

Record of Determinations: Panel Meeting 16 July 2015

Modification	Vote Outcome	Shipper Voting Members					Transporter Voting Members					Consumer Member	Determination Sought
		AG	AM	PB	RF	SM	CW	EM	FH	JF	RP		
0548 (Urgent) - Project Nexus – deferral of Implementation Date	The Panel did recommend that the modification should follow Urgent procedures with a - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Recommend to the Authority that the modification should follow Urgent procedures
0536 - Project Nexus - deferral of implementation of elements of Retrospective Adjustment arrangements	Consideration deferred to August Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		To defer consideration to next Panel meeting
0540 - Amendment to TPD Section G2.15	Is a Self-Governance Modification - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Does Modification satisfy the Self-Governance criteria
	Is a Fast Track Modification - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Does Modification satisfy the fast Track Criteria
	Implemented - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Should Modification be implemented (only votes in favour recorded)
0541 - Removal of uncontrollable UNC charges at ASEP's which include sub-terminals operating on a 06.00 to 06.00 Gas Day via an ex-ante, quantity adjustment	Is not a Self-Governance Modification - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X		Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0541 with a report presented by the November 2015 Panel - <i>with 9 votes in favour and 1 against</i>	✓	✓	✓	✓	X	✓	✓	✓	✓	✓		Issue to Workgroup 0541 with a report presented by the November 2015 Panel
0542 - Ex-ante removal of uncontrollable UNC charges at ASEP's which include sub-terminals operating on a 06.00 to 06.00 Gas Day	Is not a Self-Governance Modification - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X		Does Modification satisfy the Self-Governance criteria
	Is an alternate to Modification 0541 - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Should be considered an alternate to Modification 0541

0543 - Ex-post removal of uncontrollable UNC charges at ASEP's which include sub-terminals operating on a 06.00 to 06.00 Gas Day	Is not a Self-Governance Modification - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X		Does Modification satisfy the Self-Governance criteria
	Is an alternate to Modification 0541 - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Should be considered an alternate to Modification 0541
0545 - Changes to GDN MOD186 Publication dates	Is a Self-Governance Modification - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0545S with a report presented by the September 2015 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Issue to Workgroup 0545S with a report presented by the September 2015 Panel
0546 - Reduction of the Minimum Eligible Quantity (100,000kWh) for European IP capacity	Is a Self-Governance Modification - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0546S with a report presented by the August 2015 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Issue to Workgroup 0546S with a report presented by the August 2015 Panel
0547 - Corrections to the EID arising from implementation of Modifications 0493/0500	Is a Self-Governance Modification - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0547S with a report presented by the August 2015 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Issue to Workgroup 0547S with a report presented by the August 2015 Panel
0501 0501A 0501B 0501C - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations	Consideration deferred to August Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		To defer consideration to next Panel meeting
0468 - Unique Property Reference Number (UPRN) Population by Gas Transporters	Workgroup to report by October 2015 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Extend Workgroup reporting date to October 2015 Panel

0520 - Performance Assurance Reporting	Workgroup to report by September 2015 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Extend Workgroup reporting date to September 2015 Panel
0526 - Identification of Supply Meter Point pressure tier	Workgroup to report by October 2015 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Extend Workgroup reporting date to October 2015 Panel
0528 - Implementation of Supply Point Administration, gas allocation and settlement arrangements (Project Nexus transitional modification)	Workgroup to report by September 2015 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Extend Workgroup reporting date to September 2015 Panel
0531 - Provision and Development of Industry Testing Prior to Nexus Go- live	Workgroup to report by September 2015 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Extend Workgroup reporting date to September 2015 Panel
0532 -Implementation of Non-Effective Days (Project Nexus transitional modification)	Workgroup to report by September 2015 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Extend Workgroup reporting date to September 2015 Panel
0534S - Maintaining the efficacy of the NTS Optional Commodity ('shorthaul') tariff at Bacton entry points	Legal Text requested - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Request Legal Text
0546 - Reduction of the Minimum Eligible Quantity (100,000kWh) for European IP capacity	Legal Text requested - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Request Legal Text
0547 - Corrections to the EID arising from implementation of Modifications 0493/0500	Legal Text requested - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Request Legal Text
0510 - Reform of Gas Allocation Regime at GB Interconnection Points	Variation is material - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Is the Variation material

