

Record of Determinations: Panel Meeting 18 September 2014

Modification	Vote Outcome	Shipper Voting Members					Transporter Voting Members					Consumer Representative	Determination Sought
		AB	AG	AM	PB	CB	CW	EM	JF	RP	SM	CA	
0512 - Amendment to Section M to be consistent with Faster Switching proposals	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Is Modification related to Significant Code Review
	Is a Self-Governance Modification - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Does Modification satisfy the Self-Governance criteria
	Not issued to consultation - with 1 vote in favour and 10 votes against	X	X	✓	X	X	X	X	X	X	X	X	Should DMR be Issued to Consultation
	Issued to Workgroup 0512S - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Refer to Workgroup 0512S for assessment
	Workgroup to report by the November 2014 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the November 2014 Panel
0514 - Extending the Daily Metered 'voluntary' service to Project Nexus Implementation Date plus six months	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Is Modification related to Significant Code Review
	Is not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0514 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Refer to Workgroup 0514 for assessment
	Workgroup to report by the January 2015 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the January 2015 Panel
0515 - Resolution timescales for SRVs and USRVs following Project Nexus Implementation	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Is Modification related to Significant Code Review
	Is a Self-Governance Modification - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0515S - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Refer to Workgroup 0515S for assessment

	Workgroup to report by the January 2015 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the January 2015 Panel
0452V - Introduction of the Planning and Advanced Reservation of Capacity Agreement (PARCA)	Consideration Deferred to the November Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Defer Consideration to November 2014 Panel
0465V - Introduction of the Planning and Advanced Reservation of Capacity Agreement (PARCA), Weighted Average PARCA Security	Consideration Deferred to the November Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Defer Consideration to November 2014 Panel
0440 – Project Nexus – iGT Single Service Provision	Consideration Deferred to the November Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Defer Consideration to November 2014 Panel
0451AV – Individual Settlements for Pre-Payment & Smart Meters	Issued to DESC - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Refer to DESC for further consideration
	DESC requested to report by the November 2014 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Request DESC to report by the November 2014 Panel
0473 0473A - Project Nexus – Allocation of Unidentified Gas	Consider at short notice - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be considered at short notice?
	Issued to Workgroup 0473 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Refer to Workgroup 0473 for further assessment
	Workgroup to report by the October 2014 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the October 2014 Panel
0487S – Introduction of Advanced Meter Indicator and Advanced Meter Reader (AMR) Service Provider Identifier	Consider at short notice - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be considered at short notice?
	Proceed to consultation - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should DMR be Issued to Consultation
	Legal text not required - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Is further Legal text required for inclusion in DMR
	Cost estimate not required - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Is a Cost estimate required for inclusion in DMR
	Consultation to close out on 08 October - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should consultation end on 08 October 2014 (<15 days)
	Consider at short notice at the October Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be considered at short notice at the October Panel?

0511 - Introduction of an Enduring Solution for managing Advanced Meters in central systems post Nexus	Workgroup to report by November 2014 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Extend Workgroup reporting date to November 2014 Panel
0466A - Daily Meter Reading Simplification (with improved within day data provision)	Legal text requested - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	To request legal text
0493 - EU Gas Balancing Code - Daily Nominations at Interconnection Points (IP)	Legal text requested - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	To request legal text
0500 - EU Capacity Regulations - Capacity Allocation Mechanisms with Congestion Management Procedures	Legal text requested - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	To request legal text
0501 - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations	Legal text requested - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	To request legal text
0501A - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations	Legal text requested - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	To request legal text
0507 - Changing the Effective Date of 0451AV (Individual Settlements for Pre-Payment & Smart Meters)	New issues identified, returned to Workgroup - unanimous vote if favour	X	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implementation not recommended - with 1 vote in favour			✓										Should Modification be implemented (only votes in favour recorded)

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

UNC Modification Panel

Minutes of the 166th Meeting held on Thursday 18 September 2014 at ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

Attendees

Voting Members:

Shipper Representatives	Transporter Representatives	Consumer Representative
A Barnes (AB), Gazprom A Green (AG), Total A Margan* (AMa), British Gas P Broom (PB), GDF Suez C Baldwin (CB), E.ON UK	C Warner (CW), National Grid Distribution E Melen (EM), Scotia Gas Networks J Ferguson (JF), Northern Gas Networks R Pomroy (RP), Wales & West Utilities S McGoldrick (SM), National Grid NTS	C Alexander (CA), Citizens Advice

Non-Voting Members:

Chairman	Ofgem Representative
L Jenkins (LJ), Joint Office	A Rooney (ARo), Ofgem

Also in Attendance:

A Miller (AMi), Xoserve; K Elliott-Smith (KES), Cornwall Energy and R Fletcher (RF), Secretary

* by teleconference

Record of Discussions

166.1 Note of any alternates attending meeting

A Margan for C Wright (British Gas)

C Baldwin for R Fairholme (E.ON UK)

E Melen for A Musgrave (Scotia Gas Networks)

R Pomroy for S Edwards (Wales & West Utilities)

S McGoldrick for R Hewitt (National Grid NTS)

166.2 Record of Apologies for absence

A Musgrave, C Wright, R Fairholme, R Hewitt and S Edwards.

166.3 Minutes and Actions of the Last Meeting(s)

Members approved the minutes from 21 and 26 August and 05 September meetings.

166.4 Consider Urgent Modifications

- a) Modification 0513 - UK Link Programme (Project Nexus) - independent project assurance for Users

LJ explained that the decision for this modification had not been received. AR advised that consideration is ongoing though it is anticipated a decision would be made soon.

166.5 Consider New, Non-Urgent Modifications

- a) Modification 0512 - Amendment to Section M to be consistent with Faster Switching proposals

AMa introduced the modification and its aims. CW advised that there is an issue with the solution as there is a mismatch between the Solution and Suggested Text. The Solution should be amended, as the Suggested Text appears to be correct.

AMa explained that a delay would prevent the modification being implemented in time for the implementation date for Modification 0477 and this may cause a conflict in UNC. CB challenged the potential impacts on the K14 file and whether these had been fully considered.

It was suggested that Panel request text for the modification, however Transporters were of the opinion that the modification should be fully developed before the text was formally requested, even though this may delay the process.

For Modification 0512, 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 met as this modification is

not expected to have a material impact on competition or consumers;

- That modification 0512S be issued to Workgroup 0512S for assessment with a report presented by the November 2014 Panel.

b) Modification 0514 - Extending the Daily Metered 'voluntary' service to Project Nexus Implementation Date plus six months

CW introduced the modification and its aims. CA asked what type of consumers would be impacted by this modification? CW clarified that these were mainly larger consumers as Suppliers have obligation to provide daily read information for these sites and this modification offers transitional arrangements to reduce impacts on Shippers during Nexus go-live.

PB asked what class the consumers would move to during transition? AMi confirmed it would be Class 1 unless the Shipper elects to amend the class.

RP had a number of concerns about this modification and would like these considered by the Workgroup. He was concerned that this modification was proposing to extend the DMV service past Nexus go-live date when DMV is a loss making service for transporters.

CB felt the main driver for the modification is transitional, as existing Supply Points would be migrated to Class 4 without it, which would be unacceptable during transition.

For Modification 0514, 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 competition or consumers
- That Modification 0514 be issued to Workgroup 0514 for assessment with a report presented by the January 2015 Panel.

Some Panel Members requested Workgroup 0514 to arrange its meetings to coincide with the meetings of the Distribution Workgroup.

c) Modification 0515 - Resolution timescales for SRVs and USRVs following Project Nexus Implementation

CW introduced the modification and its aims.

For Modification 0515, 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 met as this modification is not expected to have a material impact on competition or consumers;

- That Modification 0515S be issued to Workgroup 0515S for assessment with a report presented by the January 2015 Panel.

166.6 Existing Modification Proposals for Reconsideration

- a) Modification 0452V - Introduction of the Planning and Advanced Reservation of Capacity Agreement (PARCA)

AR advised that they are currently conducting the consultation process for licence changes related to this modification and once these are resolved the decision process would continue.

Members unanimously determined to defer further consideration of this modification until the November meeting.

- b) Modification 0465V - Introduction of the Planning and Advanced Reservation of Capacity Agreement (PARCA), Weighted Average PARCA Security

See discussion for Modification 0452V.

