

UNC Distribution Workgroup Minutes
10:00 Thursday 28 September 2023
via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Ben Mulcahy (Secretary)	(BM)	Joint Office
David Addison	(DA)	CDSP (Xoserve)
David Mitchell	(DMi)	SGN
Edward Allard	(EA)	Cadent
Ellie Rogers	(ER)	CDSP (Xoserve)
Gavin Williams	(GW)	National Gas Transmission
Gurvinder Dosanjh	(GD)	Cadent
Harry Hailwood	(HH)	Brook Green Supply
James Lomax	(JLo)	Cornwall Insight
Jenny Rawlinson	(JR)	BU-UK
Josie Lewis	(JLe)	CDSP (Xoserve)
Kathryn Adeseye	(KA)	CDSP (Xoserve)
Kevin Clark	(KC)	Utilita
Louise Hellyer	(LH)	TotalEnergies Gas & Power
Lee Greenwood	(LG)	British Gas
Mark Jones	(MJ)	SSE Energy Supply
Nick King	(NK)	Barrow Shipping
Paul O'Toole	(POT)	Northern Gas Networks
Philip Lucas	(PL)	National Gas Transmission
Slama Akhtar	(SA)	Northern Gas Networks
Steve Mulinganie	(SM)	SEFE Energy Limited
Tom Stuart	(TSt)	Wales & West Utilities
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <https://www.gasgovernance.co.uk/Dist/280923>

Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of all papers are available at: <https://www.gasgovernance.co.uk/Dist/280923>

1. Introduction and Status Review

Rebecca Hailes (RHa) welcomed everyone to the meeting and gave a brief overview of the scheduled items for discussion, confirming that the Workgroups for Modification 0842 - *Gas Entry onto the Total system via an Independent Gas Transporter* and Review Group 0851 - *Extending the Annually Read PC4 Supply Meter Point (SMP) read submission window* had both had consideration deferred to the October meeting.

1.1. Approval of Minutes (24 August 2023)

The Workgroup was invited to approve the minutes from the previous meeting, held on 24 August 2023. CDSP Representatives advised that they had submitted requested amendments to Item 2, CSS REC Consequential Changes Update by email which the Chair invited the Workgroup to review. No objections were raised and the duly amended minutes were approved and subsequently published.

1.2 Approval of late papers

No late papers had been submitted for the September Distribution Workgroup Agenda.

1.3. Review Outstanding Actions

No Actions had been carried forward from the August meeting.

1.4. Modifications with Ofgem

The Chair advised that the report available on the Ofgem website at <https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable> had been updated on 22 September 2023, and noted the following anticipated decision dates:-

Modification 0696V - *Addressing inequities between Capacity booking under the UNC and arrangements set out in relevant NExAs* had an expected decision date of 29 September 2023.

Modification 0823 - *Amendment to the Allocation of Entry Capacity and Flow Quantities to Qualifying CNCCD Routes* was listed with an expected decision date of 22 December 2023.

Modification 0839 - *Revision of the Modification Panel Membership Cessation Provisions* had an expected decision date of 12 January 2024

Finally, Modification 0808 - *Reverse Compression* was itemised but did not yet have an expected date of decision listed.

1.5. Pre-Modification discussions

The Chair noted that Philip Lucas (PL) of National Gas Transmission was to present on Reverse Compression in an item under Any Other Business and enquired if this was as a prelude to an intended Modification. PL responded that the item was in response to an Action in the Transmission Workgroup and was intended to provide awareness of the subject to those Parties in the Distribution Workshop who may not have a presence in Transmission.

PL was invited to present the item at this point in the meeting, the minutes of which are detailed under Item 7.1 below.

The Chair asked if any other Parties had a Pre-Modification they wished to discuss at the Workgroup, and noted none were presented.

2. CSS REC Consequential Changes Update

David Addison (DA) provided a verbal update, sharing that Xoserve would be issuing a communication to all DSC Parties to set out the current status of activities in response to the P1 incident. He highlighted that the CDSP had received a few contacts from Parties technical staff querying the continued issue of Meter Readings as a result of the P1 where Secured Active

Messages had not been issued by the Central Switching Service. He explained that the CDSP had needed to send a number of sets of readings related to:

- the first tranche of 82,155 Registrations where the Registrations were effective between 03 and 08 August, with readings issued 21 to 24 August.
- 55 Registrations identified as a result of the CDSP / CSS Reconciliation where the Registration was effective 07 September, with readings issued 24 September.