0510V - Reform of Gas Allocation Regime at GB Interconnection Points	Is not a Self-Governance Modification - <i>unanimous vote in against</i>	X	X	X	X	X	X	X	X	X	X		Does Modification satisfy the Self-Governance criteria
	Proceed to Consultation - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Should DMR be Issued to Consultation (includes a deemed request for Legal Text)
	Legal text not required - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X		Is further Legal text required for inclusion in DMR
	Cost estimate not required - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X		Is a Cost estimate required for inclusion in DMR
	Consultation to close out on 06 August 2015 - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Should Consultation end on 06 August 2015
0518S - Shipper Verification of meter and address details following system meter removals	No new issues identified - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X		Did consultation raise new issues
	Implemented - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Should Modification be implemented (only votes in favour recorded)
0523S - Supply Point Registration – Facilitation of 'faster switching' for Shared Supply Meter Points	No new issues identified - <i>unanimous vote against</i>	X	NP	X	X	X	X	X	X	X	X		Did consultation raise new issues
	Implemented - <i>unanimous vote in favour</i>	✓	NP	✓	✓	✓	✓	✓	✓	✓	✓		Should Modification be implemented (only votes in favour recorded)
0525 - Enabling EU Compliant Interconnection Agreements	No new issues identified - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X		Did consultation raise new issues
	Implementation recommended - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Should Modification be implemented (only votes in favour recorded)

0529 - Implementation of Retrospective Adjustment arrangements (Project Nexus transitional modification)	No new issues identified - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X		Did consultation raise new issues
	Implementation recommended - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Should Modification be implemented (only votes in favour recorded)

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

UNC Modification Panel

Minutes of the 179th Meeting held on Thursday 16 July 2015 at ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

Attendees

Voting Members:

Shipper Representatives	Transporter Representatives	Consumer Representative
A Green (AG), Total A Margan* (AM), British Gas P Broom* (PB), GDF Suez R Fairholme (RF), E.ON UK S Mulinganie (SM), Gazprom	C Warner (CW), National Grid Distribution E Melen (EM), Scotia Gas Networks F Healy (FH), National Grid NTS J Ferguson (JF), Northern Gas Networks R Pomroy (RP), Wales & West Utilities	

Non-Voting Members:

Chairman	Ofgem Representative
A Plant (AP), Chair	A Lam

Also in Attendance:

C Rossi* (CR), ExxonMobile; N Wye* (NW), WatersWye; H Chapman (HC), Xoserve; K Elliott-Smith (KES), Cornwall Energy; L Jenkins (LJ), Joint Office and R Fletcher (RF), Secretary.

* *via teleconference*

Record of Discussions

179.1 Note of any alternates attending meeting

R Pomroy for S Edwards (Wales & West Utilities)

179.2 Record of Apologies for absence

C Alexander and S Edwards

179.3 Minutes and Actions of the Last Meeting(s)-

Members approved the minutes from the previous meeting (18 June 2015).

179.4 Consider New Urgent Modifications

a) 0548 - Project Nexus – deferral of Implementation Date

AP explained the Urgent Modification procedures and the qualifying criteria. CW explained the intent of the modification and that urgent procedures have been requested to remove uncertainty as to the Project Nexus Implementation Date.

SM was concerned that the checkpoints for implementation and testing have yet to be agreed by the industry. He questioned why the modification seemed to go further than was recommended by the Nexus steering group.

CW was of the opinion that this modification fits with the recommendations of the Nexus steering group. This view was confirmed by LJ.

FH asked what is being done to ensure that the impacts of central system change congestion is being considered. HC advised that Xoserve monitors UNC changes and they would feed the information to the relevant proposers to influence implementation considerations. LJ advised that UKLink Committee would consider this.

PB asked if the full Modification 0434 scope is included in the testing schedule proposed. CW advised that some elements that are riskier than others would need to be considered for phase II (e.g address and asset information updates).

CW confirmed that this modification places no requirement/obligation on Ofgem to consult with the industry before making any change to the Project Nexus Implementation Date.

SM suggested that consultation for this modification should be extended from the suggested 5 Days to 10 Days. RF asked if it is proposed to discuss the modification in a workgroup during consultation. CW confirmed this was not proposed, as the modification should be understood.

The consensus view of members was that consultation should be extended to 10 Days.

Members then determined to recommend that Modification 0548 should follow Urgent procedures.

