

**UNC Workgroup 0664 Minutes
Transfer of Sites with Low Read Submission Performance from
Class 2 and 3 into Class 4**

Tuesday 28 July 2020

Via Teleconference

Attendees

Lorraine O'Shaughnessy (Chair)	(LOS)	Joint Office
Maitrayee Bhowmick-Jewkes (Secretary)	(MBJ)	Joint Office
Andy Clasper	(AC)	Cadent
Carl Whitehouse	(CW)	Shell UK
David Mitchell	(DM)	SGN
Ellie Rogers	(ER)	Xoserve
Fiona Cottam	(FC)	Xoserve
Jennifer Smith	(JS)	Hudson Energy
Kirsty Dudley	(KD)	Eon
Lorna Lewin	(LL)	Orsted
Louise Hellyer	(LH)	Total Gas & Power
Luke Reeves	(LR)	EDF Energy
Mark Bellman	(MB)	ScottishPower
Mark Jones	(MJ)	SSE
Rhys Kealley	(RK)	British Gas
Sallyann Blackett	(SB)	Eon
Steven Britton	(SBr)	Cornwall Insight
Tom Breckwoldt	(TB)	Gazprom

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0664/280720>

The Workgroup Report is due to be presented at the UNC Modification Panel by 20 August 2020.

1. Introduction and Status Review

Lorraine O'Shaughnessy (LOS) welcomed everyone to the meeting and provided a summary on the current position explaining that this Modification had originally reported to the February 2020 UNC Modification Panel and then out for Consultation.

Following consultation, UNC Panel reviewed the Final Modification Report at the April 2020 UNC Panel meeting and requested that following discussion, this should go back to Workgroup for further consideration to address the questions raised during the consultation. LOS advised that a Supplemental Report is due to be presented at the August 2020 Panel.

1.1. Approval of Minutes (16 June 2020)

The minutes from the previous meeting were approved.

1.2. Approval of Late Papers

There were no later papers submitted. However, LOS noted that MJ had provided a draft Modification Report to aid discussion.

2. Review of Outstanding Actions

Action 0601: SSE (MJ) and Xoserve (ER) to review the various scenarios that need to be mapped in relation to the lockout in relation to Business Rule 9.

Update: LOS provided a brief background on how this Modification has been developed. She noted that at the last meeting the Workgroup had raised various concerns and different scenarios had been discussed in relation to the lockout period and impacts on if Supplier changes, LOS welcomed MJ to provide an update in reference to Business Rule 9 of this Modification.

Mark Jones (MJ) added that further to last month's meeting, he had a number of discussions in relation to this with Dave Addison (DA) from Xoserve. The understanding is that when a Shipper changes their product class, the Supplier could change at the same time or soon after, if so, they are then locked out of changing their class for a period of two months. DA had found that a Change of Supplier (CoS) event results in the 'lock out period' being annulled. Therefore, if a Shipper changes class, followed by a CoS, the Shipper would be able to change class again.

KD asked for further clarification of how this event would occur. MJ confirmed that when CoS happens, the lockout period automatically stops. KD accepted this explanation.

LOS advised that as this scenario had been reviewed, the action could be closed. **Closed**

Action 0602: Joint Office (LOS) to seek an extension until August 2020 from the June Panel.

Update: LOS confirmed this has been completed. **Closed**

Action 0603: All to provide feedback/comments for the Supplemental Report directly to Mark Jones (mark.jones@sse.com)

Update: MJ advised the Workgroup that he had not received any feedback or comments in relation to the draft Supplemental Report for this Modification. **Closed**

3. Review of Legal Text

LOS informed the Workgroup that she had a meeting with MJ and Andy Clasper (AC) following the June UIG Meeting, to address the issues that Panel had posed to the Workgroup and which they were hoping to address in the Supplemental Report for this Modification. She also advised on how the Modification can now be progressed.

To address the CoS as discussed in action 0601, Business Rule 9 of Modification 0664, the proposer has included this change in a Variation Request to Modification 0664. , LOS noted that a Variation Request needs to be raised and determined by UNC Panel in August if this is agreed as a variation to Modification 0664, LOS advised to the Workgroup that the objective of this meeting was to progress the Variation Request.

She clarified the approach the Workgroup could take to develop the Modification in light of the Variation Request. If the changes proposed in the Variation Request is a 'material' change, then the original Modification - 0664 will be withdrawn and a Modification – 0664V will be submitted to UNC Panel to determine if further workgroup discussions are required or if this could go straight out for consultation. If the change proposed in the Variation Request is 'non-material' then a Modification 0664V is still required, and 0664 would still be withdrawn, UNC Panel will then determine if the Modification should be implemented or go out for further consultation.

Kirsty Dudley (KD) asked whether the Varied Modification will go for Consultation following it being presented at Panel. LOS clarified that this would depend on UIG Workgroup's view as they needed to determine what would be their recommendations to Panel.

LOS shared the draft Variation Request with the Workgroup which had been published in advance of the meeting and went through the proposed amendments to the existing Modification. She confirmed the primary amendment was the addition to Business Rule 9 in relation to the lock out period. The Workgroup accepted this amendment.

The Workgroup discussed how the Modification will progress and the next steps.

LOS asked AC to update the Workgroup about the Legal Text status for the Modification considering the Variation Request. She confirmed that as the Workgroup had no further comments on the introduction of Business Rule 9, AC should be able to produce the Legal Text. AC advised that the Legal Text to support the change would be published in advance of the next scheduled 0664 Workgroup which had been scheduled on 10th August.