He also noted that within Modification 0855 - *Settlement Adjustments for Supply Meter Points impacted by the Central Switching System P1 Incident* there is a scenario where Parties are required to warrant if they have meter points that are subject to proactive cancel and re-registration activity, for which they were asked for response by 28 September. DA shared that they had received some responses from Parties indicating that they had employed this approach but not many responses had been received, and he acknowledged that it may well be the case that few Shippers employed this approach, but asked if Workgroup Participants would nudge their technical counterparts to ensure any such notifications they need to submit are provided. Adding, to prevent further confusion, any meter points in this tranche will require the provision of further meter reads from the CDSP.

DA also provided an update on IGT parallel Modifications, noting that IGT Modification 170 had now been raised and was going to the IGT Panel in support of Modification 0836S - *Resolution of Missing Messages following Central Switching Service implementation and integration with REC Change R0067*. Similarly, IGT171 had been raised in support of Modification 0855- *Settlement Adjustments for Supply Meter Points impacted by the Central Switching System P1 Incident*.

DA also shared that, following the DCC 'Lessons learnt' session the previous week, the CDSP was proposing to run a 'wargaming' session themselves, with a series of potential scenarios such as failures in either the CSS network or UK Link systems with the aim of ensuring that the disaster recovery run books cover these comprehensively, and were particularly keen to ensure that the CDSP validate the activities industry Parties wanted them to cover. This could include measures such as managing registrations in a more proactive manner that may have mitigated the impact of the P1 incident.

DA noted that the intention was to undertake this session at one of the sessions scheduled for 09:30 on Wednesday, but on receipt of feedback from Workgroup Participants that their P1-related teams were being stood down. acknowledged the need to schedule the meeting and send out new invitations promptly.

When asked by a Workgroup member about having sufficient powers to undertake the actions under consideration, DA acknowledged that it would be advisable to check that provision exists in the UNC and CSS, and shared the CDSP's hope that the CSS would commit to equivalent proactive monitoring of gate closures. He stated that if the CSS did not do this willingly then the CDSP would look to raise a REC Change to do so. In addition, he shared that a Code Modification was under consideration to classify ad hoc CSS notifications as irrevocable.

3. Workgroups

3.1. 0819 – Establishing/Amending a Gas Vacant Site Process

(Report to Panel 19 October 2023)

<https://www.gasgovernance.co.uk/0819>

3.2. 0842 - Gas Entry onto the Total system via an Independent Gas Transporter

(Report to Panel 14 December 2023)

<https://www.gasgovernance.co.uk/0842>

Consideration deferred to September.

3.3. 0850 - Amendments to Allocation of Unidentified Gas Expert (AUGE) arrangements to introduce a new Residual Upstream Contributor

(Report to Panel 18 July 2024)

<https://www.gasgovernance.co.uk/0850>

3.4. 0851R - Extending the Annually Read PC4 Supply Meter Point (SMP) read submission window

(Report to Panel 18 July 2024)

<https://www.gasgovernance.co.uk/0851>

Consideration deferred to September.

4. Distribution Workgroup Change Horizon

Please note that the specifics of this report can be reviewed at www.gasgovernance.co.uk/Dist/280923; as such, they are not replicated here.

The Chair noted recent CDSP questions regarding this item but stated that such considerations were for UNC Modification Panel deliberation rather than for review within this Workgroup, with Roadmap provided to Workgroup as information only.

Kathryn Adeseye (KA) presented the report, sharing that feedback had been received from UNC Panel requesting additional information be added to the Change Horizon report. Accordingly, a final column now provides the total number of weeks between the initial approval of the Modification (be it Self-Governance Panel approval or Authority Direction) and the date of the current Distribution Workgroup. KA also confirmed that the Roadmap will indicate where a firm implementation date has been changed.

KA advised a recurrent request was for greater visibility between Modification approvals and Modification implementation. Accordingly more dates have been detailed, such as the dates Modifications have been sent to the Authority and further detail is provided on the second slide under the heading "Rationale for Total Weeks" to impart some context between the approval date and the implementation, which details the stages Modifications have passed through and the steps still required to cross the line to implementation.

The CDSP had provided the Roadmap to The Joint Office in time for the Papers Deadline, which predated the September Modification Panel meeting, meaning the subsequent Modification Panel decisions on Modifications 0836S - Resolution of Missing Messages following Central Switching Service implementation and integration with REC Change R0067 and 0853S CDSP permissions to facilitate implementation of UNC0701 have not been captured and will first appear on the October report.

