

UNC Workgroup 0710 Agenda
CDSP provision of Class 1 read service
10:30 Thursday 28 November 2019

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

Attendees

Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Lorraine O'Shaughnessy	(LO)	Joint Office
Maitrayee Bhowmick-Jewkes	(MBJ)	Joint Office
Andy Clasper	(AC)	Cadent
Carl Whitehouse*	(CW)	Shell Energy Retail Limited
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
Ed Fyfe*	(EF)	SGN
Ellie Rogers	(ER)	Xoserve
Gareth Evans*	(GE)	Waters Wye Associates
Kirsty Dudley*	(KD)	E.ON
Lorna Lewin	(LL)	Orsted
Megan Coventry*	(MC)	SSE
Oorlagh Chapman	(OC)	British Gas
Phil Lucas	(PL)	National Grid
Richard Pomroy	(RP)	Wales & West Utilities
Stephanie Clements*	(SC)	Scottish Power
Steve Britton*	(SB)	Cornwall Insights
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

*via teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/0710/281119

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

1.0 Approval of Request 0694R Minutes (24 October 2019)

The minutes for Request 0694R were reviewed and accepted.

2.0 Review of outstanding actions relating to Request 0694R

Action 1001: Xoserve (DA) and WWU (RP) to provide further clarity on duration of contracts and what arrangements are in place at present as well as when current arrangements end.

Update: At the last 0694R Workgroup It was agreed that a joint action would be placed on Xoserve and the proposer to provide further explanations. Kirsty Dudley (KD) agreed that this information needed to be in the Modification. Details of the contract that may be commercially sensitive could be anonymised, but this could still provide clarity required. This action is carried forward from Request 0694R. An update will be provided at the December 2019 meeting. **Carried Forward**

3.0 Outline of Modification

Richard Pomroy (RP) provided a brief outline and explained this Modification proposes that the CDSP provides the Class 1 reads service. It will remove the DNO obligation to provide a Daily Read service to Shippers for non-telemetered Class 1 Supply Meter Points. This does not affect arrangements for directly connected telemetered DNO or NTS Supply Meter Points.

4.0 Initial Discussion

4.1. Issues and Questions from Panel

4.1.1. Consider whether this modification satisfies the self-governance criteria specifically bearing in mind the effect on competition.

Workgroup began discussion by comparing this Modification to Modification 0647 - Opening Class 1 reads to Competition, which was not self-governance.

The justification for Authority Direction for Modification 0647 was:

The removal of the Transporter monopoly meter reading obligation in respect of Class 1 Supply affects competition between Suppliers and Shippers and given the size of the customers concerned Authority Direction is appropriate.

RP advised this Modification gave more freedom to Shippers to define the service.

Some Workgroup participants agreed that there is a degree of materiality for Modification 0710 and felt it is right to progress this through Authority Direction.

Alan Raper (AR) added, that since the read aspect of the service was subject to a Licence controlled price cap, this proposal should be directed by Ofgem.

4.1.2. Consider when should the proposal take effect

Workgroup discussed the implementation of this Modification. The Modification states a lead time will be required to implement any necessary central system changes, although at present these are expected to be minimal. The Proposal is for the change to implemented outside the winter period, during 2020, on a date to be agreed.

Workgroup agreed that, if the effect of this Modification is that there is no operational on-site requirement, implementing this during the winter period is less strong. SM added that if something were to go wrong, although the equipment would be operating in a stable state, a summer implementation feels inherently safer.

RP advised that he is recommending a summer 2020 implementation, and for a future procurement event, there is a need to get Shipper views as there would potentially be an implementation period for a new service provider.

Workgroup agreed that this proposed approach of novating contracts removes all of the system complexities. Xoserve stated they would coordinate and communicate this proposal to DSC Contract Managers.

DA confirmed that Xoserve are currently seeking to have an understanding around the contracts for providing this service and that the DSC pricing statement service line is in the Modification.

RP advised that the Legal Text will not be available for the December 2019 Workgroup adding that as the Modification is very well developed, deferral of further discussion until January 2020 Workgroup is the best way forward.

In conclusion, RP provided a summary of the existing TPD Section M and gave an example of how the liability charges are currently applied, highlighting that after the first 4 days of service failure liability payments range from £75 per read down to £10 per read depending on read performance.

4.2. Initial Representations

None received.

4.3. Terms of Reference

As matters have been referred from Panel a specific Terms of Reference has been published alongside the Modification at www.gasgovernance.co.uk/0710.

5.0 Next Steps

AR confirmed that Workgroup will await the provision of Legal Text which will be submitted ahead of the January 2020 Workgroup.

6.0 Any Other Business

None.

7.0 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	Venue	Workgroup Programme
10:30 Friday 17 December 2019	Elexon - Orange room 350 Euston Road London NW1 3AW	Detail planned agenda items. <ul style="list-style-type: none"> • Amended Modification • Consideration of Business Rules • Consideration of Charging arrangements • Review of Impacts and Costs • Review of Relevant Objectives • Consideration of Wider Industry Impacts • Consideration of Legal Text • Development of Workgroup Report

Action Table (as at 28 November 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1001	24.10.19	2.0	<i>Taken from 0694R workgroup which has now closed:</i> Xoserve (DA) and WWU (RP) to provide further clarity on duration of contracts and what arrangements are in place at present as well as when current arrangements end.	Xoserve (DA) and Wales & West Utilities (RP)	Pending