

**UNC Request Workgroup 0646R Minutes
Review of the Offtake Arrangements Document**

Thursday 09 May 2019

at Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Arran Poad*	(AP)	Northern Gas Networks
Ben Hanley*	(BH)	Northern Gas Networks
Darren Dunkley	(DD)	Cadent
David Mitchell	(DM)	SGN
Leteria Beccano	(LB)	Wales & West Utilities
Louise McGoldrick	(LM)	National Grid NTS
Shiv Singh	(SS)	Cadent
Stevie Docherty*	(SD)	Northern Gas Networks
Stephen Ruane	(SR)	National Grid NTS

**via teleconference*

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0646/090519>

The Workgroup Report is due to be presented at the UNC Modification Panel by 20 June 2019.

1. Introduction and Status Review

Bob Fletcher (BF) welcomed everyone to the meeting and explained that it is a joint Workgroup meeting with UNC Modification 0683S.

1.1. Approval of Minutes (11 April 2019)

The minutes from the previous meeting were approved.

2. Issues Log Priorities

Darren Dunkley (DD) took the Workgroup through the issues spreadsheet containing the proposed changes to the UNC OAD, explaining that it has been updated since the previous Workgroup meeting and now contains responses from a number of Transporters, mainly National Grid NTS and SGN.

It was once again noted that the clauses/issues have been grouped into the following categories (column B):

- Critical National Infrastructure (CNI)
- Code update
- Definition update
- Maintenance
- Other
- Process

- Redundant assets
- Tri-partite SA

Focusing attention on Column H, DD pondered whether it would be worth awaiting the (outstanding) Wales & West Utilities and Northern Gas Networks responses before looking to progress matters further.

New Action 0501: Reference the Issue Log Prioritisation spreadsheet – WWU (SC) and NGN (AP) to provide responses to DD by no later than 20 May 2019.

A very high-level summary of the key discussions / decisions and actions arising from consideration of the latest iteration of the spreadsheet are set out below:

Clause B1.6.1(b)

- Definitions (i.e. defined terms) for plant and equipment and buildings and structures are currently not included within the OAD:
 - Caution needed when looking to change OAD defined terms – a minimalistic approach to change might be prudent as there could be consequential impacts on other sections of OAD;
 - Some parties believe that having the additional defined terms would / could promote good governance, especially for example where it is felt that there is confusion over what does / does not constitute ‘a building’;
 - Some parties believe that a lack of clear definitions leads to potential manipulation of the processes – however, some parties believe that issues / concerns such as these are already catered for under the current dispute / conflict resolution mechanisms within OAD;
 - Referencing previous legal feedback, it was suggested that in the absence of a defined terms, it is the ‘common understanding’ that takes prevalence (i.e. what is in the English dictionary);
- It was noted that this issues log document should be the basis for further development / follow up discussions to be undertaken under the auspices of a UNC Modification, once UNC Request 0646R has concluded business (i.e. the minutes for the meeting should not be utilised as a basis for future justification or interpretation of definitions or Code);
 - Some parties favour / prefer the resolution of issues / matters such as these via discussions between the various operators, rather than being specifically included within the OAD itself;
 - Whilst acknowledging the Cadent (DD’s) concerns, it was felt that the Code (UNC) is not necessarily the correct place within which to address such issues / concerns;
- There is / was a perceived value amongst some parties in attendance that finding a common consensus would potentially enable (better) progression of these matters.

Clause B2.2.4

- National Grid NTS (LM) provided an explanation behind their response indicating the ‘NE’ does not necessarily constitute a ‘neutral’ statement in this instance, but no clear justification could be found to either support or reject the change due to a combination of concerns;
 - A supporting statement behind National Grid NTS’s current design, maintenance planning and OAD notifications processes was provided by SR;
 - It was suggested that perhaps assessing (individual) jobs on a work complexity basis might assist in identification of suitable supporting notification periods;