KA asked the Workgroup for their preferences in whether the CDSP should provide the Roadmap after the Papers deadline, and be reported as a Late Paper each month, and thereby providing the CDSP with the opportunity to ensure the Modification Panel decisions of that month are captured, or if a timely report that was slightly out of date was preferred. Workgroup Participants agreed that the Roadmap should be provided on time, with the CDSP able to provide a verbal update in the Workgroup meeting to account for any subsequent updates.

5. Product Class Capacity

Ellie Rogers (ER) noted that colleagues had attended the August Distribution Workgroup to provide CDSP representation and had provided a presentation on Product Class Capacity, complete with recommended next steps. This had been agreed in the form of a review of the Product Classes and the CDSP were collating information with the expectation to draft a UNC Review request.

ER shared that they were starting to reach out to Parties that may be interested in assisting in this work, noting that there may be a pre-mod Request in the near future that will need a sponsor and invited Parties to consider if they were prepared to do this.

6. Issues

No issues were raised in this meeting.

7. Any Other Business

7.1 Reverse Compression

Philip Lucas (PL) talked through a presentation that National Gas Transmission (NGT) had provided. Please note that a copy of this presentation can be reviewed at www.gasgovernance.co.uk/Dist/280923; and as such, the full details presented are not replicated here.

PL explained that the subject had arisen as a Pre-Modification in the July Transmission Workgroup which initiated some bilateral discussions between NGT and the Proposer. The presentation provides the outcome of these talks.

The third slide of the presentation provides details of the physical Reverse Compression scenario under discussion, and it was noted that low volumes were expected, typically overnight during the summer months when DN demand is low. In effect, capacity is created in the DN networks by compressing and injecting gas from there into the NTS (National Transmission System) by way of a purpose-built IGT pipeline. This creates the capacity within the DN network for the delivery of anaerobic digestion (AD) gas, equal to the energy transferred to the NTS.

PL clarified that the long-term specifics were not fully explored at this point and as such a UNC Derogation was to be requested. He noted that the use case was permitted as the scenario related to Net Zero. The Derogation was to have an initially requested period of three (3) years with a subsequent UNC Request to be raised to explore the enduring solution. The Derogation Request was to be raised on 06 October.

Jenny Rawlinson (JR) asked if there were IGT UNC considerations as the UNC Derogation process was replicated in the IGT UNC, albeit under a different change proposal, and how this would best work. PL shared that this issue had not yet been considered, adding that as NGT was not a party in the IGT UNC they would need to speak to an organisation that is, and advised that there was a third party involved in the current work that was looking to register as an IGT. He also agreed to present the issue to the IGT UNC Modification Panel.

Tracey Saunders (TS) asked after potential ramifications for the DNOs, noting that they had booked and paid for the gas in their networks, with bookings made for the total system as to what is required. If third parties are adding or taking gas out of their systems what guarantee is there that this would be equal. She also asked if the added gas would have the required odorants already present and if the compression would be monitored before adding that, as the original Proposer of the Modification that introduced the UNC Derogation process, there is the requirement that the matter be discussed and explored with the CDSP before it is presented to the UNC Modification Panel as a Derogation request, and if this had been completed.

PL recognised that DN gas would require an odorant and confirmed that the IGT would be required to add this. He disclosed that the CDSP had not yet been engaged on the project and that they would be approached to do so, adding the commentary that the scenario did not feature an Exit point and was unlikely to touch central systems, but that this would need to be confirmed with the CDSP. Furthermore, as there was not an entry or exit in the Code, PL commented that NGT envisaged that the DNs would need bilateral agreements with the IGTs, similar to those that NTS require regarding gas quality and measurement and that he expected those requirements to sit with the IGT.

TS acknowledged that the solution required bilateral arrangements that were not part of the Derogation and shared that the DNs would need to consider the impacts, noting that it was a different scenario to the existing Reverse Compression Modification (Modification 0808) that was moving gas within the DN networks.

PL accepted the commentary, adding that such consideration was the reason the solution had been brought to the Workgroup, and highlighted the expectation that it would be used at a very low frequency and for low volumes, and as such would not be material. He appreciated that such could not be taken as an absolute but shared that these were the projections.

The Workgroup discussed the Solution, commenting on the distinctions from Modification 0808 - *Reverse Compression* and commenting that it was an unusual scenario for gas to flow from DNs to the NTS. The CDSP representatives committed to reaching out to their internal teams to initiate considerations of the matter.

Steve Mulinganie (SM) commented that, due to the unusual nature, using a Derogation seemed appropriate as it was important to understand the impact on all Parties, adding his assumption that it would require some Shipper activity. He suggested that a summary of the arrangements, detailing which Parties undertake which activities and when would be helpful, especially as a Derogation it would need to set out such details in the request and not in Code.

