

**UNC Workgroup 0580S Minutes
Implementation of Non Effective Days to enable Annual AQ Review
(independent of Nexus transition)**

Tuesday 10 May 2016

31 Homer Road, Solihull B91 3LT

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Andy Clasper	(AC)	National Grid Distribution
Bobbie Gallacher*	(BG)	Scottish Power
Chris Warner	(CWa)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
David Addison	(DA)	Xoserve
Ed Hunter	(EH)	RWE npower
Emma Lyndon	(EL)	Xoserve
Hilary Chapman	(HCh)	Scotia Gas Networks
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Michele Downes	(MD)	Xoserve
Mike Fensome	(MF)	RWE npower
Naomi Nathanael	(NN)	Utility Warehouse
Phil Lucas	(PL)	National Grid NTS
Rachel Duke*	(RD)	EDF Energy
Steve Mulinganie	(SM)	Gazprom
Sue Cropper	(SC)	British Gas

**via teleconference*

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0580/100516>

The Workgroup Report is due to be presented at the UNC Modification Panel by 19 May 2016.

1.0 Introduction and Status Review

1.1. Approval of Minutes (28 April 2016)

The minutes of the previous meeting were approved.

1.2. Actions

Action 0401: Ofgem (SHa) to provide a view on whether modification 0580S (in its current form) potentially prevent parties from 'backing out' their systems in sufficient time, thereby potentially impacting on the competitive market.

Update: See item 2.0 below, this action has been closed as the Workgroup Report is to be submitted to Panel and no further meetings are planned. **Closed.**

Action 0402: All parties to provide a view on the minimum acceptable GO / NO GO decision criteria and system back out lead times (to take into account confirmation type issues).

Update: DA explained in the unlikely event that Project Nexus is not implemented on 01 October 2016, the provisions of Modification 0580 would apply. DA asked parties at what

point they would need a go / no-go decision and at what point parties would need to know whether they would be applying 4 or 7 non-effective days. DA asked if the 19 September was suitable notice, however this was deemed too short. See item 2.0. **Closed**

2.0 Development of Workgroup Report

Following on from discussions a to the notice required to change the industry approach for non effective days proposed for Nexus transition (Modification 0532) and this modification, DA suggested that Modification 0580S could be amended closer to the Nexus implementation date to allow for 7 non-effective days so it is consistent with Modification 0532, however where more notice was given it could remain as 4 non effective days.

CB asked, what date would be chosen as the point of no return due to the inability to re-engineer non-effective days in systems and processes. DA suggested there could be a variable rule to get Modification 0580 implemented, by identifying key milestone dates.

DA suggested to allow the maximum 30 business days the key cut off date would be the 10 August 16, which would allow for 4 non-effective days from the 26 September. He clarified that a cut of date on the 11 August 2016 could run the risk that a confirmation would processed with the maximum notice period and the objection window would be "fixed", this would then cause issues should 4 or 7 non effective days be implemented.

DA explained that the 25 August would be the minimum timetable Xoserve could reject a valid supply point capacity amendment, whereby the required 21 days notice had been provided. He recognised that the significance of this would be minimal; suggesting the estimated number of transactions would be around 20 instances.

DA confirmed that read requests would need to be dealt with internally. For meter read frequency and for the change to take effect 11 business days would be required and the 11 September 2016 would be the target date.

The Workgroup considered the sensitivity around domestic customers not being able to switch supplier and the interactions with industrial customers.

The Workgroup considered how to amend the modification and whether it should be amended to 7 non-effective days. SM was keen for certainty and consistency of approach, expressing a preference for 7 non-effective days. He suggested it might be appropriate for an alternative modification to be raised for 7 non-effective days if the current modification was to be left at 4 days to allow the industry to choose what they consider is the most appropriate timescale.

The Workgroup considered whether an extension to the reporting would allow further time for parties to re-consider the dates, solutions and complexities for the 4 different processes. The self-governance status was also considered; it was believed Ofgem would want to provide a decision for this change. It was recognised timescales were limited and that Ofgem would need sight of the Final Modification Report in July to allow time for the decision and application by 10 August 2016.

The Workgroup considered the option and timing of an alternate modification and Panel accepting an alternate at short notice. The Workgroup agreed rather than raising an alternate modification for 7 non-effective days it would be better to amend the current modification and consider the requirement of an urgent modification if 4 non-effective days was deemed more appropriate at a later stage.

3.0 Next Steps

It was agreed that an amended modification based on Workgroup discussions would be submitted and the Workgroup Report submitted to the May UNC Panel.

4.0 Any Other Business

None.

5.0 Diary Planning

No further meetings planned.

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0401	28/04/16	2.0	To provide a view on whether modification 0580S (<i>in its current form</i>) potentially prevent parties from 'backing out' their systems in sufficient time, thereby potentially impacting on the competitive market.	Ofgem (SHa)	Closed
0402	28/04/16	2.0	To provide a view on the minimum acceptable GO / NO GO decision criteria and system back out lead times (<i>to take into account confirmation type issues</i>).	All	Closed