

UNC Workgroup 0665 Minutes

Introduction of suitable classification of Ratchetable Supply Points & ensuring accurate Capacity Allocations (SOQ)

Friday 08 February 2019

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

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Kully Jones (Secretary)	(KJ)	Joint Office
Alsarif Satti*	(AS)	Ofgem
Amy Rawding*	(AR)	Northern Gas Networks
Anna Kapeni*	(AK)	Northern Gas Networks
Dave Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
Ellie Rogers	(ER)	Xoserve
Kate Mulvany*	(KM)	British Gas
Kirsty Dudley*	(KD)	E.ON
Micah Boutwood*	(MB)	Northern Gas Networks
Richard Pomroy	(RP)	Wales & West Utilities
Shanna Key*	(SK)	Northern Gas Networks
Shiv Singh*	(SS)	Cadent
Steve Mulinganie*	(SM)	Gazprom
Tracey Saunders	(TS)	Northern Gas Networks

*via teleconference

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0665/080219>

1. Introduction and Status Review

1.1. Approval of Minutes (24 January 2019)

The minutes from the previous meeting were approved.

2. Review of Amended Modification

Steve Mulinganie (SM) provided a brief update on the Modification amendments, confirming that Section 5 has been updated to remove the references to the Ratchet Charge Multiplier as it was noted that this was no longer required following the changes to the solution and therefore the Modification reflects discussions from the last Workgroup meeting. He also added that in addition to some minor changes the Business Rules had been re-ordered to make them flow better.

Workgroup participants raised a minor comment in relation to Business Rule 4.

3. Review of Impacts and Costs

Workgroup participants discussed the Rough Order of Magnitude response provided by Xoserve. Dave Addison (DA) confirmed that 2 options have been assessed, the first in relation to moving a Supply Meter Point into Product Class 1 option and the second in relation to the levy of charges against the network designated flag. He reiterated previously notified timescales confirming that a high-level estimate is 26 weeks. In addition, DA confirmed that inclusion in a minor release is being planned stating that minor enhancement release is scheduled for July. Having said this he estimates that the July release will need to be delayed in order to include these changes. DA reiterated the need to produce an early Change Proposal.

Alsarif Satti (AS) sought clarification of the timescales seeking confirmation that implementation is still achievable by the start of the next Gas Year. In response, DA confirmed that every effort is being made to respond to the proposer's requirements and Ofgem's position on this has also been noted and even though a number of hurdles need to be overcome he considers implementation in 2019 is achievable.

DA confirmed that the costs for the enduring solution (£125,000 to £196,000) relate to the development costs and that the operational costs are still to be determined.

In response to a question from Gareth Evans (GE) in relation to when it would be known if the enduring solution cannot be delivered in time, DS confirmed that more information would be known by the February Panel meeting.

4. Consideration of Legal Text and Guidelines Document

David Mitchell (DM) provided a walkthrough of the changes to the Guidelines document since the last meeting. He explained that the document had been produced in line with UNC Modification Solution and the focus changed to take on board feedback that it would be used to support customer discussions.

The Workgroup reviewed the guidelines document and following a few comments in relation to the examples provided in Annex A particularly on maintenance, the guidelines document was approved subject to the agreed amendments being undertaken prior to the Modification being issued to consultation.

DM then provided an update on Legal Text stating that the Legal Text and Text Commentary will be provided prior to the Modification being issued to consultation.

5. Development of Workgroup Report

BF concluded the Workgroup Report subject to provision of the Legal Text which DM confirmed will be provided for publication alongside the report. The guidelines document and communications document will also be added prior to consultation.

6. Review of Outstanding Actions

Action 0101: Gazprom (SM) to a) amend Business Rule 1 to replace “180 Supply Point Business Days” with “6 months” b) review if Business Rule 1 is still needed and c) reword “Supply Point Business Days” to “Supply Point Systems Business Days”.

Update: SM confirmed this change was made in the amended Modification, so Workgroup agreed to close this action. **Closed**

Action 0102: Gazprom (SM) to include an avoidance of doubt statement to clarify that the Ratchet Charging regime does not apply to Class 3 and 4 sites.

Update: SM confirmed this change was made in the amended Modification, so Workgroup agreed to close this action. **Closed**

Action 0103: Gazprom (SM) to amend Business Rule 9 to say the appeal must be raised within 20 Supply Point Business Days.

Update: SM confirmed this change was made in the amended Modification, so Workgroup agreed to close this action. **Closed**

7. Next Steps

BF confirmed that the Workgroup Report will be provided to the February Modification Panel.

8. Any Other Business

None.

9. Diary Planning

Further details of planned meetings are available at:

<https://www.gasgovernance.co.uk/events-calendar/month>

Action Table (as at 08 February 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0101	240119	2.0	Gazprom (SM) to a) amend Business Rule 1 to replace “180 Supply Point Business Days” with “6 months” b) review if Business Rule 1 is still needed and c) reword “Supply Point Business Days” to “Supply Point Systems Business Days”.	Gazprom (SM)	Closed
0102	240119	2.0	Gazprom (SM) to include an avoidance of doubt statement to clarify that the Ratchet Charging regime does not apply to Class 3 and 4 sites.	Gazprom (SM)	Closed
0103	240119	2.	Gazprom (SM) to amend Business Rule 9 to say the appeal must be raised within 20 Supply Point Business Days.	Gazprom (SM)	Closed

