

Record of Determinations: Panel Meeting 19 November 2015

Modification	Vote Outcome	Shipper Voting Members					Transporter Voting Members					Consumer Voting Member	Determination Sought	
		AG	GJ	PB	RF	SM	ARS	CW	EM	FH	RP	CA		
0563 – Moving the NTS Optional Commodity Charge Formula into the UNC	Not related to the Significant Code Review - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	X	Modification is related to Significant Code Review
	Is a Self-Governance Modification - <i>majority vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	X	✓	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0563 with a report presented by the February 2016 Panel - <i>majority vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Workgroup 0563 with a report presented by the February 2016 Panel
0564R – Review of Annual Read Meter Reading requirements	Request issued to Distribution Workgroup (as Workgroup 0564R) with a report presented by the March 2016 Panel - <i>majority vote in favour</i>	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	Issue Request to Workgroup 0564R with a report presented by the March 2016 Panel
0565 – Central Data Service Provider: General framework and obligations	Is related to the Significant Code Review - <i>majority vote in favour</i>	✓	✓	X	✓	X	✓	X	✓	✓	X	X	X	Modification is related to Significant Code Review
	Is not a Self-Governance Modification - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	X	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0565 with a report presented by the October 2016 Panel - <i>majority vote in favour</i>	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	Issue to Workgroup 0565 with a report presented by the October 2016 Panel
0566 – UNC Modification Stakeholder Engagement and Guidelines	Not related to the Significant Code Review - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	X	Modification is related to Significant Code Review
	Is a Self-Governance Modification - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Does Modification satisfy the Self-Governance criteria

	Issued to Workgroup 0566S with a report presented by the March 2016 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Workgroup 0566S with a report presented by the March 2016 Panel
0567 – Amendment to reference temperature conditions within the National Grid NTS – IUK Interconnection Agreement	Not related to the Significant Code Review - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	Modification is related to Significant Code Review
	Is a Self-Governance Modification - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0567S with a report presented by the January 2016 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Workgroup 0567S with a report presented by the January 2016 Panel
0568 – Security Requirements and Invoice Payment Settlement Cycle for the Trading System Clearer	Not related to the Significant Code Review - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	Modification is related to Significant Code Review
	Is not a Self-Governance Modification - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0568 with a report presented by the February 2016 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Workgroup 0568 with a report presented by the February 2016 Panel
0527 - Implementation of Annual Quantity arrangements (Project Nexus transitional modification)	Consideration deferred to the March 2016 meeting - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Defer consideration
0529 - Implementation of Retrospective Adjustment arrangements (Project Nexus transitional modification)	Consideration deferred to the March 2016 meeting - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Defer consideration
0468 – Unique Property Reference Number (UPRN) Population by Gas Transporters	Returned to Workgroup 0468 with a report presented by the March 2016 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Return to Workgroup 0468 with a report presented by the March 2016 Panel
	Proceed to Consultation - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should DMR be Issued to Consultation

0504 - Demand Side Response (DSR) Methodology Implementation	Legal text not required - <i>unanimous vote against</i>	X	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	X	Is a Cost estimate required for inclusion in DMR
	Consultation to close out on 10 December 2015 - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should 0504 consultation end on 10 December 2015? (and therefore be taken at short notice at December Panel)
0520 0520A - Performance Assurance Reporting	Not issued to Consultation - <i>majority vote against</i>	X	NV	X	X	X	X	X	X	X	X	X	Should DMR be Issued to Consultation
	Returned to Workgroup 0520 with a report presented by the December 2015 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Return to Workgroup 0520 with a report presented by the December 2015 Panel
	Legal text requested for 0520A - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Request Legal Text 0520A
0522 – Governance of the use of email as a valid UNC Communication	Is a Self-Governance Modification - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Does Modification satisfy the Self-Governance criteria
	Proceed to Consultation - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should DMR be Issued to Consultation
	Legal text not required - <i>unanimous vote against</i>	X	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	X	Is a Cost estimate required for inclusion in DMR
	Consultation to close out on 10 December 2015 - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should 0522S consultation end on 10 December 2015? (and therefore be taken at short notice at December Panel)
0526 – Identification of Supply Meter Point pressure tier	Returned to Workgroup 0526 with a report presented by the January 2016 Panel - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Return to Workgroup 0526 with a report presented by the January 2016 Panel

