

Record of Determinations: Panel Meeting, 18 July 2013

Modification	Vote Outcome	Shipper Voting Members					Transporter Voting Members					Consumer Representative	Determination Sought
		AB	PB for AG	CB	CWr	PB	AR	EM	JF	RCH	RH	CH	
0451A - Individual Settlements For Pre-Payment & Smart Meters	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	NP	X	X	Modification is related to Significant Code Review
	Is not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	NP	X	X	Modification should follow Self-Governance Procedures
	Issued to Workgroup 0451 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Should be referred to Workgroup 0451
	Text requested - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Request Text
0407 - Standardisation of notice periods for offtake rate changes for all National Grid NTS Exit Users	Proceed to consultation - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Issue to Consultation
	Legal text not required - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Legal text not required for inclusion in DMR
	Cost estimate not required - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Cost estimate not required for inclusion in DMR
	Consultation to close out on 06 September - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Extend consultation 06 September
0431S - Shipper/Transporter - Meter Point Portfolio Reconciliation	Returned to Workgroup - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Return to Workgroup
	Workgroup to report by September 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Workgroup to report by September 2013 Panel
0449 – Introduction of Interconnection Points and new processes and transparency requirements to facilitate compliance with the EU Congestion Management Procedures	Proceed to consultation - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Issue to Consultation
	Legal text not required - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Legal text not required for inclusion in DMR
	Cost estimate not required - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Cost estimate not required for inclusion in DMR
0432 - Project Nexus – gas settlement reform	Workgroup to report by November 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Workgroup to report by November 2013 Panel

0434 - Project Nexus – Retrospective Adjustment	Workgroup to report by November 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Workgroup to report by November 2013 Panel
0440 - Project Nexus – iGT Single Service Provision	Workgroup to report by November 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Workgroup to report by November 2013 Panel
0445 - Amendment to the arrangements for Daily Metered Supply Point Capacity	Workgroup to report by October 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Workgroup to report by October 2013 Panel
0448 - Aligning UNC with Licence Conditions relating to European legislative change	Workgroup to report by October 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Workgroup to report by October 2013 Panel
0453 - Project Nexus – Demand Estimation	Workgroup to report by November 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	✓	Workgroup to report by November 2013 Panel
0410 0410A - Responsibility for gas off-taken at Unregistered Sites following New Network Connections	Considered at short notice - 10 votes in favour and 1 abstention	✓	NV	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Consider at short notice
	Not issued for consultation - 3 votes in favour, 1 abstention and 7 votes against	X	NV	✓	✓	X	X	X	X	X	X	✓	X	Issue for further consultation
0425 - Re-establishment of Supply Meter Points – Shipperless sites	Returned to Workgroup - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Return to Workgroup
	Workgroup to report by the October 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the October 2013 Panel

KEY	In favour	Not in Favour	No Vote Cast	Not Present
	✓	X	NV	NP

UNC Modification Panel

Minutes of the 145th Meeting held on Thursday 18 July 2013 at ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

Attendees

Voting Members:

Shipper Representatives	Transporter Representatives	Consumer Representative
A Barnes (AB), Gazprom C Baldwin (CB), E.ON UK C Wright (CWr), British Gas P Broom (PB), GDF Suez and alternate for A Green, Total	A Raper (AR), National Grid Distribution E Melen (EM), Scotia Gas Networks J Ferguson (JF), Northern Gas Networks R Cameron-Higgs (RCH), Wales & West Utilities R Hewitt (RH), National Grid NTS	C Hill (CH), Consumer Focus

Non-Voting Members:

Ofgem Representative	Terminal Operators' Representative	Chairman
		T Davis (TD), Joint Office

Also in Attendance:

E Thorburn (ET), Ofgem; F Cottam (FC), Xoserve and R Fletcher (RF), Secretary

Record of Discussions

145.1 Note of any alternates attending meeting

A Raper for C Warner (National Grid Distribution)
C Baldwin for R Fairholme (E.ON UK)
E Melen for A Musgrave (Scotia Gas Networks)
P Broom for A Green (Total)
R Cameron-Higgs for S Edwards (Wales & West Utilities)

145.2 Record of Apologies for absence

A Green, A Musgrave, C Warner, R Fairholme and S Edwards.

145.3 Minutes of the Last Meeting

The minutes of the last meeting were accepted.

145.4 Consider Urgent Modifications

- a) Modification 0456 (Urgent) - Revision to the treatment of Allocation of Unidentified Gas for the 2013/14 AUG Year

TD explained that, following implementation, the Modification Rules provide that the subject of an urgent modification can be referred to a Workgroup for assessment. While 0456 was not implemented, Modification 0456 had been included on the agenda to provide an opportunity for Members to consider if any action should be taken. Noting that the annual AUGE review process had been undertaken, Members did not consider any further assessment by a Workgroup should be requested.

145.5 Consider New, Non-Urgent Modifications

- a) Modification 0451A – Individual Settlements For Pre-Payment & Smart Meters

CB introduced the modification and its aims. The modification mirrors 0451, but with the retrospective element removed.

CH questioned whether robust data is available that would support the proposed changes to the allocation methodology. JF advised that the legal text is being constructed on the basis that a separate EUC band is developed. PB asked if DESC collect the data required to develop such a EUC band. FC advised that demand estimation data is for credit meters only and hence does not support creation of a different EUC band. However, one party has provided data that would support the creation of an alternative EUC band. Data availability is problematic since EUC bands require daily consumption, which is not available through top-ups.

RH felt that the modification would require further assessment and that text would be difficult to develop based on the modification as drafted. JF

felt it would be beneficial if the timeline for assessment could be extended by Ofgem to aid the development of business rules and text.