Members unanimously determined to defer further consideration of this modification until the November meeting.

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

AR explained that Ofgem were of the opinion that this modification should be considered alongside Modification 0467 which has delayed the decision process. In addition, they were considering related changes to the iGT licence.

Members unanimously determined to defer further consideration of this modification until the November meeting.

166.7 Consider Workgroup Issues

Workgroup Reports for Consideration

- a) Modification 0451AV – Individual Settlements for Pre-Payment & Smart Meters

LJ advised that DESC had provided an interim report on the progress made to develop the prepayment meter profile and that they had requested an extension to the reporting date to ensure analysis was concluded.

Members accepted the recommendations of the interim report:

- It should be returned to DESC with a report requested by the November 2014 Panel.

- b) Modification 0473 0473A - Project Nexus – Allocation of Unidentified Gas

AMa explained that Modification 0473A required further assessment before it would be considered suitable to be issued to consultation. They were working on updating the Solution following discussions on the transitional arrangements with Transporters and this should now lead to the provision of Legal text.

AB was concerned that the process is being delayed and is there any certainty that priority will be given to updating Modification 0473A within a reasonable time to prevent further delaying 0473. JF confirmed that text couldn't be produced at this time due to gaps in Modification 0473A and this would require amendment to the modification.

Members accepted the recommendations in the Workgroup Report:

- It should be considered at short notice;
- It should be returned to Workgroup 0473 with a report presented by the October 2014 Panel;
- To consider the Workgroup Report at short notice at the October Panel meeting.

c) Modification 0487S – Introduction of Advanced Meter Indicator and Advanced Meter Reader (AMR) Service Provider Identifier

PB asked how long the modification is likely to be in place until Nexus is delivered, is it worth the cost of implementation? AMi advised that the changes were straightforward and could be implemented quickly from a UNC perspective. CB challenged this would be straightforward for Shippers as some had advised the UK Link Committee that they needed 6 months or more to implement. LJ advised that this should be considered during consultation and clarity sought in representations.

RP was concerned the implementation may not deliver the benefits in the prescribed timescales should implementation be delayed.

AG asked if the data used for populating this modification will be used post Nexus. AMi confirmed the data would be used, though it would not be as comprehensive as that proposed for post Nexus.

JF confirmed that legal text is suitable for inclusion in the Draft Modification Report.

Panel requested that following question be highlighted in the consultation response template:

“Respondents to indicate, recognising the solution only applies pre Nexus, their expected systems implementation lead time for this modification should it be implemented, to help Panel consider the merits of this modification.”

Members accepted the recommendations in the Workgroup Report:

- It should be considered at short notice;
- 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; and
- Consultation should close on 08 October 2014.

Consideration of Workgroup Reporting Dates and Legal Text Requests:

Members determined unanimously to extend the following Workgroup reporting dates:

Workgroup	Reporting Date
0511 - Introduction of an Enduring Solution for managing Advanced Meters in central systems post Nexus	November 2014

Members determined unanimously to request Legal text for the following modifications:

Modification
0466A - Daily Meter Reading Simplification (with improved within day data provision)
0493 - EU Gas Balancing Code - Daily Nominations at Interconnection Points (IP)
0500 - EU Capacity Regulations - Capacity Allocation Mechanisms with Congestion Management Procedures
0501 - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations
0501A - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations

166.8 Final Modification Reports

- a) Modification 0507 - Changing the Effective Date of 0451AV (Individual Settlements for Pre-Payment & Smart Meters)

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0507

Members determined, with one vote in favour, not to recommend implementation of Modification 0507.

166.9 Any Other Business

- a) Panel Chair Recruitment

LJ advised that the Panel Chair recruitment process had concluded with the appointment of Alex Plant, who would commence the role from the December 2014 Panel.

b) Panel Membership

LJ advised that Shipper Panel memberships has been notified by the Gas Forum and that AB was stepping down from Panel. Members expressed their thanks for his contributions during the previous year.

Members requested confirmation that Cooperative Energy was a licenced Shipper and if not, whether they were eligible as Panel members.

166.10 Conclude Meeting and Agree Date of Next Meeting

10:30 16 October 2014, at the ENA.