and the go-live will be on 03 or 04 May 2023.*
- *The Adjustment period in question would be a 3-day adjustment.*
- *This would be an adjustment of 0.70p + £1.76 per day x 3 days = **£7.38**.*

DA clarified that every time there is an adjustment required to a meter point, there will need to be a manual check to see if the meter point being adjusted has previously had an adjustment.

DA clarified the need for a materiality test by explaining that CDSP would prefer not to produce a number of different processes to create one that means a negligible amount of money changes hands between two parties. Whereas this is Shipper's money, it is a very small amount of money being moved from Shipper A to B. CDSP is trying to avoid more manual effort and more cost than the value of the invoices.

DA added that if Workgroup is unable to reach a consensus that the materiality test can be administered, it could put the Modification in jeopardy of being implemented.

DA suggested the addition of a clause in the Legal Text that says to do this test and then make an adjustment if required.

### Materiality Test - Slide 9

DA sought views from Workgroup on the materiality test to help develop this component if it is supported.

**New Action 0401:** Shipper participants to provide their view on the Invoicing materiality test. Linked to Action 0201.

### Adjustment Methodology – Materiality - Slide 12

DA provided the options for consideration:

Calculate the Adjustment value and:

- If it is less than a given amount then the charge is not raised at all, or
- if it is below a given amount then the Adjustment is raised but this adjustment will not be subject to further adjustment...

There is also an option to pause the adjustment, to allow Shippers the opportunity to undertake the replacement of any readings that they think are wrong.

The consequence of the materiality test provides 4 options which need to be decided upon:

1. Either a Monetary or Energy value is applied
2. One-off adjustment, this will then allow the option for a Shipper to request future adjustments
3. Future adjustments can be carried out on request

4. Delay the start of the whole process to allow accurate meter readings and offer the opportunity to submit replacement readings.

DA provided an update to outstanding action 0202:

**Action 0202:** Issues and Questions from Panel: CDSP (DA) to provide analysis on how big the issue has been to date using the 300 sites so far affected.

**Update:** Analysis suggests this amounts to approx. £2.50 per day, the average time waiting for an assessment is about 3-4 months and relates to roughly 200 sites. That is the materiality.  
**Closed**

### 3.0 Development of Workgroup Report

An update to the Workgroup Report will be considered at the next meeting to be held on 18 May 2023.

### 4.0 Next Steps

RH confirmed the next steps to be:

- Consideration of the complexity in the materiality test
- Review any info on the materiality issue
- Any changes to the Modification
- Consider the implementation timeline
- Request ROM and possibly Legal Text

### 5.0 Any Other Business

None.

### 6.0 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
Wednesday 10:00 03 May 2023	5 pm 24 April 2023	Microsoft Teams	Consideration of the complexity in the materiality test Review any info on the materiality issue Any changes to the Modification Consider the implementation timeline Request ROM and/or Legal Text
Thursday 10:00 25 May 2023	5 pm 16 May 2023	Microsoft Teams	TBC
Thursday 10:00 22 June 2023	5 pm 13 June 2023	Microsoft Teams	TBC
Thursday 10:00 27 July 2023	5 pm 18 July 2023	Microsoft Teams	TBC

**Action Table (as of 27 April 2023)**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Reporting Month</b>	<b>Owner</b>	<b>Status Update</b>
<b>0201</b>	23/02/23	2.0	Issues and Questions from the Panel: Workgroup to consider the Materiality Test and feedback on any comments direct to David Addison or via Joint Office.	<del>March 2023</del> April 2023	Workgroup	<b>Carried Forward</b>
<b>0202</b>	23/02/23	2.0	Issues and Questions from the Panel: CDSP (DA) to provide analysis on how big the issue has been to date using the 300 sites so far affected	March 2023	CDSP (DA)	<b>Closed</b>
<b>0401</b>	27/04/23	2.0	Shipper participants to provide their view on the Invoicing materiality test. Linked to Action 0201.	April 2023	Shipper participants	<b>Pending</b>