- Cadent continue to believe that there are potential benefits in adopting a common framework;
 - It was noted that Cadent currently base their OAD notices around the G17 (resulting in a circa 3 to 6 months practical delivery based assessment, as it is likely that a more useful assessment can be made at this stage);
- Some parties wondered whether it would be preferable to adopt a less prescriptive based approach around stating any dates within the OAD itself;
 - It was suggested that there are also some potential maintenance integration aspects (whether relating to small or large projects) that also need to be considered;
 - There was a broad acknowledgement amongst those in attendance that removal of the 12 month reference(s) could be beneficial on the grounds that parties would then be able to reject a notification (especially where larger projects are concerned) that does not satisfy a minimum (agreed) set of criteria;
 - It was suggested by some that it is the 'short notice OAD notices' that cause the most concerns, although it was widely recognised by the participants that there would always be the 'emergency type' jobs that necessitate / invoke shorter notification period requirements;
 - It was then suggested that perhaps retention of the 12 month period would be a viable option supported by an additional clause relating to shorter notice periods, where appropriate or requirements for a two way dialogue where needed;
 - As a Responsible and Prudent Operator (RPO) National Grid NTS uses reasonable endeavours to provide as much lead time notification for projects as is practicably possible – in short, this suggests that the problems being experienced relate in the main to a communication based issue, especially when bearing in mind that the level of detail within the OAD notices could / would potentially change over time, and
 - It was recognised by those in attendance that for larger scale projects a 12 month notification period 'feels' reasonable, although shorter notification periods also have a place going forwards – it is how the Workgroup (and industry) agree the shorter notice periods that needs further clarification.

In looking to summarise the discussions, BF suggested that these concerns feel like a lower level of consideration than those of the OAD provisions and that maybe what we should focus attention on is enhancement of the OAD notification mechanisms – a suggestion that met with the general support (i.e. a consensus) of those in attendance. Responding, DD indicated that mindful of the views being expressed by the Workgroup participants, he would be happy to settle on looking to establish a better understanding around OAD notice dates / periods, rather than seeking to include something specifically within the OAD itself.

3. OAD Related Document Review

During a brief onscreen review of the (various) British Gas documentation relating to this area, it was suggested that the temperature and demand methodology document had now been superseded.

When BF suggested that the Workgroup should perhaps consider the continued appropriateness of each document, DD questioned whether publication of the IGEM documents remains viable, as the UNC does not seem to be an appropriate location from an industry perspective.

Making reference to the generic test procedures documentation and processes, BF advised that the Joint Office had been requested to conduct a review, which so far has not been triggered.

BF went on to suggest that perhaps it would be beneficial to consider including any responses / feedback within the 0646R Workgroup Report in due course.

New Action 0502: Reference an OAD Related Documentation Review – Joint Office (BF) to look to provide a list of the various document (including their respective creation and publication dates) and to consider issuing these to knowledgeable parties in order to seek views on their continued appropriateness (i.e. should we continue to publish in one form or another) going forwards.

4. Removal of Redundant Assets

During a brief onscreen review of the 'OAD Offtake Subsidiary Document – Asset Removal Process', BF outlined the various governance aspects whilst also pointing out that some UNC related documents may also require approval of the Joint Governance Arrangements Committee (JGAC) – mainly related to Joint Office matters.

When National Grid NTS raised some concerns around the various 'Contents Page' items presented on pages 4 and 5 believing that they are potentially inconsistent with current OAD provisions, BF suggested that perhaps the wording of the statement in paragraph 2.2 would also benefit from further consideration, especially the potential (cross) subsidy related issues.

Moving on to consider paragraph 2.4, DD observed that the 'site owner' related bullet statement would be lifted out and moved into consideration of another process (i.e. Health & Safety) in due course.

It was also noted that paragraph 2.6 relates to a funding issue matter.

A quick review of the Process Flow map provided under item 3 on page 6 was undertaken during which DD acknowledged and responded to the various points raised by other Workgroup participants.

5. Safe Control of Operations (SCO) Review

Opening discussions on the 'Non-routine operational procedure form', DD explained that following previous approval of the SCO suite of documents by the TSF, changes to the form are no longer possible. However, there are alternative options with one being the inclusion of an 'OAD consent' box, or alternatively look to adapt section 3 of the form.