The Workgroup discussed the derogation further, with TS confirming PL's understanding that the Derogation would be published on the Joint office website

(www.gasgovernance.co.uk/derogations). Further it was highlighted that this would be the first derogation and that it seemed likely to be a complex one, with the requirement that all pertinent information be provided to the Modification Panel to consider, as detailed in the derogation Guidance Document (www.gasgovernance.co.uk/derogation-process). She noted that the Modification Panel do have the option to defer their decision for a month to read through the application in detail, as they do not get advanced visibility in the same way they would with a Modification. Other Workgroup Participants concurred, requesting that granularity be provided to address the unusual nature of shipping back upstream, to help form an understanding of the potential impact on all stakeholders.

PL advised that precedents already existed on the continent and that NGT had been in discussion with their Danish counterparts regarding their experiences. When asked by the Chair as to how long the IGT Pipework between DN and NTS were expected to be, PL stated that, as the purpose was predicated on being the most economical approach, and whilst he could not provide figures in kilometres or similar, he understood the approach would be to ensure the proximity is sufficiently small to consider this the optimal solution. When asked if this solution was to be used for new or existing AD plants PL stated that there were a number of investments under consideration for which this solution either makes or improves the business cases for ensuring that flaring is not the optimal solution.

Tom Stuart (TS) commented in regard to the DN's ability to balance system pressures, noting that the AD and reverse compressor should not only be close together but within the same LDZ, as pressuring balancing across LDZs would be challenging. He asked who would have overall control of the reverse compression facilities for maintenance and/or emergency purposes and noted that this should be considered as part of the derogation application. PL confirmed the compression would be controlled by the IGT and that his understanding was that the AD and Reverse Compressor would indeed be in the same part of the network. Emergency management would be covered as part of Cadent's national emergency service provider cover, which he understood covered IGTs as well. PL also confirmed that the flow would be in a single direction only, not bidirectional. TS observed that the potential of low pressures on the DN networks was something for them to discuss with the IGTs and that he would speak with SMEs within WWU as to how this would be managed.

The Chair observed that Modification 0808 - *Reverse Compression* had detailed documentation considering such interactions. Workgroup Participants noted that Modification 0808 was particular to volumes leaving and returning to the same DN network, whereas this solution sees the volume leave the DN network, via an IGT bypass, into the NTS system.

Other Workgroup Participants enquired after the distinctions with Modification 0842 - *Gas Entry onto the Total system via an Independent Gas Transporter*. PL responded that the Modification did not feature reverse compression and instead generated a reverse flow, as he understood it addressed volumes flowing from the AD through an IGT and creating a reverse flow into the DN, and not an AD injecting into the DN. In comparison, this scenario saw the gas flowing into the IGT already within the DN network, with volume taken via the IGT Pipe (green pipe in the diagram on page 3 of the presentation) to generate more capacity in the DN network. Some Workgroup Participants suggested the production of similar diagrams to illustrate each scenario.

When asked PL confirmed that there was no intention in this solution for connections to sites off the IGT pipeline connecting the DN to the NTS and that the pipeline would be single use with its sole purpose being to provide this function. He confirmed that as part of the derogation criteria, this would be specified including the purpose requirement along these lines.

TS thanked NGT for looking to use the UNC Derogation process and offered her assistance with any questions, enquiring if there was a specific AD project in mind as the first trial and if NGT had spoken to the relevant DN and if they were onboard with the proposal. PL confirmed that the DN was aware of the intent and that NGT was considering a Derogation application.

TS also asked if there was any interest or value in awaiting the Authority decision on Modification 0808 *Reverse Compression* to ascertain whether Ofgem or the Health and Safety Executive (HSE) highlighted any issues or concerns in their response that may need to be considered as part of the Derogation application, as it would require HSE sign off. PL advised that the project faced a number of investment decisions that needed to be made, such as securing land and others of a similar prerequisite and time-sensitive nature, meaning there was a real driver to get some certainty on these arrangements in as timely a manner as possible and achieve the first availability date, as such they could not await Ofgem decisions on an unspecified turnaround. He confirmed his understanding that Ofgem authorisation would be required for the Derogation.

When asked if HSE discussions had been held, PL stated that NGT recognised that the Derogation process states that discussions with the HSE have to be concluded and had ensured that the IGT involved was aware of the requirement to approach the HSE in this regard.

8. Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/events-calendar/month

Time / Date	Paper Publication Deadline	Venue	Programme
Thursday 10:00 26 October 2023	5 pm 18 October 2023	Microsoft Teams	Standard Agenda including any Modification Workgroups relating to Distribution Workgroup
Thursday 10:00 23 November 2023	5 pm 15 November 2023	Microsoft Teams	Standard Agenda including any Modification Workgroups relating to Distribution Workgroup
Monday 10:00 11 December 2023	5 pm 01 December 2023	Microsoft Teams	Standard Agenda including any Modification Workgroups relating to Distribution Workgroup

Distribution Workgroup Action Table						
Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update

**UNC Workgroup 0819 Minutes
Establishing/Amending a Gas Vacant Site Process
10:00 Thursday 28 September 2023
via Microsoft Teams**

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Ben Mulcahy (Secretary)	(BM)	Joint Office
Lee Greenwood (Proposer)	(LG)	British Gas
David Mitchell	(DM)	SGN
Edward Allard	(EA)	Cadent
Ellie Rogers	(ER)	CDSP (Xoserve)
Gurvinder Dosanjh	(GD)	Cadent
Harry Hailwood	(HH)	Brook Green Supply
James Lomax	(JLo)	Cornwall Insight
Jenny Rawlinson	(JR)	BU-UK
Josie Lewis	(JLe)	CDSP (Xoserve)
Kathryn Adeseye	(KA)	CDSP (Xoserve)
Kevin Clark	(KC)	Utilita
Louise Hellyer	(LH)	TotalEnergies Gas & Power
Mark Jones	(MJ)	SSE Energy Supply
Paul O'Toole	(POT)	Northern Gas Networks
Slama Akhtar	(SA)	Northern Gas Networks
Steve Mulinganie	(SM)	SEFE Energy Limited
Tom Stuart	(TSt)	Wales & West Utilities
Tracey Saunders	(TS)	Northern Gas Networks

The Workgroup Report is due to be presented at the UNC Modification Panel by 19 October 2023.

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1.0 Introduction and Status Review

Rebecca Hailes (RHa) welcomed everyone to the meeting and gave a brief overview of the scheduled items for discussion. The Proposer agreed with the view that the Modification's development appeared on track for the reporting date of 19 October 2023.

1.1. Approval of Minutes (27 July 2023)

The minutes from the meeting held on 24 August 2023 were reviewed, during which CDSP representation requested that references to the ROM presented in that meeting be altered to reflect that it was a *new* ROM, rather than an updated one, because so many requirements had changed since February 2023 when the first ROM had been produced, that the CDSP had created the latest version afresh, rather than revise the existing one. No objections were raised to this amendment, and on the basis that the Joint Office would review the minutes offline to replace all references of 'revised' with 'new' and re-issue, the minutes were approved.

1.2. Approval of Late Papers

There were no late papers to report.

1.3. Review of Outstanding Actions

Action 0801: CDSP (POr) to reflect the solution options in an updated ROM.

Update:

An updated version of the second ROM has been received from the CDSP for the Workgroup to review.

Action closed.

Action 0802: Joint Office and CDSP to seek PAC view as to the value of adding PARR considerations in WGR.

Update:

Ellie Rogers (ER) advised that this Modification was discussed at the last Performance Assurance Committee (PAC) on 18 September 2023 and gave a verbal summary of the current PAC view. She explained that it was essentially that the Modification was on the PAC radar with the expressed intention to monitor its impact. To this end, a draft update to the PARR has been created and approved by PAC, which would enable them to start to fine-tune what they wish to track. As such ER felt the matter was in hand but not finalised, asking any other PAC members present in the Workgroup to correct any aspect they felt she had not portrayed correctly. The Chair asked for confirmation that the matter was in hand, to which ER confirmed it was, though in draft, adding her understanding that it was undesirable to detail the specific reporting within the Modification as this may mislead Parties to believe the reporting finalised.

Action Closed.

2.0 IGT Impact Update

Lee Greenwood (LG) advised the Workgroup that he had attended an IGT Workgroup on 14 September 2023 where the IGT Modification had been reviewed. Jenny Rawlinson (JR) confirmed this, stating that all the subsequent changes that had been requested by the IGTs had been made, with the intent being to defer to the October Workgroup after this current UNC Workgroup meeting for a final review and to finish the Workgroup Report (WGR), adding that progress was underway from an IGT perspective.

3.0 Amended Modification

LG was asked to lead the Workgroup through the most recent changes to the Modification but deferred from doing so to mention an email he had received from Tom Stuart (TSt) of Wales & West Utilities (WWU) that questioned an aspect of the Solution.

