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**UNC Workgroup 0473 Minutes**  
**Project Nexus – Allocation of Unidentified Gas**  
**Wednesday 18 June 2014**  
**at 31 Homer Road, Solihull B91 3LT**

**Attendees**

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MiB)	Joint Office
Alison Salisbury	(AS)	Corona Energy
Andy Miller	(AM)	Xoserve
Brendan Cooper*	(BC)	GDF Suez
Carl Whitehouse	(CWh)	first:utility
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
David Addison	(DA)	Xoserve
Elaine Carr	(EC)	ScottishPower
Emma Lyndon	(EL)	Xoserve
Emily Wells	(EW)	Corona Energy
Fiona Cottam	(FC)	Xoserve
Huw Comerford	(HC)	utilita
James Rigby	(JR)	RWE npower
Johan Buys	(JB)	Corona Energy
Jon Dixon	(JD)	Ofgem
Kathryn Allen	(KA)	RWE npower
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Michele Downes	(MD)	Xoserve
Mike Fensome*	(MF)	GDF Suez
Richard Franklin	(RF)	Opus Energy
Sandra Simpson	(SS)	Xoserve
Steve Mulliganie	(SM)	Gazprom
Sue Cropper	(SC)	British Gas

\* via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0473/180614>

The Workgroup Report is due to the Panel on 18 September 2014

**1. Review of Minutes and Actions**

**1.1. Review of Minutes**

The minutes of the previous meeting were accepted.

**1.2. Review of Actions**

**0473 06/01:** Waters Wye Associates (GE) to provide a link to the EDF Energy Electricity Report and thereafter all parties to review the document and provide their views, where appropriate.

**Update:** BF explained that a link to the EDF Energy Electricity Report had been provided and included within the minutes of the last meeting. **Closed**

**0473 06/02:** Waters Wye Associates (GE) & Northern Gas Networks (ARS) to seek a legal view on how the transitional table would be reflected in the guidance document and/or UNC.

**Update:** In the absence of GE, SM advised that consideration of the action remains ongoing. **Carried Forward**

**0473 06/03:** *Linked to action 0473 06/02* – Northern Gas Networks (ARS) to confirm that the proposed solution is viable and thereafter ensure that the supporting legal text is ‘fit for purpose’.

**Update:** BF advised that ARS had not provided an action update prior to the meeting. **Carried Forward**

**0473 06/04:** All parties to review the 0473A Framework Document and provide their feedback in time for provision of amended version of the document in time for consideration at the next meeting.

**Update:** BF advised that amended versions of both the 0473A modification and framework document had been provided immediately prior to today’s meeting taking place.

AM suggested that whilst he is happy to review the documents at today’s meeting, he would anticipate providing more meaningful (Xoserve) feedback once he has had enough time to consider the changes in more detail. **Carried Forward**

## **2. Review of AUGE Guidelines**

Consideration deferred.

## **3. Review of 0473A Framework Document**

### **3.1 Modification 0473A Update**

SC provided an onscreen overview of the more recent changes to the modification (v4.0, dated 06 June 2014) explaining that the principal change is to the table contained within Section 3 – Solution.

### **3.2 0473A Framework Document**

Providing a brief onscreen review of the changes made to the 0473A Framework Document (v5.0, dated 18 June 2014), SC focused attention on the Section 5 changes and explained that comments/feedback from the previous meeting(s) had now been incorporated (where deemed appropriate) in to this latest iteration of the document.

The key discussion items not captured directly within the document are recorded as follows:

Paragraph 5.1.6(a) & (b) – reference changes only;

Paragraph 5.1.7 – it was suggested that the term ‘equitably treated’ may be better than ‘equitably affected’. SC agreed to double check with her legal colleagues;

Paragraph 5.1.9 – adopts an ‘open ended approach’ with the earliest roll over of the data table (factors) after 12 months.

