

UNC Workgroup 0652 Minutes
Introduction of winter read/consumption reports and associated obligations

Monday 07 January 2019

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

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuiin (Secretary)	(HCu)	Joint Office
Carl Whitehouse	(CWh)	First Utility
Chris Warner	(CW)	Cadent
Dave Addison	(DA)	Xoserve
John Welch	(JW)	npower
Kirsty Dudley*	(KD)	E.ON UK
Lorna Lewin*	(LL)	Orsted
Richard Johnston	(RJ)	Xoserve
Richard Pomroy*	(RP)	Wales & West Utilities
Shanna Key	(SK)	Northern Gas Networks
Steve Ladle*	(SL)	Gemserv
Steve Mulinganie	(SM)	Gazprom
Tracey Saunders	(TS)	Northern Gas Networks

**via teleconference*

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0652/070119>

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 January 2019.

1. Introduction and Status Review

1.1. Approval of Minutes (07 December 2018)

The minutes from the previous meeting were approved.

2. Review of Legal Text

TS provided the Legal Text commentary and amended Legal Text. It was agreed that the commentary and Legal Text would be incorporated into the Workgroup Report subject to further minor amendments.

The Workgroup considered the provided Legal Text, it was noted that the square brackets could now be removed and that the reference to AQ should refer to Annual Quantity. JW noted that the Legal Text commentary should refer to winter consumption data not reads. This was all agreed and captured.

The Workgroup discussed the reporting being considered by the Performance Assurance Committee (PAC) and the process of having a default Winter Annual Ratio (WAR) band. This was a pre-existing process for the calculation of the WAR band.

SM believed there was a potential issue with the Legal Text having no reasonableness test included, thus making the provision of consumption data an explicit obligation. He questioned if this was reasonable and if the principle of having no reasonable endeavours should be considered otherwise parties might be placed in breach for circumstances out of their control. SM suggested that there may be some circumstances where the obligation cannot be achieved.

The Workgroup Report was updated to reflect that some parties believed that as the Legal Text does not provide a reasonable endeavours test for a party to comply to the obligations, it could be considered unreasonable and have a material change to the current contractual position established in Code. It was agreed that this statement could be removed if the Modification was amended to include a reasonable test prior to the Workgroup Report being submitted to Panel.

DA enquired about the PAC measure and expectation to meet 100% data provision. DA suggested that if PAC are not expecting to achieve 100% if there was a prevailing performance target. JW believed the current data provision process is running around 75%. It was recognised this needed to be improved. BF also enquired about possible system failures or site closures and how these would be managed. JW explained that PAC will monitor various stages of the process, and historical performance.

SL referred to UNC TPD Section M 5.9.1 (d) where it states that Shipper Users shall take all reasonable steps to obtain and submit a Valid Meter Reading at least once per month. It was suggested that similar wording is used within the Legal Text for the provision of data to be on a reasonable endeavours basis. It was recognised that the solution would need to be clear to allow the Legal Text to be updated.

SK understood the Modification was about the provision of meter consumption data based on the meter reads provided.

It was agreed that the Modification should be amended and that the Legal Text would also need to be amended in line with the additional reasonable endeavours test. BF outlined the deadlines to ensure the Workgroup could still report to Panel in January it was recommended that the Legal Text should be made available ready for consultation.

SL confirmed that as IGTs have a link to Section M5.9 and that the insertion of this obligation into the UNC would also obligate the IGTs with the new provision and that an IGT Modification would not be required.

3. Consider Self-Governance

The Workgroup considered the status of the Modification and whether the change was likely to have a material effect. It was noted that Unidentified Gas (UIG) has a material effect, and that the sites not being updated could be contributing to UIG with an estimated impact of 0.15% on annual throughput. It was therefore considered this Modification would have a material impact and an Authority decision was appropriate.

SL challenged that if the vast amount of parties were submitting reads as required under current obligations, this Modification would not be required. This Modification was therefore being introduced to ensure there is a monitoring process. SM pointed out this Modification also facilitates the provision of winter consumption data if reads are available.

4. Completion of Workgroup Report

JW agreed to amend the solution to include a reasonableness test, following this TS agreed that the Legal Text would be amended to enable the Workgroup Report to be finalised by 09 January and allow submission to the January UNC Panel Meeting.

It was also agreed that earlier comments captured in the Workgroup Report relating to reasonable endeavours, could be removed. The Workgroup was therefore considered complete.

5. Review of Outstanding Actions

1101: npower (JW) for consistency, to update the Modification solution to link with the Legal Text. The solution in the Modification needs to drive the Legal Text. JW to insert a separate paragraph that describes the specific part of the solution – to add clarity.

Update: Action superseded. See item 2.0. **Closed.**

1102: re: Legal text 5.9.17: npower (JW) check with Xoserve who gets winter consumption data at the moment, if lower

Update: JW confirmed, not lower than EUC band 3. **Closed.**

6. Next Steps

Modification solution and legal text to be amended. Workgroup Report to be submitted to the January UNC Panel Meeting.

7. Any Other Business

None.

8. Diary Planning

No further meetings planned.

Action Table (as at 07 January 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1101	19/11/18		npower (JW) for consistency, to update the modification solution to link with the suggested legal text. The solution in the modification needs to drive the legal text. To insert a separate paragraph that describes the specific part of the solution – to add clarity.	npower (JW)	Closed
1102	19/11/18		re: 5.9.17: npower (JW) check with Xoserve who gets winter consumption data at the moment, if lower level than EUC band 3, the wording on the modification needs to be amended.	npower (JW)	Closed