

**UNC Workgroup 0450 Agenda**  
**Monthly revision of erroneous SSP AQs outside the User AQ**  
**Review Period**

**Thursday 25 July 2013**

**at Consort House, 6 Homer Road, Solihull, B91 3QQ**

**Attendees**

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Alan Raper	(AR)	National Grid Distribution
Alex Ross-Shaw	(ARS)	Northern Gas Networks
Andrea Varkonyi	(AV)	First Utility
Andrew Margan	(AM)	British Gas
Andy Clasper	(AC)	National Grid Distribution
Anne Jackson*	(AJ)	SSE
Chris Hill	(CH)	Cornwall Energy
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
David Addison	(DA)	Xoserve
David Mitchell	(DM)	Scotia Gas Networks
Dean Johnson	(DJ)	Xoserve
Edward Hunter	(EH)	RWE npower
Erika Melén	(EM)	Scotia Gas Networks
Fergus Healey	(FH)	National Grid NTS
Hilary Chapman	(HCh)	Xoserve
Huw Comerford	(HCo)	Utilita
Joel Martin	(JM)	Scotia Gas Networks
Jon Dixon	(JD)	Ofgem
Lorna Lewin	(LL)	Dong Energy
Marie Clark	(MC)	Scottish Power
Mark Jones*	(MJ)	SSE
Naomi Anderson*	(NA)	EDF Energy
Steve Deery	(SD)	Xoserve
Steve Mulinganie	(SM)	Gazprom

\* via teleconference

Copies of all papers are available at: [www.gasgovernance.co.uk/0450/250713](http://www.gasgovernance.co.uk/0450/250713)

The Workgroup Report is due to the UNC Modification Panel on 19 September 2013.

**1.0 Review of Minutes and Actions from previous meeting**

**1.1. Minutes**

The minutes of the previous meeting were accepted.

**1.2. Actions**

**0501:** Xoserve (DA) to provide a copy of the ROM in time for consideration at the next meeting.

**Update:** A revised ROM will be provided for publication once the business rules are complete. **Carried Forward**

## 2.0 Discussion

AV confirmed that the modification had been amended to reflect the workgroup discussions and subsequent considerations with Xoserve. She explained that the modification focuses on the SSP market share rather than volume based, using an Xoserve portfolio snapshot twice a year.

SM asked about the potential to roll over unused allowances, DA clarified if all Shippers attempted to utilise a rolled over allowance this may cause capacity constraints, so in an attempt not to over complicate the solution the 20,000 limit had been suggested on a use it or lose it basis each month. This would be broken down to provide a Shipper with a locked in minimum of 200 each month, with the allowance increased based on market share. The Workgroup considered Shippers with smaller portfolios where the full 200 locked in allowance would not be utilised. They also considered the volume of acquired sites with the likelihood of erroneous AQs – the focus should be on a balanced approach where possible, with increases and decreases being appealed, not just decreases in AQ.

The reporting requirements were considered and whether some performance reporting ought to be included. If a reporting process were not available would this allow hidden changes to be made. CW highlighted that within the UNC all AQ appeals are reportable on a one annual basis - there were no objections to include reporting within the solution. Xoserve were happy to provide reporting as long as it was clear that this may incur additional costs and that it did not unnecessarily complicate the solution.

CW believed that TPD G1.6.13 would need to be considered in detail for consideration about how the process would work.

Some concern was expressed about a balanced approach for addressing erroneous AQs. However, AV was concerned that a balanced approach may not be possible as this could restrict the process as the changes required would depend on the sites acquisitions.

SM was concerned about applying provisions that would over complicate the solution for the proportion of sites that are likely to be impacted. However, some concern was expressed about the controls and corrupting the Modification 0081 process.

It was agreed that reporting would be included within the modification using existing provisions. CW suggested UNC TPD G1.6.20 is considered. The Workgroup considered the report and whether an aggregate position ought to be reported or the number of AQ increases and decreases by volume.

The timing of appeals for sites with AQs of 1 was considered, how this could impact the AQ appeal window and whether sites ought to be excluded from the 20,000 limit. It was agreed that the Workgroup needed to look at the material impact of sites with AQs of 1.

DA was concerned that the number of AQs registered as 1 may impact the overall limit of 20,000 should the proposer include them without limitation in the appeal process. It was deemed that the limit would be 20,000 challenges/attempts, as these would still need to be processed.

The Workgroup wished to understand the cost implications of including AQs of 1 over and above the 20,000 limit of AQ appeals.

**Action 0701:** Xoserve to substantiate the impact of including sites with an AQ of 1 over and above the 20,000 available amendments, what complexities would be involved and the likely costs.

It was agreed Xoserve would provide an update to this action on the 07 August for the completion of the legal text and completion of the Workgroup Report on 22 August.

The reporting element will also be added to solution and factored into legal text and ROM.

### 3.0 Any Other Business

None.

### 6.0 Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/Diary](http://www.gasgovernance.co.uk/Diary)

The next meeting will take place within the Distribution Workgroup on:

Wednesday 07 August 2013, 10:30, Consort House, 6 Homer Road, Solihull B91 3QQ.

Thursday 22 August 2013, 10:30 ENA, 52 Horseferry Road, London SW1P 2AF.

### Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0501	23/05/13	2.0	To provide a copy of the ROM in time for consideration at the next meeting.	Xoserve (DA)	<b>Carried Forward</b>
0701	26/07/13	2.0	Xoserve to substantiate the impact of including sites with an AQ of 1 over and above the 20,000 available amendments, what complexities would be involved and the likely costs.	Xoserve (DA)	<b>Pending</b>