TSt apologised for the late raising of this issue but asked about the eligible vacant sites and how the services would remain live in case the supplies may become active again. To do so required maintaining the service and associated aspects such as emergency service cover would come at a cost for the DNs, and as such he suggested that the supplies should still be charged an element of Transporter charges to account for this, rather than be completely exempt from them.

He proposed that the Workgroup should consider how this would work, what part of the transportation charges this applies to and if there is a customer charge that should be treated as a standing charge that would remain in place. The workgroup discussed this at length,

Tracey Saunders (TS) noted that the Workgroup had already stated that the sites would be processed in the same manner as BAU and was now seeking to clarify the specifics of BAU. She suggested that the aim was to ensure these sites without AMR or Smart metering are managed in the same way as those sites that do have AMR or Smart metering. If BAU is applied equally then the question had been answered. SM agreed, noting that even if the consequence was that the Customer Charge is removed for those sites, as long as the approach is consistent with sites with AMR/Smart then the objective has been achieved, adding that this Modification would not change the arrangements, and just forces non-AMR/Smart meters into the BAU.

TS and TSt jointly asked it to be noted that there were concerns about non-AMR/Smart sites not being managed in the same way as automatic readings would not be received into central systems for sites captured under this Modification, making the resumption of consumption harder to identify and account for. The Workgroup discussed this concern, noting that automatic reads are not directly received by the central systems and need to be provided to the CDSP and then accepted through validation by the system.

TS added that sites that are smart/AMR would come out of the system naturally, while as these sites would need to be managed and she did not think such a process existed, as the provision of meter readings required site visits.

SM observed that the Modification required the sites to be revisited, with a stipulation to keep revisiting to maintain the Vacant status. The Proposer confirmed this, stating that there was an onus on the Shipper/Supplier to maintain these sites that was already on the PAC radar. SM highlighted that this provided parity with the current obligations in that if a Shipper fails to provide AMR/Smart meter reads they would be in breach of the Code in the same way as they would be if they did not react to the onus put in place by this Modification.

TS asked if the PAC monitoring would be around volumes and not periods, to which ER replied that durations of time were included in the considerations of the draft PAC reporting, using sectioned periods to identify, for example, if one Shipper has larger volumes of sites within a period grouping, enabling PAC consideration as to if it was disproportion and whether to ask Shippers to confirm if they have performed their site visits.

TS expressed a preference for sites dropping out of Vacant status unless some form of update was submitted by Shippers but acknowledged that the PARR reporting described did mitigate her concerns somewhat. TSt agreed, noting that the concern that non-AMR/Smart supplies would be difficult to monitor for resumption of supply, but was minded not to hold up the Modification if the Workgroup was comfortable that the PARR reporting for PAC was sufficient to address the issue.

TS asked after the process if PAC did identify a Shipper with a disproportionate number of long-term Vacant sites, to which the Chair confirmed that PAC can request the information that the Modification obligates the Shippers to collate and verified that the PAC had the powers to ensure this is completed and could also request actions by third parties that could be charged back to the UNC Parties under consideration. SM added that ultimately if a Party was not compliant with the Code there were enough Parties within the PAC who would be commercially impacted by it that would look to address the issue through Modification proposals if it came to it.

ER fed back from the CDSP SMEs that LDZ Customer Charges for Capacity stated that under a certain value AQ, the charge becomes Capacity-based, whilst over that AQ value it is based on the SOQ. She added that under this Modification, there are no rule changes, the same logic will exist that exists currently.

Kathryn Adeseye (KA) raised a question on behalf of the DSC Change lead team, requesting a view from the Workgroup about the CDSP commencing development for a Modification whilst the industry was awaiting an Authority decision, which she acknowledged would be operating at risk, but was under consideration in the interest of getting the Change in place as promptly as possible. ER added that it was likely that the CDSP would be asking such questions more often to feedback into the discussions in the DSC Change Management Committee to further manage expectations on implementation lead times.

SM responded that he thought it a useful question to ask as this was not a contentious Modification meaning that there should be a common desire to move forward with it. He went on to suggest it was a difficult question to respond to if Parties were not clear on how much regret spend was likely, given that development was a major part of the cost of a Modification.