Performance Assurance Workgroup	Performance Assurance Workgroup closed - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Agreement to close the Performance Assurance Workgroup
0532 - Implementation of Non Effective Days (Project Nexus transitional modification)	Legal Text requested - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Request Legal Text
0506 – Gas Performance Assurance Framework and Governance Arrangements	Variation to Legal Text is not material - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	X	Is the Variation to Legal Text material
0506A – Gas Performance Assurance Framework and Governance Arrangements	Variation to Legal Text is not material - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	X	Is the Variation to Legal Text material
0506V – Gas Performance Assurance Framework and Governance Arrangements	No new issues identified - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implementation recommended - <i>with 6 votes in favour</i>	✓		✓	✓		✓			✓			✓	Should Modification be implemented (only votes in favour recorded)
0506AV – Gas Performance Assurance Framework and Governance Arrangements	No new issues identified - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implementation recommended - <i>with 10 Votes in favour</i>	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be implemented (only votes in favour recorded)
	Prefer 0506V - <i>1 vote in favour</i>				✓									
	Prefer 0506AV - <i>9 votes in favour</i>	✓	✓	✓		✓	✓	✓	✓		✓	✓		

0551 – Protecting consumers who are disaggregated under Modification 0428 from Ratchet charges for Winter 2015/16	No new issues identified - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implementation recommended - with 10 votes in favour	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	Should Modification be implemented (only votes in favour recorded)
0553S – Removal of National Grid LNG Storage UNC TPD Section Z obligations and associated cross references	Is a Self-Governance Modification - majority vote in favour	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	Does Modification satisfy the Self-Governance criteria
	No new issues identified - <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implemented - with 10 votes in favour	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	Should Modification be implemented (only votes in favour recorded)
0560 Urgent – Addressing under-allocation of flows from BBL arising from misalignment of reference conditions	No new issues identified for Ofgem consideration- <i>unanimous vote against</i>	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues for Ofgem consideration
	Implementation recommended - <i>unanimous vote in favour</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be implemented (only votes in favour recorded)
0561S – Amendment to the oxygen limit within the BBL / NTS Interconnection Agreement	No new issues identified - <i>unanimous vote against</i>	X	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)

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

UNC Modification Panel

Minutes of the 183rd Meeting held on Thursday 19 November 2015 at ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2A

Attendees

Voting Members:

Shipper Representatives	Transporter Representatives	Consumer Representative
A Green (AG), Total G Jack (GJ), British Gas P Broom (PB), GDF Suez R Fairholme (RF), E.ON UK S Mulinganie (SM), Gazprom	A Ross-Shaw (ARS), Northern Gas Networks C Warner (CW), National Grid Distribution E Melen (EM), Scotia Gas Networks F Healy (FH), National Grid NTS R Pomroy (RP), Wales & West Utilities	C Alexander (CA), Citizens Advice

Non-Voting Members:

Chairman	Ofgem Representative
A Plant (AP), Chair	R Elliott (JT)

Also in Attendance:

D Addison* (DA), Xoserve; EJ Schutte-Hiemstra* (EJ), ICE Endex; H Chapman (HC), Xoserve; J Chandler* (JC), SSE; K Elliott-Smith (KES), Cornwall Energy; L Jenkins (LJ), Joint Office; M Steven* (MS), National Grid Storage; R Fletcher (RF), Secretary; O Linch* (OL), ICE Endex; S Ellwood* (SE), TPA Solutions and S Hilbourne (SH), Scotia Gas Networks.

* via teleconference

Record of Discussions

183.1 Note of any alternates attending meeting

A Ross-Shaw for J Ferguson (Northern Gas Networks)

G Jack for A Margan (British Gas)

183.2 Record of Apologies for absence

A Margan

J Ferguson

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

Members approved the minutes from the previous meeting (15 October 2015).

