

UNC Workgroup 0647 Minutes
Opening Class 1 reads to Competition
Thursday 23 August 2018
at Elexon, 350 Euston Road, London, NW1 3AW

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Kully Jones (Secretary)	(KJ)	Joint Office
Chris Barker*	(CB)	BUUK
Chris Warner	(CW)	Cadent
David Mitchell	(DM)	SGN
Edward Fyfe	(EF)	SGN
Ellie Rogers	(ER)	Xoserve
John Cooper*	(JC)	BUUK
Kate Mulvany	(KM)	British Gas
Lesley Bowen*	(LB)	EDF
Lorna Lewin	(LL)	Orsted
Mark Jones	(MJ)	SSE
Matthew Payne	(MP)	SGN
Megan Coventry	(MC)	SSE
Nirav Viyas	(NV)	Gemserve
Rachel Hinsley	(RH)	Xoserve
Radhika Kalra*	(RK)	EON
Richard Pomroy*	(RP)	Wales & West Utilities
Shaheeni Vekaria	(SV)	Utility Warehouse
Shanna Key*	(SK)	Northern Gas Networks
Shelley Rouse	(SR)	Gemserve
Simon Harris*	(SH)	Xoserve
Steve Mulinganie	(SM)	Gazprom
Steven Britton	(SB)	Cornwall Insight
Steve Ladle	(SL)	Gemserve

**via teleconference*

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0647/230818>

The Workgroup Report is due to be presented at the UNC Modification Panel by 20 December 2018.

1. Introduction and Status Review

1.1. Approval of Minutes (26 July 2018)

The minutes from the previous meeting were approved.

2. MPU Agreement

This agenda item was not considered.

3. Business Rules

This agenda item was not considered.

4. Daily Read Error

This agenda item was not considered.

5. Transitional arrangements

Richard Pomroy (RP) provided a brief update on the amended Modification which included a clean-up exercise to make some minor changes in relation to the removal of 'first in line' references. In addition, it was identified that one NTS direct connect was not telemetered. This is being investigated by Phil Lucas at National Grid and if proved to be correct will require clarification.

The solution section also contains the addition of a sentence in relation to the "UNC TPD related document Guidelines for Sub-Deduct Arrangements (Prime and Sub-deduct Meter Points) will need review and amendment to reflect the changes in Class 1 arrangements." This was due to at least one site being a sub deduct in Class 1.

It was also suggested that further clarification was required in relation to the provision of access to equipment at military and government sites.

New Action 0801: Wales & West Utilities (RP) to amend the Modification to include a reasonable endeavours response in relation to the provision of access to equipment at restricted access sites such as military and government sites.

In response to Chris Warner (CW) who asked if it is the intention of IGTs to also raise a parallel modification that aligns with Modification 0647 and RP who suggested that it would be helpful to have a 'minded to' position in relation to IGTs; SL confirmed that IGT UNC have had an initial discussion and a Modification is expected to be raised by one of the IGTs.

A further brief discussion took place in relation to whether Transporters should have step-in rights in relation to non-compliance as the Modification does not propose any read provision performance incentives on Shippers as the UNC currently does for Transporters. It was suggested that a view from the Performance Assurance Committee (PAC) might be helpful. Workgroup participants raised a concern in relation to the exposure of UIG risk should Shippers fail to provide reads as Class 1 is mandatory, there wouldn't be an option to change the site to Class 4, as is being proposed in another modification for poorly performing Class 2 and 3 sites.

BF confirmed that PAC has a role in relation to data quality and risks to settlement in terms of under-performance on Class 1 reads and an option is for PAC to create an appropriate incentive or incentives.

New Action 0802: Wales & West Utilities (RP) to consider if any further clarification is needed in the modification on non-compliance of Class 1 meter read provision and follow up actions

Rachel Hinsley (RH) provided a presentation (titled UNC Modification 0647 – Introducing Competition into DM Meter Reading) in response to actions 0601 and 0602. She reiterated that previous discussions in the Workgroup had focussed on two solution options.

- Solution Option 1 - Retaining the principle of DM Mandatory Requirement in UNC and maintaining the SMPs as Class 1 within UK Link systems
- Solution Option 2 - Retaining the principle of the DM Mandatory Requirement in UNC and utilising Class 2 in UK Link systems for Supply Meter Points meeting the Class 1 Requirement.

RH highlighted that Option 1 requires amendment to Portal screens; whereas Option 2 is very complex requiring many validation changes to ensure that downstream processing is not impacted. She confirmed that Xoserve are happy to undertake an impact assessment of both options but would be seeking a view from the Workgroup if this is still required given the complexity of option 2.

In terms of transition (see slide 4) RH explained the implications of a hard cutover immediately following the implementation date requiring Shippers to provide meter readings for DM Mandatory SMPs. She also explained that each option provides different challenges and can be assessed against a set of transition criteria, for example impact to UK Link systems, UK Link User systems, other users, UNC etc.