Responding to concerns and questions being raised by the National Grid NTS delegates, DD explained that as far as the NROs being absent from the OAD is concerned and whether they are 'covered off' under consideration of the GNCC and/or DNCC aspects on page 1, it should be remembered that not all parties operate in the same way.

When it was suggested that perhaps the underlying issue is related more to ensuring that all parties follow a standardised sign off process, BF questioned whether this would actually be something this Workgroup could influence anyway as these were operational procedures at a level which wouldn't be referenced in OAD – Cadent remains of the view that the issue stems from ensuring OAD processes are followed correctly going forwards, which is a view also supported in principle by the GNCC.

In considering the example of where one operator submits an NRO to another operator and it is unclear whether or not the appropriate OAD processes have been followed (i.e. from a consent perspective etc.), DD believed that the second (offtake) operator should / would have the right to reject the NRO – in trying to assess the true scale of an issue such as this, DD explained that whilst improvements had been made over the last 18 months or so, there have been instances where the OAD notice has not been present to accompany the NRO which he believes contradicts the principles agreed at previous Maintenance Workshops. SR explained that he would seek a view from his National Grid NTS colleagues and respond at a forthcoming Workgroup meeting.

In seeking to summarise the discussions, DD suggested that as long as the common operator understanding (excluding emergency work) was that where an NRO does not have a supporting OAD notice accompanying it, the NRO would be rejected until such a time that one is provided,

he would be happy to support that approach – a consensus view was not necessarily reached at this time.

6. Review of Outstanding Actions

Action 0401: Cadent (DD) agreed to circulate the actions from the last maintenance workshop held in August 2018.

Update: In referencing agenda item 9, DD requested that this action be carried forward.
Carried Forward

Action 0402: All DNOs and National Grid NTS to consider the impact of reducing the notice period to less than 12 months and/or if a 6 month period is manageable.

Update: The Workgroup agreed that this action could now be closed. **Closed**

Action 0403: All to review the spreadsheet titled 'Proposed OAD Review Changes' focussing on the issues where the overall status is amber and red and to confirm at the next meeting a) whether the overall position is the same b) provide views on how the issue can be progressed and c) provide views on the prioritisation of issues.

Update: The Workgroup agreed that this action could now be closed. **Closed**

Action 0404: Joint Office (BF) to include a recommendation in the Workgroup Report that the Offtake Committee to consider establishing a sub-committee to take forward the recommendations from this Review group.

Update: When BF advised that this item is yet to be completed, the Workgroup agreed that this action should be carried forward. **Carried Forward**

Action 0405: Cadent (DD) to speak with Richard Phillips about the best way to ensure that CNI requirements are identified for inclusion in the OAD.

Update: When DD provided a brief resume behind the establishment of the CNI in order to examine funding for BEIS designated sites, he also explained that having spoken with CNI Workshop representatives the consensus is that they are not the right parties to undertake a decision on a Code / Code subsidiary document.

In referring to the 'bucket list' outlined by DD, National Grid NTS (LM) challenged this view on the grounds that in their opinion the Workgroup had previously agreed to adopt a 'light touch' approach in respect of any proposed OAD amendments. Furthermore, they do not support the view that this is an area of consideration for this Workgroup. Responding, DD reiterated why he believes the 'bucket list' items warrant consideration as to what might or might not be included within the OAD and/or subsidiary document(s).

In outlining who 'normally' attended the CNI Workshop meetings, DD explained that he remains convinced that this matter is all about roles and responsibilities in respect of site security requirements – in short, Cadent believe that the OAD is potentially 'out of step' with operational reality in this regard.

Whilst recognising that a high-level sense check of the principles involved might be beneficial, LM pointed out that there are also some commercial confidentiality aspects that need consideration as well. BF then noted that any changes to the OAD would need to ensure that nothing potentially impacts the CNI designated sites.

New Action 0503: Reference a CNI Workshop meeting - All Transporters to look to provide suitable contact details to Cadent (DD) in order that he may organise a CNI Workshop in due course.