183.4 Consider Urgent Modifications

None.

183.5 Consider New Non-Urgent Modifications

- a) Modification 0563 – Moving the NTS Optional Commodity Charge Formula into the UNC

JC introduced the modification and its aims. SM asked if this modification should be considered as suitable for Urgency as the proposed implementation timescale could be too late due to the impacts of the changed methodology affecting consumers before the remedy proposed by this modification would be implemented. FH was concerned that this modification would fix the specific numbers into Code and not allow National Grid to comply with its licence to amend the formula when required to and ensure cost reflectivity.

GJ was concerned that the current process allows the formula to be amended without due governance, so this modification is appropriate and timely.

For Modification 0563, Members determined:

- Is not related to the Significant Code Review;
- The criteria for Self-Governance are met as this modification is not expected to have a material impact on transportation and competition;
- That Modification 0563S is issued to Workgroup 0563S for assessment, with a report to be presented no later than the February 2016 Panel.

- b) Modification 0564 (Request) – Review of Annual Read Meter Reading requirements

CW advised that the subject of this Request would be to inform the industry of the options available to manage meter reading requirements, specifically related to the provision of NDM annual reads, these being predominantly domestic consumers.

SM asked why this review is being instigated, as it has been identified as a low risk activity through the Engage report presented to the Performance Assurance Workgroup earlier in the year. SM suggested that the Performance Assurance Committee (when established by the implementation of either Modification 0506 or 0506A) could be used to identify the areas to be investigated, rather than this Request. CW noted that he disagreed with the findings of the Engage report and that the issue was high in the areas of concern raised in the CMA investigation.

The Panel asked that the Workgroup consider the scope of the Significant Code Review in its Terms of Reference to ensure there is no conflict in any proposed modification.

For Request 0564, Members determined:

- That the Request was valid and should be issued to Workgroup 0564R for assessment, with a report to be presented no later than the March 2016 Panel.

c) Modification 0565 – Central Data Service Provider: General framework and obligations

CW introduced the modification and its aims. AP asked why this modification had been raised as it appeared to be lacking in detail and questioned whether a Request may have been a more appropriate route. CW advised that the FGO programme board had supported the raising of a UNC Modification to increase awareness of the programme and proposed changes.

PB asked if the new CDSP is a Code party? CW stated that the new CDSP is not being considered as a Code party at this time. LJ asked who appoints the CDSP – this is not known at this time but is likely to be Transporters due to licence requirements.

SM wanted to know how the FGO programme work and UNC work would be coordinated and if an interface point has been established. CW agreed that a two way process between the UNC Workgroup and FGO programme would be needed. AP was still concerned that the

modification appears to be somewhat underdeveloped and that a significant amount of work would be required to establish the detailed business rules. Following discussion on this point, The Panel asked to review the Terms of Reference by January.

GJ asked if there is an interaction with the SCR as they may conflict. CW felt this modification could proceed as Transporters will have licence requirements related to FGO.

SM felt that Xoserve should be excluded from meetings, as they would have an unfair advantage should the service be put out to tender. HC felt this was unnecessary at this time as the work involved was establishing the framework and not establishing a tender process. AP added that the process should be designed carefully to avoid any conflict of interest

should there be a later tender process. RE advised that Ofgem's initial view is that this modification should proceed as it would not directly impact the SCR, although formal direction is to be provided.

Workgroup Action:

To provide detailed Terms of Reference by the January Panel.

For Modification 0565, Members determined:

- Is related to the Significant Code Review;
- The criteria for Self-Governance are not met as this modification is expected to have a material impact on transportation, competition or consumers;
- That Modification 0565 is issued to Workgroup 0565 for assessment, with a report to be presented no later than the October 2016 Panel.

d) Modification 0566 – UNC Modification Stakeholder Engagement and Guidelines

EM introduced the modification and its aims. RF asked if this modification is setting a precedent, as the UNC should be established on rules and not guidance documents. EM advised a UNC related document would be implemented and should there be a conflict between the UNC and the related document then the UNC would prevail.