Slides 5 – 8 set out the impact for hard cutover and for a transitional period for each of the solution options.

In relation to risks she highlighted that there is a concern about at what point Xoserve stop accepting a DLC file.

Lorna Lewin (LL) asked if the logical meter point numbers for these sites would still apply for option 1 and would they be aggregated for option 2? In relation to a change of supplier she asked if there would need to be requirement to identify DM mandatory in Shipper and CDSP files where the Class 2 process is being used? She also had a question about batch processes falling over in relation to liabilities and whether this is being considered as part of option 1 as it provides a smoother flatter profile.

RH advised that there is a level of detail still to be worked through and details added to the Modification. The view is logical numbers will be retained and that there is likely to be an impact on Shipper systems to flag Class 1 sites. Both the CDSP and Shippers systems would need to be ready prior to implementation.

In addition, there would need to be rules developed against scenarios to manage issues such as change of supplier at the time of cut over etc.

RH sought Workgroup participants views given that Xoserve's assessment is that solution option 2 should be disregarded and did Workgroup want to consider ratification of option 1 by DSC Change Management Committee or by DSG? She sought views on whether a ROM is needed and hard versus soft cutover.

There was unanimous agreement within the Workgroup to consider only solution option 1. It was agreed that Xoserve should develop the business rules in relation to both hard and soft cutover.

New Action 0803: Xoserve (RH) to develop the business rules for solution option 1 for both hard and soft cutover. To also consider the transitional and enduring rules for change of Shipper and change of Supplier processes

BF suggested that it is too early to consider development of the ROM given the work needed on the enduring and transition rules.

LL highlighted the significant changes to Shipper systems that would be needed to implement the changes set out in this modification.

6. Review of Outstanding Actions

Action 0601: Xoserve to provide a summary of the potential Transitional Solutions for consideration at the July meeting.

Update: This was included on the agenda under item 5.0 so this action was closed. **Closed**

Action 0602: All parties to consider the Modifications transitional arrangements and provide a view by August meeting including Procurement and Gemini.

Update: This was included on the agenda under item 5.0 so this action was closed. **Closed**

Action 0701: Transporters to provide an update of types of equipment that was presently installed on each site, what the contractual arrangements are currently in place and if there would be an option for purchase.

Update: Cadent and Wales & West Utilities confirmed that they contract with National Grid Metering who provide the equipment and meter reading services. SGN and NGN both confirmed that they own their own data loggers. Matthew Payne (MP) indicated that the data loggers were not adaptable for third party use. Steve Mulinganie (SM) queried compliance with GM7 and requested that Transporters be asked to provide more information. It was suggested that the Workgroup Report include clarification of how each Transporter operates.

It was agreed that this action be closed and a new action raised requesting Transporters to provide a view on the approach to be taken for the transitional arrangements. **Closed**

New Action 0804: Transporters to provide a view on the approach to be taken for support transitional arrangements from the current to the future regime.

7. Next Steps

BF sought Workgroup views on whether a joint Workgroup with IGTs was needed if an IGT Modification was developed. SL agreed that there is a potential impact on IGTs and welcomed the opportunity to work together on the development of the solution and consideration of the cross-code impacts.

BF confirmed that the next meeting would consider the

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
10:30 Thursday 27 September 2018	Radcliffe House, Blenheim Court, Warwick Road, Solihull, B91 2AA	<ul style="list-style-type: none">Agenda to be confirmed

Action Table (as at 23 August 2018)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0601	28/06/18	2.0	Xoserve to provide a summary of the potential Transitional Solutions for consideration at the July meeting.	Xoserve (DA)	Closed
0602	28/06/18	2.0	All parties to consider the modifications transitional arrangements and provide a view by August meeting including Procurement and Gemini.	All	Closed
0701	26/07/18	5.0	Transporters to provide an update of types of equipment that was presently installed on each site, what the contractual arrangements are currently in place and if there would be an option for purchase.	Transporters	Closed
0801	23/08/18	5.0	Wales & West Utilities (RP) to amend the Modification to include a reasonable endeavours response in relation to the provision of access to equipment at restricted access sites such as military and government sites.	Wales & West Utilities (RP)	Pending
0802	23/08/18	5.0	Wales & West Utilities (RP) to consider if any further clarification is needed in the modification on non-compliance of Class 1 meter read provision and follow up actions	Wales & West Utilities (RP)	Pending
0803	23/08/18	5.0	Xoserve (RH) to develop the business rules for solution option 1 for both hard and soft cutover. To also consider the transitional and enduring rules for change of Shipper and change of Supplier processes	Xoserve (RH/ER)	Pending
0804	23/08/18	5.0	Transporters to provide a view on the approach to be taken for support transitional arrangements from the current to the future regime.	Transporters	Pending