

UNC Workgroup 0694R Minutes
CDSP provision of Class 1 Read service

Thursday 26 September 2019

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

Attendees

Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Loraine O'Shaughnessy	(LO)	Joint Office
Maitrayee Bhowmick-Jewkes	(MBJ)	Joint Office
Alexander Mann	(AM)	Gazprom Energy
Andy Clasper	(AC)	Cadent
Brandon Rodrigues*	(BR)	ESP Utilities
Carl Whitehouse*	(CW)	First Utility
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
Darren Lond*	(DL)	National Grid
Ellie Rogers	(ER)	Xoserve
Gurvinder Dosanjh	(GD)	Cadent
Kirsty Dudley*	(KD)	E.ON
Lorna Lewin	(LL)	Orsted
Louise Hellyar*	(LH)	Total Gas & Power
Megan Coventry*	(MC)	SSE
Mark Jones	(MJ)	SSE
Oorlagh Chapman*	(OR)	British Gas
Paul Youngman*	(PY)	Draxx
Richard Pomroy	(RP)	Wales & West Utilities
Sally Hardman*	(SH)	SGN
Stephanie Clements	(SC)	Scottish Power (0699 only)
Steve Britton*	(SB)	Cornwall Insights
Tracey Saunders	(TS)	Northern Gas Networks

**via teleconference*

Copies of all papers are available at: www.gasgovernance.co.uk/0694/260919

The Workgroup Report is due to be presented at the UNC Modification Panel by 19 December 2019.

1.0 Introduction and Status Review

1.1. Approval of Minutes (22 August 2019)

The minutes from the previous meeting were accepted.

1.2. Review of Outstanding Actions

There were no outstanding actions.

2.0 Amended Modification

Richard Pomroy (RP) provided an update and explained he has produced a draft Modification Proposal. When reviewing the draft proposal RP asked Workgroup to consider the impact to

Central Systems, Shipper/CDSP and DMSP systems, the commercial arrangements between DNOs and DMSPs and the implementation date.

RP advised that this draft Modification is based largely on Modification 0647 – Opening Class 1 Reads to Competition, with some amendments and went on to provide Workgroup with a detailed explanation of Section 5 – Solution.

Workgroup discussions are as detailed below:

RP advised it is assumed the service would be provided by the CDSP, and that there would be no changes with regards to the service currently provided.

RP then asked Workgroup to consider the current process and timescales for the provision of the meter readings to the Shipper by 1100 on D. There was some discussion regarding timing, but no definitive view expressed

The Shipper participants of the Workgroup asked if, when the CDSP take the process over, would the service levels be seamless? Richard Pomroy (RP) confirmed that the existing contracts would be novated to the CDSP and Ellie Rogers (ER) provided clarity that CDSP would not be looking to change the current process and would manage it as done currently.

KD questioned that, if a hardcoded time (1100) is put into Code, she is concerned there will be a wait until that specific time to provide the read to the Shipper (1100). RP reiterated that should this transfer to the CDSP, current contracts would be novated for the remainder of their term, at which point CDSP may consider running a procurement exercise. RP said that the line 'such time as defined in the CDSP service line' could be put into code rather than a set time. KD agreed that would allow flexibility to get any future changes processed quicker as opposed to a raising a UNC modification to change the timing.

Paul Youngman (PY) asked when DNOs would remove the DM read and DM asset charges from their metering charging statements, advising that this is currently an obligation of DNOs and asked where that obligation and liability payments would move to. RP advised the CDSP would provide the service, but he is not proposing that CDSP would take on the liability payments.

It was clarified that the existing service is viewed as a high quality service, and although the Class 1 reads are 95% at the moment, this is largely due to validation issues rather than DMSP not providing the reads in the first place.

KD said there could be liabilities if a 3rd party should pick up a liability regime. In the interim, until novated over to CDSP, RP confirmed DNOs would be responsible.

RP asked Workgroup to bear in mind Shipper liability payments received in the last year or so, whereas he understands there some payments being made, he suggested the amount is not material.

When asked, RP advised the contract ends in March 2020, but there is provision for one-year extensions. Depending on how discussions go with DMSPs, there may be a need to extend the contracts by one-year in the next couple of months then the CDSP, depending on resource and Shipper appetite, may seek a further extension depending on procurements.

RP clarified the DN Licence does not include an obligation to provide the service, but the reading charge is subject to a price cap in the DN Licence.

RP advised he intends to present this Modification to the October UNC Panel, but will most likely be the November panel once the feedback and concerns from this meeting has been taken into consideration.

Brandon Rodrigues (BR) clarified that, until this Modification is implemented, and the contracts novate, the current arrangements would apply. Should the Modification be implemented, he supported the principle that CDSP should not acquire any of liability payment obligations even though they would cease to apply to the DNOs.

When the implementation date was considered, the Shippers participants confirmed that they would prefer implementation during the summer.

3.0 Consideration of Draft Modification

The discussion for this agenda item was superseded by the provision of the draft Modification as detailed in agenda item 2.0.

4.0 Consideration of Business Rules

The discussion for this agenda item was superseded by the provision of the draft Modification as detailed in agenda item 2.0.

5.0 Review of Impacts and Costs

The discussion for this agenda item was superseded by the provision of the draft Modification as detailed in agenda item 2.0.

6.0 Development of Workgroup Report

The discussion for this agenda item was superseded by the provision of the draft Modification as detailed in agenda item 2.0.

7.0 Next Steps

AR summarised the next steps:

- RP will consider the feedback received from today's meeting.
- The intention is to present the Modification to the October UNC Panel, however, based on time constraints, this may be November UNC Panel.
- It was confirmed that Modification 0694R will remain open until such time a request to close the Review Group can be made at UNC Panel, which would be linked to when the new Modification is presented.
- RP will raise the new draft Modification officially as soon as possible.

8.0 Any Other Business

None raised.

9.0 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 24 October 2019	Elexon, 350 Euston Road, London, NW1 3AW	<ul style="list-style-type: none">• Amended Modification• Consideration of Business Rules• Review of Impacts and Costs.

Action Table (as at 26 September 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			No outstanding actions		