RE felt that the modification could follow Self-Governance as it did not appear to have a material impact on the Modification Rules.

For Modification 0566, Members determined:

- Is not related to the Significant Code Review;
- The criteria for Self-Governance are met as this modification is not expected to have a material impact on the Modification Rules;
- That Modification 0566S is issued to Workgroup 0566S for assessment, with a report to be presented no later than the March 2016 Panel.

e) Modification 0567 – Amendment to reference temperature conditions within the National Grid NTS – IUK Interconnection Agreement

FH introduced the modification and its aims.

For Modification 0567, Members determined:

- Is not related to the Significant Code Review;
- The criteria for Self-Governance are met as this modification is not expected to have a material impact on transportation, competition or consumers;
- That Modification 0567S is issued to Workgroup 0567S for assessment, with a report to be presented no later than the January 2016 Panel.

f) Modification 0568 – Security Requirements and Invoice Payment Settlement Cycle for the Trading System Clearer

EJ introduced the modification and its aims. RP asked if this modification is to fix an organisational problem or is it a general UNC problem should National Grid appoint another trading system operator? EJ advised that should National Grid appoint a different trading system operator then they would face a similar problem, this is not restricted to ICE Endex.

FH questioned whether ICE Endex could raise a modification to UNC, however they did not want to hold up progress. SM wanted clarification on ICE Endex's ability to raise a modification? LJ explained that the modification is related to the area of Code ICE Endex operate in and therefore they could be consider an impacted party and thus able to raise the modification. He advised that Ofgem was comfortable with the approach.

Workgroup Questions:

Consider the Self Governance status of the modification and what is appropriate for the modification.

Does the modification require a bespoke invoicing solution.

For Modification 0568, Members determined:

- Is not related to the Significant Code Review;
- The criteria for Self-Governance are not met as this modification is expected to have a material impact on transportation and competition;
- That Modification 0568 is issued to Workgroup 0568 for assessment, with a report to be presented no later than the February 2016 Panel.

183.6 Existing Modifications for Reconsideration

a) Modification 0527 - Implementation of Annual Quantity arrangements (Project Nexus transitional modification)

RE advised that a joint decision is to be issued on Modifications 0527, 0528 and 0529 as these modifications are dependant on the implementation of 0528. Should RAASP be deferred, then Modification 0529 would need to be reassessed and therefore implementation decisions may be reassessed.

Panel Members were concerned that the delayed implementation creates uncertainty and potentially signals a lack of confidence that the implementation date can be achieved for the full scope of Nexus.

CW advised that if RAASP is a problem, a modification should be raised at that time to amend the implementation. Panel felt it would be more appropriate to give clear signals now by implementing these modifications.

RE advised he would consider the Panel comments.

For Modification 0527, Members determined to defer consideration to the March Panel.

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

See discussion for Modification 0527 above.

For Modification 0529, Members determined to defer consideration to the March Panel.

183.7 Consider Workgroup Issues

None for discussion.

183.8 Workgroup Reports for Consideration

- a) Modification 0468 - Unique Property Reference Number (UPRN) Population by Gas Transporters

AP highlighted concerns that this modification had been delayed long enough and suggested strict timescales for a report: this should be delivered early next year with no further extensions allowed.

SM was concerned that this modification is being progressed when there is no clear desire within the industry to adopt UPRN.

RE advised that Ofgem intend to present a view on the iGT equivalent modification at the next iGT Panel meeting.

CW suggested that the modification Panel could write to the proposer and ask them to consider withdrawing the modification. AP said that in his view the better governance route was to require a report by a deadline with an intention that this would proceed to consultation no later than that date to understand industry views.

Both CW and RP expressed concerns over the intention of Panel to send 0468 to consultation following a report in March if it had not been fully assessed. RP agreed that the modification had been around for too long but thought that this was poor process and Panel should be aware of the precedent it set and the potential risk.

HC said that detailed costs estimates may not be available in time should the modification move through a restricted timeline, this may also impact the production of legal text.