Moving on, DD indicated that in his opinion the OAD should also consider Alarmed Response Centre (ARC) requirements (i.e. the potential misuse of site access cards and the procedures relating to such matters) going forwards as these could have a potential impact on the operators. In short, all that is needed is agreement on a common approach. Responding, BF challenged this notion by suggesting that in reality all the OAD would need to do is state that the operators would need to source such a (service) provision and that furthermore he doubts that this is an OAD related matter as it is more to do with a transportation commercial matter. It was noted that whilst this is not currently a licence matter, although, BEIS may request the provision at a later date.

BF remained convinced that this feels akin to the emergency procedures and reiterated that in his opinion all that is needed is a simple reference within the OAD.

BF also went on to remind those present, that we are able to control access to information via an OAD reference. Thereafter, the Workgroup agreed that this action could now be closed.

Closed

Action 0406: National Grid NTS (SR) to consider post cost benefits versus cost sharing for the removal of redundant assets and provide a view at the next meeting. In addition, all DNOs to review the lease agreement action in the context of the separation of shared assets and provide feedback on their position at the next meeting.

Update: The Workgroup agreed that this action could now be closed. **Closed**

Action 0407: Cadent (DD) to provide a draft template for SCO/NRO OAD compliance for review at the next meeting.

Update: The Workgroup agreed that this action could now be closed. **Closed**

7. Next Steps

BF summarised the next steps as follows:

- Workgroup to consider amber and red priorities within the Issues spreadsheet and to agree prioritisation of these;
- Draft Phase 2 Modification;
- Consideration of SCO review, and
- Development of draft Request Workgroup Report.

8. Any Other Business

None.

9. Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:00 Wednesday 05 June 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Standard agenda plus, <ul style="list-style-type: none"> • prioritisation of the issues log spreadsheet • consideration of Phase 2 Modification • consideration of SCO review • development of draft Request Workgroup Report

10:00 Wednesday 03 July 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	TBC
10:00 Wednesday 31 July 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	TBC

Action Table (as at 09 May 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0401	11/04/19	3.0	Cadent (DD) agreed to circulate the actions from the last maintenance workshop held in August 2018	Cadent (DD)	Carried Forward
0402	11/04/19	3.0	DNOs and National Grid NTS to consider the impact of reducing the notice period to less than 12 months and/or if a 6-month period is manageable.	All	Update provided. Closed
0403	11/04/19	3.0	All to review the spreadsheet titled 'Proposed OAD Review Changes focussing on the issues where the overall status is amber and red and to confirm at the next meeting a) whether the overall position is the same b) provide views on how the issue can be progressed and c) provide views on the prioritisation of issues.	All	Update provided. Closed
0404	11/04/19	3.0	Joint Office (BF) to include a recommendation in the Workgroup Report that the Offtake Committee to consider establishing a sub-committee to take forward the recommendations from this Review group.	Joint Office (BF)	Carried Forward
0405	11/04/19	5.0	Cadent (DD) to speak with Richard Phillips about the best way to ensure that CNI requirements are identified for inclusion in the OAD.	Cadent (DD)	Update provided. Closed
0406	11/04/19	5.0	National Grid NTS (SR) to consider post cost benefit versus cost sharing for the removal of redundant assets and provide a view at the next meeting. In addition, all DNOs to review the lease agreement action in the context of the separation of shared assets and provide feedback on their position at the next meeting.	National Grid (SR)	Update provided. Closed
0407	11/04/19	6.0	Cadent (DD) to provide a draft template for SCO/NRO OAD compliance for review at the next meeting.	Cadent (DD)	Update provided. Closed

0501	09/05/19	2.	<i>Reference the Issue Log Prioritisation spreadsheet</i> – WWU (SC) and NGN (AP) to provide responses to DD by no later than 20 May 2019.	WWU (SC) & NGN (AP)	Pending
0502	09/05/19	3.	<i>Reference an OAD Related Documentation Review</i> – Joint Office (BF) to look to provide a list of the various document (including their respective creation and publication dates) and to consider issuing these to knowledgeable parties in order to seek views on their continued appropriateness (i.e. should we continue to publish in one form or another) going forwards.	Joint Office (BF)	Pending
0503	09/05/19	6.	<i>Reference a CNI Workshop meeting</i> - All Transporters to look to provide suitable contact details to Cadent (DD) in order that he may organise a CNI Workshop in due course.	All Transporters	Pending