FC provided a brief overview of the proposed process timeline for 2015/16 arrangements. SC suggested that whilst discussions remain ongoing any feedback on this matter would be welcomed;

Paragraph 5.1.10 – some concerns voiced about the use of the term ‘in line with’ and the need to specify what the consultation process might be;

Paragraph 5.1.13 – questions asked about whether or not inclusion of iGTs is appropriate with AM suggesting that a defined term may also be required to clarify the matter;

Paragraph 5.1.22 – it was felt that use of the term ‘approval’ would be preferable to ‘signed off’. SM suggested that there would be benefit in having an additional post approval statement / clause to enable the Committee to unpick a previous approval.

Feedback on whether a majority or unanimous vote would be appropriate for the rejection of the UGIE's findings by the Committee was requested. BF suggested that this is more related to how the Committee would disapprove the UGIEs findings and whether an appropriate test criteria has been adopted and followed (i.e. how best to sequence the events – test should precede approval and not the other way around);

In recognising that the document had been provided at very short notice, SC requested that parties take it away and consider providing their views / comments in time for consideration at the next meeting.

BF then asked JD for a view (based on Ofgem's decision on UNC Modification 0432) on how best to progress development of the modifications and the associated Workgroup Report findings and recommendations. Responding, JD highlighted the fact that Ofgem would be keen to see an informed solution that is more dynamic in nature, and not subjective, and which is based on undisputable evidence. In addition they would like to see a more intelligent approach to the transitional period than the adoption of fixed values for the table.

When asked, AM confirmed that currently there is not a view on the potential User Pays costs available as this is heavily dependant upon what specific deliverables the modification advocates.

When asked whether or not a changed marked version of the 0473A modification based on these latest discussions could be provided, SC indicated that she would look to provide one within the next 10 business days. However, she did point out that it is highly unlikely that the legal text would be ready in time for consideration at the next meeting. BF suggested that if British Gas could provide amended business rules to Northern Gas Networks as early as possible then they (NGN) could provide a more informed view around the provision of formal legal text.

**4. Completion of Workgroup Report (inc. legal text sign off)**

BF suggested that until the outstanding actions are completed for both modifications and amended modifications and legal text provided, further consideration of the draft (0473/0473A) Workgroup Report (v0.2, dated 20 May 2014) should be deferred until the next meeting – this suggested approach met with the approval of those present.

It was also agreed that the 'target' remains to present the Workgroup Report to the August Panel.

**5. Any Other Business**

None.

**6. Diary Planning**

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

The following meetings are scheduled to take place during 2014:

Time/Date	Venue	Workgroup Programme
10:30 Tuesday 08 July	National Grid Office, 31 Homer Road, Solihull. B91 3LT.	0473/0473A
10:30 Tuesday 22 July	National Grid Office, 31 Homer Road, Solihull. B91 3LT.	To be confirmed
10:30 Monday 11 August	National Grid Office, 31 Homer Road, Solihull. B91 3LT.	To be confirmed

10:30 Tuesday 09 September	National Grid Office, 31 Homer Road, Solihull. B91 3LT.	To be confirmed
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**Action Table**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0473 06/01	04/06/14	1.2	To provide a link to the EDF Energy Electricity Report and thereafter all parties to review the document and provide their views, where appropriate.	Waters Wye Associates (GE)	Update provided. <b>Closed</b>
0473 06/02	04/06/14	4.1	To seek a legal view on how the transitional table would be reflected in the guidance document and/or UNC.	Waters Wye Associates (GE) & Northern Gas Networks (ARS)	Update to be provided. <b>Carried Forward</b>
0473 06/03	04/06/14	4.1	<i>Linked to action 0473 06/02</i> – to confirm that the proposed solution is viable and thereafter ensure that the supporting legal text is ‘fit for purpose’.	Northern Gas Networks (ARS)	Update to be provided. <b>Carried Forward</b>
0473 06/04	04/06/14	4.3	To review the 0473A Framework Document and provide their feedback in time for provision of amended version of the document in time for consideration at the next meeting.	All	Update to be provided. <b>Carried Forward</b>