For Modification 0451A, Members determined:

- The modification is not related to the Significant Code Review as it is not a related subject;
- The criteria for Self-Governance are not met as this modification is expected to have a material impact on parties, including consumers and Shippers;
- The modification be issued to Workgroup 0451 for assessment; and
- To request the provision of Legal Text.

145.6 Consider Legal Text

- a) Modification 0460S - Alignment of capacity and revenue treatment within the NTS Charging Methodology with RIIO-T1 arrangements

No issues were raised: the Draft Modification Report is to be issued to consultation.

145.7 Consider Workgroup Issues

Workgroup Reports for Consideration

- a) Modification 0407 - Standardisation of notice periods for offtake rate changes for all National Grid NTS Exit Users

TD advised that the modification had been amended following publication of the Workgroup Report, encapsulating the changes agreed by the Workgroup.

Members agreed that the title page of the Draft Modification Report should indicate that the impacts of the modification is expected to be low for all parties. The recommendations in the Workgroup Report were accepted and Members determined for Modification 0407 that:

- it should proceed to consultation;
- legal text is not required for inclusion in the draft Modification Report;
- a cost estimate is not required for inclusion in the draft Modification Report; and
- consultation should close on 06 September 2013.

b) Modification 0431S - Shipper/Transporter - Meter Point Portfolio Reconciliation

Members accepted the recommendation in the Workgroup Report and determined that Modification 0431S should be returned to Workgroup 0431S for assessment, with a report presented by the September Panel.

c) Modification 0449 – Introduction of Interconnection Points and new processes and transparency requirements to facilitate compliance with the EU Congestion Management Procedures

RH asked if Members would support a shortened consultation period. Other Members did not support this. It was noted that Ofgem had previously indicated that they were comfortable with the planned timeline, and it was felt that that all interested parties should be given sufficient time to submit representations. It was suggested that if Ofgem felt some additional time is needed for them to decide whether or not the modification should be implemented, they could request that an additional Panel meeting be arranged in order to bring forward the date on which the Final Modification Report is presented.

Members accepted the recommendations in the Workgroup Report and determined for Modification 0449 that:

- it should proceed to consultation;
- legal text is not required for inclusion in the draft Modification Report; and
- a cost estimate is not required for inclusion in the draft Modification Report.

Consideration of Workgroup Reporting Dates

a) Modification 0432 - Project Nexus – gas settlement reform

Members determined unanimously to extend the date by which Workgroup 0432 should report, with a report presented by the November Panel.

b) Modification 0434 - Project Nexus – Retrospective Adjustment

Members determined unanimously to extend the date by which Workgroup 0434 should report, with a report presented by the November Panel.

c) Modification 0440 - Project Nexus – iGT Single Service Provision

Members determined unanimously to extend the date by which Workgroup 0440 should report, with a report presented by the November Panel.

- d) Modification 0445 - Amendment to the arrangements for Daily Metered Supply Point Capacity

Members determined unanimously to extend the date by which Workgroup 0445 should report, with a report presented by the October Panel.

- e) Modification 0448 - Aligning UNC with Licence Conditions relating to European legislative change

Members determined unanimously to extend the date by which Workgroup 0448 should report, with a report presented by the October Panel.

- f) Modification 0453 - Project Nexus – Demand Estimation

Members determined unanimously to extend the date by which Workgroup 0453 should report, with a report presented by the November Panel.

145.8 Final Modification Reports

- a) Modification 0410 0410A - Responsibility for gas off-taken at Unregistered Sites following New Network Connections

Members determined by Panel Majority to consider the Final Modification Report at short notice.

TD explained that the Final modification Report had been amended following discussions between Ofgem and National grid Distribution, with changes being made to the legal text for Modification 0410A. The Panel was required to determine whether a further consultation should be undertaken in light of the changes. TD also questioned whether the changes to the text mirrored the Solution in the Modification.

AR explained why changes to the legal text for Modification 0410A had been made, with an effective date being specified such that there could be no retrospective application. RH was concerned that a number of parties had referenced the lack of an implementation date in their responses, and therefore suggested the Panel should reissue the modification to consultation since parties may want to change their responses now that the modification does have an effective implementation date.

AR was against a further consultation: the only issue is implementation and the intent of the modification is well understood.

Members determined by Panel Majority not to issue Final Modification Report 0410(A) for further consultation. The Final Modification Report will therefore be unchanged and will remain with Ofgem awaiting their decision as to whether or not either of the modifications should be implemented.

- b) Modification 0425 - Re-establishment of Supply Meter Points – Shipperless sites

CWr advised that Transporters have received a letter from the Authority raising questions about the content of the legal text. AR suggested that it would be beneficial to review the content of the letter and consider if amendments need to be made to either the legal text or the modification, or both, before Panel makes its recommendations on the modification. CB felt that any such discussion should not be exclusively between the Proposer, national grid and Ofgem, and would prefer the letter to be published and considered by the Workgroup.

For Modification 0425, Members determined:

- The modification be issued to Workgroup 0425 for further assessment with a report presented by the October Panel;

The Workgroup is requested to:

- Consider the points raised by Ofgem;
- Clarify the solution and supporting business rules; and
- Identify an implementation path, covering the nature of the systems changes and if the modification is subject to User Pays.

145.9 Any Other Business

- a) Fast Track Self-Governance

ET asked if any party was preparing to raise a modification to implement Fast Track Self-Governance. Ofgem had indicated that they expect this to be implemented for December 2013. Transporter Members advised they were considering options in this respect.

- b) Impacts following the implementation of Modifications 0376 and 0413

ET asked if it was still National Grid NTS' intention to raise a consent to modify to resolve this issue, as discussed at the previous meeting. RH advised that he would investigate and report back at the next meeting.

145.10 Conclude Meeting and Agree Date of Next Meeting

10:30 15 August 2013, at the ENA.