179.5 Consider New Non-Urgent Modifications

- a) Modification 0536 - Project Nexus - deferral of implementation of elements of Retrospective Adjustment arrangements

CW explained that following discussions with Ofgem he been encouraged not to withdraw the modification until there was certainty around Retrospective Updates development and implementation. This modification could be used to amend the implementation approach if such a circumstance required a review of implementation approach.

SM suggested that this modification implies the Retrospective Updates won't be implemented in line with the plan. Therefore it may not be reasonable to keep this uncertainty within the industry. A modification could be raised should the issue materialise. CW agreed to discuss withdrawal with Ofgem and report back to Panel and suggested the modification be deferred for now.

Members determined unanimously to defer consideration of Modification 0536 to the August UNC Modification Panel meeting.

- b) Modification 0540 - Amendment to TPD Section G2.15

EM advised that the modification had been raised to correct erroneous cross references within UNC TPD Section G2.15

For Modification 0540, Members determined:

- The criteria for Self-Governance are met as this modification is not expected to have a material impact on transportation, competition or consumers;
- The criteria for Fast Track Self-Governance are met as this modification is properly a housekeeping modification required as a result of some error or factual change;
- That Modification 0540FT should be implemented.

- c) Modification 0541 - Removal of uncontrollable UNC charges at ASEPs which include sub-terminals operating on a 06.00 to 06.00 Gas Day via an ex-ante, quantity adjustment

NW introduced the modification on behalf of the proposer. He explained that the Claims Validation Service Limited (CVSL) provides an upstream and downstream allocation service to enable parties to balance their allocations – the CVSL is owned by the industry.

These modifications aim to address the system balancing issues, which arise between upstream and downstream allocation due to the start of gas day changes which impact some but not all terminals.

CW asked if the proposed solutions reflect a consensus of approach or are they competing solutions that need to be considered individually. NW explained that the 3 approaches have different complexities such as system impacts or interpretation of law. This should be considered collectively and the most favourable approach implemented to comply with EU law.

NW confirmed the proposed solutions had been discussed during a DECC workgroup which included National Grid and shipper representatives.

RP asked why CVSL can't provide a solution which has no UNC impacts. NW advised that as it would be managing the allocations up and downstream it cant apply the changes equitably due to the clock differences – any impacts would fall on downstream parties as they would show an imbalance as they cant put the clock back.

PB asked which terminals are impacted and the input volumes. NW advised the majority of terminals will remain on the existing time frame and would not be impacted by these modifications.

There was a general discussion concerning the time to be allowed for Workgroup assessment with some considering a short assessment period and others suggesting a longer period of time.

For Modification 0541, Members determined:

- The criteria for Self-Governance are not met by this modification as it is expected to have a material impact on the transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes;
- That Modification 0541 is issued to Workgroup 0541 for assessment, with a report to be presented no later than the November 2015 Panel.

- d) Modification 0542 - Ex-ante removal of uncontrollable UNC charges at ASEPs which include sub-terminals operating on a 06.00 to 06.00 Gas Day

NW introduced the modification on behalf of the proposer. See discussion for 0541 above.

For Modification 0542, Members determined:

- The criteria for Self-Governance are not met by this modification as it is expected to have a material impact on the transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes;
- Is an alternate to Modification 0541 and should be renumbered to 0541A;
- That Modification 0541A is issued to Workgroup 0541 for assessment, with a report to be presented no later than the November 2015 Panel.

- e) Modification 0543 - Ex-post removal of uncontrollable UNC charges at ASEPs which include sub-terminals operating on a 06.00 to 06.00 Gas Day

NW introduced the modification on behalf of the proposer. See discussion for 0541 above.

For Modification 0543, Members determined:

- The criteria for Self-Governance are not met by this modification as it is expected to have a material impact on the transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes;
- Is an alternate to Modification 0541 and should be renumbered to 0541B;
- That Modification 0541B is issued to Workgroup 0541 for assessment, with a report to be presented no later than the November 2015 Panel

- f) Modification 0545 - Changes to GDN MOD186 Publication dates

JF introduced the modification and its aims.

For Modification 0545, Members determined:

- The criteria for Self-Governance are met by this modification as it is unlikely to have a material impact on the transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes;
- That Modification 0545S is issued to Workgroup 0545S for assessment, with a report to be presented no later than the September 2015 Panel.