The Panel considered the Workgroup Report and Members accepted the recommendations.

Members then determined that Modification 0468:

- Should be returned to Workgroup for further assessment with a report presented by the March 2016 meeting.

- b) Modification 0504 - Demand Side Response (DSR) Methodology Implementation

The Panel considered the Workgroup Report and Members accepted the recommendations.

Members then determined that Modification 0504:

- Should proceed to Consultation;
- Further 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 10 December 2015.

c) Modification 0520 0520A - Performance Assurance Reporting
Members accepted the recommendation within the Workgroup Report.

RP advised that there was an outstanding query regarding the legal text and content of a number of the reports proposed with Modification 0520A. He suggested that the modifications be reviewed at the Distribution Workgroup and be resubmitted to the December Panel.

Members reviewed and confirmed industry views on the self-governance status of this modification.

Members then determined that Modifications 0520 0520A:

- Should be returned to Workgroup for further assessment with a report presented to the December 2015 meeting.

d) Modification 0522 – Governance of the use of email as a valid UNC Communication

RP asked if there was an outstanding issue with regard to the deeming or receipt of an email that has been sent. ARS advised that the text follows the practice established for Modification 0479S.

HC challenged if this modification should be chargeable as it is amending current practice. There was no consensus this should be the case as the modification puts in place rules for the governance of email.

Members then determined for Modification 0522:

- The criteria for Self-Governance are met as this modification is not expected to have a material impact on transportation and competition;
- Should proceed to Consultation;
- Further 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;
- To be considered at the December meeting.

e) Modification 0526 – Identification of Supply Meter Point pressure tier

The Panel considered the Workgroup Report and Members accepted the recommendations.

Members then determined that Modification 0526:

- Should be returned to Workgroup for further assessment with a report presented to the April 2016 meeting.

Consideration of Workgroup Reporting Dates and Legal Text Requests

Members determined unanimously to extend the following Workgroup reporting date(s):

Workgroup	New Reporting Date
No Workgroup extensions	

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

Modification
0532 - Implementation of Non Effective Days (Project Nexus transitional modification)

Performance Assurance Workgroup

AP observed that the work required to establish a performance assurance framework was close to completion, he proposed that the specific Performance Assurance Workgroup be closed and any associated modification(s) should be developed in one of the business as usual Workgroups e.g. Distribution. It was agreed a single Workgroup meeting was to be held on 25 November to close down the Workgroup and reassign actions should any remain.

Members determined to close the Performance Assurance Workgroup.

183.9 Consideration of Variation Requests

- a) Modification 0506 – Gas Performance Assurance Framework and Governance Arrangements

RP presented a change to the legal text proposed for this modification.

Following discussion, Members determined that the Modification 0506 Variation Request was not material as it was adding clarification to the legal text.

Modification 0506 will therefore be deemed withdrawn and replaced by Modification 0506V and will continue from the same point in the process as Modification 0506.

- b) Modification 0506A – Gas Performance Assurance Framework and Governance Arrangements

RP presented a change to the legal text proposed for this modification.

Following discussion, Members determined that the Modification 0506A Variation Request was not material as it was adding clarification to the legal text.

Modification 0506A will therefore be deemed withdrawn and replaced by Modification 0506AV and will continue from the same point in the process as Modification 0506A.

183.10 Final Modification Reports

- a) Modification 0506V – Gas Performance Assurance Framework and Governance Arrangements

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0506.

Members determined by majority vote to recommend implementation of Modification 0506V.

- b) Modification 0506AV – Gas Performance Assurance Framework and Governance Arrangements

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0506.

Members determined by majority vote to implement Modification 0506AV.

- c) Modification 0551 – Protecting consumers who are disaggregated under Modification 0428 from Ratchet charges for Winter 2015/16

RE was concerned that evidence for the retrospective aspects proposed in this modification was not provided in the report and as a consequence, the date for implementation may need to change. SM was concerned that evidence on retrospection is required because they felt that to provide the industry with reasonable discussion time, Urgency was not requested – in addition there was no information available on impacts as the Workgroup Report was concluded just as the ratchet period commenced. He considered this an unfair request at this time. PB agreed, the consumer view is this modification should apply for the whole ratchet period for this winter.

