

**UNC Modification Panel**  
**Minutes of the 237 Meeting held on Tuesday 12 February 2019**  
**By Teleconference**

**Attendees**

**Voting Members:**

<b>Shipper Representatives</b>	<b>Transporter Representatives</b>	<b>Consumer Representatives</b>
D Fittock (DF), Corona Energy G Wood (GW), British Gas R Fairholme (RF), Uniper S Mulinganie (SM), Gazprom	C Warner (CWa), Cadent D Lond (DL), National Grid NTS D Mitchell (DM) alternate for H Chapman R Pomroy (RP), Wales & West Utilities T Saunders (TS), Northern Gas Networks	(none present)

**Non-Voting Members:**

<b>Chairperson</b>	<b>Ofgem Representative</b>	<b>Independent Supplier Representative</b>
P Garner (PG), Chair	J Thomson	(none present)

**Also in Attendance:**

D Hawkin (DH), TPA Solutions; J Chandler (JCh), SSE; G Jack (GJ), Centrica; R Hailes (RH), Secretary; R Durham (RD), Smartest Energy; S Pownall (SP), Xoserve.

**Record of Discussions**

**Introduction**

PG welcomed all attendees and then set out the order of business for the meeting.

**237.1 Note of any alternates attending meeting**

D Mitchell for H Chapman (SGN)  
P Garner for

**237.2 Record of Apologies for absence**

A Green  
E Proffitt

H Chapman

J Atherton (PG had agreed to hold his votes with written instructions)

J Cooper

M Bellman

### **237.3 Minutes of the Last Meeting(s)**

Not considered at this meeting.

### **237.4 Consider New Modification**

#### **a) Modification 0678B: Amendments to Gas Transmission Charging Regime**

GJ introduced the Modification and its aims, advising that he considered the Modification to be an Alternative to Modification 0678 because it is addressing Centrica's concerns, raised with National Grid who has then chosen not to subsequently update 0678. GJ noted that 0678B is envisaged to run along broadly the same timescales as 0678/0678A.

PG outlined the Ofgem decision letter on Modification 0678 and the instructions to the UNC Modification Panel:

*"We expect the UNC Modification Panel to treat any other related modification proposals on gas transmission charging arrangements seeking to deliver compliance with TAR NC as alternatives to UNC678".*

In addition, PG outlined the Ofgem instruction via email regarding Modification 0679:

*"Following our conversation on the 24 January (2pm) and 25 January (4pm), we think that modification proposals on gas transmission charging arrangements seeking to deliver compliance with the TAR NC should be alternatives to UNC678. This is set out in our decision letter regarding urgency arrangements for UNC678 published today.*

*As a result, we consider UNC679 should be an alternative modification to UNC678 and numbered accordingly."*

SM suggested Panel could give blanket agreement along the lines suggested by Ofgem. He requested the topic be discussed at Panel next week. CW asked if the Joint Office could simply proceed in line with the Ofgem instructions but also noted that Panel exists for a reason and agreed that it was a good idea to discuss this at Panel next week.

DL suggested Panel's approval of forthcoming Alternatives could be sought and received via email.

PG noted it was not Joint Office's role to decide on whether a Modification is an Alternative or not.

JT reiterated Ofgem's view contained in the letter on 0678 and email instruction on 0678A/0679. He accepted Panel's concerns and enquired whether the Joint Office might be able to use delegated authority to decide whether a Modification is an Alternative. PG reiterated it was not Joint Office's role to do this.

RF noted that Panel's role was to determine whether a Modification is a valid Alternative. He noted it is conceivable that a future Modification could be submitted which extends the scope of 0678, noting that the issue concerns the whole of Section Y.

DL noted that Workgroup 0678 must focus on compliance. PG confirmed that Workgroup 0678 were considering matters related to compliance with TAR NC.

Panel requested, at SM's suggestion, a formal Panel question for Workgroup 0678:

- Workgroup to consider, for each Modification, how each addresses the points in Ofgem's rejection letter for 0621 relating to compliance with TAR NC.

For Modification 0678B Members determined:

- It is not related to the Significant Code Review by unanimous vote;
- That Modification 0678B be issued to Workgroup 0678 for assessment, to proceed under the same timetable as Modification 0678 as far as practicable, with a Final Modification Report to be presented no later than the 18 April 2019 Panel, by unanimous vote.

## **237.5 Any Other Business**

### **a) Workgroup 0678 concern**

RH highlighted that Workgroup 0678 wished to raise a concern to Panel regarding National Grid's resources for Workgroup 0678; the following is taken from the draft Workgroup Report:

*"11 February 2019: Workgroup Participants expressed concern that National Grid does not have the required resources to satisfy Ofgem's requirements for adequate workgroup development and analysis required to produce a well thought-through and robust Workgroup Report.*

*Workgroup requested that this is noted at the extraordinary UNC Modification Panel on 12 February 2019.*

DL stated he was confident that National Grid has the resources to meet its responsibilities.

PG noted that two deadlines have been missed so far, and that Workgroup Participants have indicated a lack of analysis is holding back submission of Alternatives.

DL did not understand how lack of analysis is holding back Alternatives.

SM suggested, and Panel agreed, to request an update at 21 February 2019 Panel meeting from National Grid regarding National Grid's resourcing for this Workgroup 0678.

## **237.6 Date of Next Meeting**

- 10:30, Thursday 21 February 2018, at Elexon.