- g) Modification 0546 - Reduction of the Minimum Eligible Quantity (100,000kWh) for European IP capacity

FH introduced the modification and its aims.

For Modification 0546, Members determined:

- The criteria for Self-Governance are met by this modification as it is unlikely to have a material impact on the transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes;
- That Modification 0546S is issued to Workgroup 0546S for assessment, with a report to be presented no later than the August 2015 Panel.

- h) Modification 0547 - Corrections to the EID arising from implementation of Modifications 0493/0500

FH introduced the modification and its aims.

For Modification 0547, Members determined:

- The criteria for Self-Governance are met by this modification as it is unlikely to have a material impact on the transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes;
- That Modification 0547S is issued to Workgroup 0547S for assessment, with a report to be presented no later than the August 2015 Panel.

179.6 Existing Modifications for Reconsideration

- a) Modification 0501 0501A 0501B 0501C - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations

AL advised that Ofgem were considering the responses to the impact assessment and were anticipating providing a decision over the next few days.

PB asked if there is a “minded to” view for these modifications. AL advised there was no “minded to” decision at this time.

Members then determined to recommend that Modifications 0501 0501A 0501B 0501C should be deferred and included on the agenda of the next meeting unless an Authority decision is received.

179.7 Consider Workgroup Issues

None for discussion.

179.8 Workgroup Reports for Consideration

None for discussion

179.9 Consideration of Workgroup Reporting Dates and Legal Text Requests

Members determined unanimously to extend the following Workgroup reporting dates:

Workgroup	New Reporting Date
0468 - Unique Property Reference Number (UPRN) Population by Gas Transporters	October 2015
0520 - Performance Assurance Reporting	September 2015
0526 - Identification of Supply Meter Point pressure tier	October 2015
0528 - Implementation of Supply Point Administration, gas allocation and settlement arrangements (Project Nexus transitional modification)	September 2015
0531 - Provision and Development of Industry Testing Prior to Nexus Go- live	September 2015
0532 -Implementation of Non-Effective Days (Project Nexus transitional modification)	September 2015

Members determined unanimously to request Legal text for the following modification(s):

Modification
0534S - Maintaining the efficacy of the NTS Optional Commodity ('shorthaul') tariff at Bacton entry points
0546 - Reduction of the Minimum Eligible Quantity (100,000kWh) for European IP capacity
0547 - Corrections to the EID arising from implementation of Modifications 0493/0500

179.10 Consideration of Variation Requests

- a) Modification 0510 - Reform of Gas Allocation Regime at GB Interconnection Points

FH presented the supplemental report, explaining that the Workgroup recommendation was that the Variation Request for Modification 0510 should be considered as material.

Following discussion, Members unanimously determined that the Modification 0510 Variation Request was material.

Modification 0510 will therefore be deemed withdrawn and replaced by Modification 0510V, which.

For Modification 0510V Members determined:

- The criteria for Self-Governance are not met by this modification as it is expected to have a material impact on the transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes
- It should proceed to consultation (including a deemed request for Legal text);
- 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 August 2015.

179.11 Final Modification Reports

- a) Modification 0518S - Shipper Verification of meter and address details following system meter removals

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0518S

Members determined unanimously to implement Modification 0518S.

- b) Modification 0523S - Supply Point Registration – Facilitation of ‘faster switching’ for Shared Supply Meter Points

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0523S

Members determined unanimously to implement Modification 0523S.

c) Modification 0525 - Enabling EU Compliant Interconnection Agreements

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0525

Members determined unanimously recommend the implementation of Modification 0525.

d) Modification 0529 - Implementation of Retrospective Adjustment arrangements (Project Nexus transitional modification)

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0529

Members determined unanimously recommend the implementation of Modification 0529

179.12 Any Other Business

a) CACoP Principle 13 for approval

BF advised that there had been a small amendment to the draft Principle 13 previously presented to Panel following industry consultation.

Members determined to recommend approval of CACoP Principle 13.

b) CACoP Annual Review letter for approval

BF asked Members to note that CUSC would be issuing the proposed draft invitation letter to the industry initiating the annual review of the CACoP.

Members determined to approve the Annual Review letter.

179.13 Conclusion of Meeting and agreed Date of Next Meeting

10:30, Thursday 20 August 2015, at the ENA.