RE was unclear if any ratchets had been applied since 01 October, as the information was not available in the report. SM felt this information could be provided directly to Ofgem by Xoserve.

HC agreed the information could be provided should a request be received.

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0551.

Members determined by majority vote to recommend implementation of Modification 0551.

- d) Modification 0553 – Removal of National Grid LNG Storage UNC TPD Section Z obligations and associated cross references

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0553.

Members determined the criteria for Self-Governance are met as this modification is not expected to have a material impact on transportation and competition.

Members then determined by majority vote to implement Modification 0553S.

- e) Modification 0560 Urgent – Addressing under-allocation of flows from BBL arising from misalignment of reference conditions

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0560.

Members determined unanimously to recommend implementation of Modification 0560.

- f) Modification 0561S – Amendment to the oxygen limit within the BBL / NTS Interconnection Agreement

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0561.

Members determined unanimously to implement Modification 0561S.

183.11 Any Other Business

- a) Switching Significant Code Review (SCR)

AP advised that Ofgem had now launched the Switching SCR and that new modifications would be considered to understand if there was a related impact to the SCR.

PB noted that this is the first cross-code SCR, although it may have different impacts on each Code.

SM asked members to note that the SCR is related to Supplier switching and not Shipper switching, so the impact on UNC may be limited. He also noted that there is no concept of a Shipper in the electricity market.

- b) Panel Guidance for New Modification Proposals

Members agreed to close this item of AOB, as it would be picked up during the development of Modification 0566.

c) Address Data Quality: Gas and Electricity - Cross-Code Report

DA introduced the draft report data quality report compiled by the dual fuel workgroup on the issues that may impact address data quality, explaining that he was seeking comments to refer back to the workgroup.

CA wanted to see what evidence was available to justify why address data should not be harmonised across the energy industry, including by use of a UPRN approach. DA was unable to provide evidence; this was due in part to the accelerated timescales to produce the report and the view of some that other factors impacted the switching process.

CA was still concerned that without evidence how can this recommendation be justified. He felt the report does a good job of identifying industry costs of adopting UPRN but it does not provide a conclusive overview of potential consumer impacts, costs or benefits. He suggested that conclusions from the report should be qualified; noting an absence of clear evidence of benefit rather than stating there is no benefit. FH was concerned how such a benefit/cost could be identified and estimated for the report as it was an unknown.

CA asked what is the dependency of UPRN/CRS, why are they linked? DA advised that the workgroup concluded the adoption of UPRN would be expensive at an individual Code level, however, adoption on a central level by CRS would support dual fuel switching and may have economies of scale. CA felt this would benefit from further clarity as to the scope of CRS.

SM asked if the MPRN data sharing permissions issue should be discussed at Distribution Workgroup, is this the right forum. DA felt it would be suitable because it may lead to a modification to change the permission process in Code.

DA advised that he would feed the Panel's comments to the Data Quality Workgroup for their review.

d) Members' Personal Liability

SM questioned the use of Self-Governance for modifications and whether there is protection against personal liability for Panel Members in the Modification Rules, therefore Panel Members may potentially be exposing themselves to risk should a party take issue with a Panel decision on a Self-Governance modification.

LJ advised an injured party could use appeal procedures in the Modification Rules and Ofgem has the opportunity to call in a Self-Governance modification at any time prior to a modification being decided upon by Panel.

AP Suggested a legal view be sought to understand Members' personal liability and if insurance should be provided. CW agreed to provide a legal view.

e) Standing Alternates

AP asked if members should appoint standing alternates which would mean that there wouldn't be a shortfall in attendance due to unforeseen circumstances.

Members agreed to notify the Joint Office of their standing alternate where they had not done so previously.

183.12 Conclusion of Meeting and agreed Date of Next Meeting

10:30, Thursday 17 December 2015, at the ENA.