ER felt this to be a fair question and thought getting at least a percentage figure, with the bulk spend usually being during the few months before implementation when building the Solution, would provide a useful steer. She advised that she did not have the answer yet but would look to discuss obtaining it within the CDSP, adding that Change Reference Number XRN5615 had been allocated to this Modification, <https://www.xoserve.com/change/customer-change-register/xrn-5615-establishingamending-a-gas-vacant-site-process-modification-0819/>

The Chair asked if taking this approach fettered the Authority's decisions for Modifications, which SM responded to by noting that the decision to spend money was the industry's to make, as was whether to fund at risk. ER added that the consideration was more pertinent for Modifications awaiting an Authority decision, as there was a clearer understanding of when approval was likely for Modification Panel decisions on Self Governance Modifications to which the CDSP could plan to.

The Chair commented that she might recommend this be issued as a question in the Consultation, with Workgroup Participants acknowledging that ultimately the decision rested with the DSC Change Management Committee, though noting that this was a request for opinions to feedback to deliberations on that decision.

4.0 Review of revised ROM

Please note that copies of the ROM, and changed marked version pertinent to this discussion are available for review at www.gasgovernance.co.uk/0819/280923; and as such, they are not replicated in detail here.

KA led a review of the ROM, noting the changes to 3b *Overview of Impacts*, explaining that this made more explicit that any potential changes to the Gas Enquiry System (GES) would be subject to a REC Change being raised and as such was not covered under this ROM. She added that discussions had been conducted with the REC who had fed back that they did think some items would be beneficial for GES, but this was being progressed outside of this ROM.

KA continued that Point 26 under *Assumptions* had also been amended to confirm that GES was not covered, and that Point 28 had been added to note that CMS consequential impacts were possible depending on the solution option chosen and this would be confirmed during the development of the Detailed Design. Also, renumber Point 29, specified that DDP delivery was anticipated to be within an existing scheduled release, but it was acknowledged that this was ultimately a decision for the DSC Change Management Committee.

KA advised that the original ROM had the impact on CMS listed as *Medium*, but this has now changed to *High* as CMS solutions are included in this ROM.

She also noted that the Implementation cost remained the same, with more context provided around the cost range. ER advised that the DDP variable was just one of the factors, with the bulk of the cost range relating to the CMS or UK-Link based solution consideration. She stated that the CDSP would make this clearer, and would tweak the wording, before confirming that the DDP part was less impactful to the range of potential costs and that if the CMS option is the preferred solution, the cost is likely closer to the higher end of the range given, stating that the UK Link system changes had to be delivered within a Major Release.

ER confirmed the CMS solution would still need to be part of a major release, as the UK Link element would need to be delivered at the same time, which would need a major release, with the earliest being November 2024 or February 2025, pending the Authority decision.

The CDSP representative highlighted that *Ongoing costs* were currently listed as unknown but would be assessed and confirmed in the detailed design phase.

ER added that the CDSP have been seeing customers requesting implementations quicker than the standard 6-month Shipper advance warning period and this was to be discussed in the DSC Change Management Committee.

When asked about the current Service Area and Funding allocations, ER confirmed that commentary was in the ROM, but was to be ultimately determined by the DSC Change Management Committee, adding that the Proposer had suggested a 50/50 split between DNs and Shippers. When the Workgroup was asked for views on this Gurvinder Dosanjh (GD) suggested leaving the funding proposal for the DSC Change Management Committee where it could be considered in the context of related aspects like the remaining budgets for the constituencies. Louise Hellyer (LH) confirmed that she too felt it appropriate to leave as a starting proposal for the DSC Change Management Committee to review.

5.0 Review of the revised guidelines document

The Proposer advised minimal changes had been made to the Vacant Site Guidance Document to add the Document control requested at the last Workgroup. He was asked to add a first line entry noting that the Modification was awaiting approval and subsequent notification of implementation date.

There was also a change to Rejection of Vacant Status, with the use of the word 'requests' instead of 'notifies', and that it had been added that when the CDSP rejects a request they will notify the Shipper of the rejection as soon as reasonably practical.

6.0 Review of Revised Legal Text (if required)

The Legal Text was unchanged, so a review was considered not to be required.

7.0 Finalise the Workgroup Report

The Chair shared a view of the Workgroup report, which the Workgroup reviewed and agreed to final wordings where any questions had still remained, this included revisiting discussions about consumer bill accuracy and wording the entry to make it clearer that whilst the Modification certainly could result in more accurate billing for Shippers, consumers may not be paying anyway as the sites would be vacant.

The Workgroup Report was finalised to the agreement of the Workgroup.

8.0 Next Steps

The Chair confirmed that the Workgroup Report would next be presented to the Modification Panel meeting on 19 October 2023, and described the next steps in the process to the Workgroup.