Additional discussion took place around the cost of system changes for this Modification. Ellie Rogers (ER) noted that £30,000 additional costs may be incurred for implementation. LOS asked whether Xoserve would be producing a new ROM for the Varied Modification or whether they intended to use the old ROM. ER clarified that if the details of the additional costs were included in the Supplemental Report, an additional ROM was not required. The Workgroup agreed with this approach.

LOS explained that a Variation Request would be submitted to the August Panel where Panel would ask whether the Variation was material or non-material. AC suggested that as the Legal Text is going to change, the change in the Modification must be a material change. LOS clarified that this would be determined by UNC Panel. If Panel agrees that the change proposed in the Variation Request is material, Modification 0664 will be withdrawn and Modification 0664V will be raised. MJ confirmed that a draft Modification 0664V had been prepared. LOS advised that the intention would be to have the draft 0664V modification prepared for Panel with the recommendations for next steps included.

LOS also asked the Workgroup to review any cross-code impacts as a result to the variation request and draft modification. MJ commented that he did not believe there were any. KD suggested that it would be best practice to confirm this. RK asked AC if the original Legal Text was based on pre or post 0708 implementation legal text. AC advised that this was pre 0708. Modification 0708 – Reordering of the UNC in advance of Faster Switching as they may have an impact on the Legal Text. AC noted that he had reviewed the Legal Text for Modification 0708 and did not believe it would impact the Legal Text for this Modification. KD agreed but proposed it would be best practice to confirm this.

LOS agreed to raise the issue of cross-code impact with Anne Jackson (AJ) from IGT UNC.

New Action 0701: Joint Office (LOS) to liaise with AJ to review the Varied Modification to rule out any IGT UNC impacts.

New Action 0702: AC to finalise the Legal Text and review impacts from Modification 0708.

4. Finalise Supplemental Report for August Panel submission

LOS noted that the Supplemental Report for the August Panel had been reviewed in length at last month's meeting and any agreed discussions had been updated. Further iterations have been made following discussion with the Proposer and She invited the Workgroup for a further Review today to agree these together with any further recommendations.

The Workgroup discussed the Report in light of submitting it to Panel next month.

ER noted that according to the comments on the report, a new ROM would not be required from Xoserve.

LOS asked the Workgroup to send any further comments they have to MJ before the August Panel so they can be collated.

Some discussions took place relating to recommendations on whether a new consultation would be required for the Varied Modification. KD stated that she would be uncomfortable to not recommend that a consultation was required as the Legal Text was changing. LOS asked Workgroup for their views and workgroup agreed that the recommendation would be to request a further consultation to assure the wider industry that the concerns raised during the first consultation had been addressed. LOS updated the Supplemental report as agreed by workgroup.

LOS advised that if anyone on the Panel did not agree with the recommendation within the Supplemental Report, there would be a formal determination vote. If the result of the vote was unanimous the Modification would then go to Ofgem for a final decision.

. MJ added he would update the finalise the 0664V draft modification in preparation for the meeting on the 10th August to include a review of the relevant objectives PAC performance standards as well as a final review of Variation Request and Supplemental Report. .

LOS confirmed the Joint Office would finalise the Variation Request and Supplemental Report before the next meeting to discuss this Modification.

New Action 0703: Joint Office (LOS) will finalise Variation Request and Supplemental Report before the next meeting.

New Action 0704: MJ to review the Variation Request to ensure it is aligned to the varied Modification 0696V?

The Workgroup discussed the next meeting date and agreed it should be held on 10th August between 1:30 – 4 pm.

New Action 0705: Joint Office (MBJ) will confirm the meeting on 10 August.

5. Next Steps

LOS confirmed the next steps to be:

- Finaliise the Variation Request and Supplemental Report to be held on 10th August.
- Review Modification 0664V in prepatation of August UNC Panel if Variation Request is determined to be a variation of Modification 0664.
- Workgroup to review and finalise Legal Text
- Finalise 0664V Workgroup Report

6. Any Other Business

None.

7. Diary Planning

Agree agenda items and actions for next meeting

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	Paper Publication Deadline	Venue	Programme
10 August 2020 1:30 – 4:00 pm	03 August 2020	Via Teleconference	<ul style="list-style-type: none"> • Review of revised Legal Text • Finalisation of the Variation Request and Supplementary Report • Review 0664V Draft Modification • Finalise 0664V Workgroup Report
			<ul style="list-style-type: none"> •

Action Table (as at 16 June 2020)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0601	16/06/20	4.0	SSE (MJ) and Xoserve (ER) to review the various scenarios that need to be mapped in relation to the lockout in relation to Business Rule 9.	SSE (MJ) & Xoserve (ER)	Closed
0602	16/06/20	4.0	Joint Office (LOS) to seek an extension until August 2020 from the June Panel.	Joint Office (LOS)	Closed
0603	16/06/20	4.0	All to provide feedback/comments for the Supplemental Report directly to Mark Jones (mark.jones@sse.com)	All	Closed
0701	28/07/20	3.0	Joint Office (LOS) to liaise with AJ to review the Varied Modification to rule out any IGT impacts.	Joint Office (LOS)	Pending
0702	28/07/20	3.0	AC to finalise the Legal Text and review impacts from Modification 0708.	Cadent (AC)	Pending
0703	28/07/20	4.0	Joint Office (LOS) will finalise Variation Request and Supplemental Report before the next meeting.	Joint Office (LOS)	Pending
0704	28/07/20	4.0	MJ to review the Variation Request to ensure it is aligned to the varied Modification 0696V.	SSE (MJ)	Pending
0705	28/07/20	4.0	Joint Office (MBJ) will confirm the meeting on 10 August.	Joint Office (MBJ)	Pending