The Proposer asked if there were any further actions required from himself. The Chair advised that if the Authority did have questions they would approach the Modification Panel but advised that the Proposer was welcome to attend the Modification Panel when they were considering the Modification both before consultation on 19 October and afterwards at Final Modification report stage.

9.0 Any Other Business

No other business was discussed.

10.0 Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/events-calendar/month.

With the Workgroup Report now set to go to the Modification Panel, no further Workgroup meetings are planned to take place.

Distribution Workgroup Action Table						
Action Ref	Meeting Date	Minute Ref	Action	Owner	Reporting Month	Status Update
0801	24/08/23	3	CDSP (POr) to reflect the solution options in an updated ROM.	CDSP (POr)	September 2023	Closed
0802	24/08/23	6	Joint Office and CDSP to seek PAC view as to the value of adding PARR considerations in WGR	Joint Office & CDSP (RHa & POr)	September 2023	Closed

**UNC Workgroup 0850 Minutes
Amendments to Allocation of Unidentified Gas Expert (AUGE)
arrangements to introduce a new Residual Upstream Contributor
Thursday 28 September 2023
via Microsoft Teams**

Attendees

Rebecca Hailes (Chair)	(RHa)	Joint Office
Ben Mulcahy (Secretary)	(BM)	Joint Office
Steve Mulinganie (Proposer)	(SM)	SEFE Energy
David Mitchell	(DMi)	SGN
Edward Allard	(EA)	Cadent
Ellie Rogers	(ER)	CDSP (Xoserve)
Gavin Williams	(GW)	National Gas Transmission
Harry Hailwood	(HH)	Brook Green Supply
James Lomax	(JLo)	Cornwall Insight
Jenny Rawlinson	(JR)	BU-UK
Josie Lewis	(JLe)	CDSP (Xoserve)
Kathryn Adeseye	(KA)	CDSP (Xoserve)
Kevin Clark	(KC)	Utilita
Louise Hellyer	(LH)	TotalEnergies Gas & Power
Lee Greenwood	(LG)	British Gas
Mark Jones	(MJ)	SSE Energy Supply
Nick King	(NK)	Barrow Shipping
Paul O'Toole	(PO)	Northern Gas Networks
Philip Lucas	(PL)	National Gas Transmission
Slama Akhtar	(SA)	Northern Gas Networks
Steve Mulinganie	(SM)	SEFE Energy Limited
Tom Stuart	(TSt)	Wales & West Utilities
Tracey Saunders	(TS)	Northern Gas Networks

This Workgroup meeting will be considered quorate provided at least two Transporter and two Shipper User representatives are present.

Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of all papers are available at: <https://www.gasgovernance.co.uk/0850/280923>

The Workgroup Report is due to be presented at the UNC Modification Panel by 18 July 2024

1.0 Introduction and Status Review

Rebecca Hailes (RHa) welcomed everyone to the meeting and asked the Proposer to summarise the current status of the Modification.

Steve Mulinganie (SM) advised that he had no comments to make and due to holidays and delays in Modifications 0831/A *Allocation of LDZ UIG to Shippers Based on a Straight Throughput Method*, he proposed to carry forward the meeting to next month and commented that he was also going to ask the Modification Panel for the reporting date for this Modification to be extended by 3 months to reflect the delay in starting discussions.

1.1. Approval of Minutes (24 August 2023)

The minutes from the meeting held on 24 August 2023 were not reviewed.

1.2. Approval of Late Papers

There were no late papers to report.

1.3. Review of Outstanding Actions

Action 0701: DNOs (JS) to provide insight into the DNO Pricing Calendar as an aid to WG consideration of when the Residual Upstream Contributor (RUC) could be issued.

Update: This action was deferred.

Action deferred to October Workgroup.

2.0 Consider Initial Representations

Discussions were deferred to the October meeting.

3.0 Review Business Rules

The Review was deferred to the October meeting.

4.0 Next Steps

The meeting was deferred to October.

5.0 Any Other Business

No other business was raised.

6.0 Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/events-calendar/month

Workgroup meetings will take place as follows:

Time / Date	Paper Publication Deadline	Venue	Workgroup Programme
10:00 Thursday 26 October 2023	5 pm 18 October 2023	Microsoft Teams	<ul style="list-style-type: none">Consider any Initial Representations received and Panel Questions.Review Business Rules.

0850 Workgroup Action Table						
Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0701	28/07/23	1	DNOs (JS) to provide insight into the DNO Pricing Calendar as an aid to WG consideration of when the Residual Upstream Contributor (RUC) could be issued.	August 2023 September 2023	NGN (JS)	Deferred