

Record of Determinations: Panel Meeting 19 February 2015

Modification	Vote Outcome	Shipper Voting Members					Transporter Voting Members					Consumer Member	Determination Sought	
		AG (PB)	AM	CH	PB	RF	CW	EM	ARS	RP	RH	CA		
0523 - Supply Point Registration – Facilitation of ‘faster switching’ for Shared Supply Meter Points	Is a Self-Governance Modification - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0523S with a report presented by the May 2015 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Workgroup 0523 with a report presented by the May 2015 Panel
0525 - Enabling EU Compliant Interconnection Agreement	Not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	X	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0525 with a report presented by the June 2015 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Workgroup 0525 with a report presented by the June 2015 Panel
0526 - Identification of Supply Meter Point pressure tier	Not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	X	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0526 with a report presented by the August 2015 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Workgroup 0526 with a report presented by the August 2015 Panel
0527 - Implementation of Annual Quantity arrangements (Project Nexus transitional modification)	Not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	X	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0527 with a report presented by the June 2015 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Workgroup 0527 with a report presented by the June 2015 Panel
0528 - Implementation of Supply Point Administration, gas allocation and settlement arrangements (Project Nexus transitional modification)	Not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	X	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0528 with a report presented by the June 2015 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Workgroup 0528 with a report presented by the June 2015 Panel
0529 - Implementation of Retrospective Adjustment arrangements (Project Nexus	Not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	X	Does Modification satisfy the Self-Governance criteria

Adjustment arrangements (Project Nexus transitional modification)	Issued to Workgroup 0529 with a report presented by the June 2015 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Workgroup 0529 with a report presented by the June 2015 Panel
0531 - Provision and Development of Industry Testing Prior to Nexus Go-live	Not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	X	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0531 with a report presented by the May 2015 Panel - with 10 votes in favour and 1 vote against	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Workgroup 0531 with a report presented by the May 2015 Panel
0522 - Inclusion of email as a valid UNC Communication	Workgroup to report by July 2015 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Extend Workgroup reporting date to July 2015 Panel
0516 - Information provision by large Customers to aid understanding of site characteristics	Legal Text requested - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Request Legal Text
0445 - Amendment to the arrangements for Daily Metered Supply Point Capacity (supplemental report following send-back)	Further consultation not required - unanimous vote in favour	X	X	X	X	X	X	X	X	X	X	X	X	Should FMR be Issued for further Consultation
	Return FMR to Ofgem - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should FMR be returned to Ofgem
0466A – Daily Meter Reading Simplification	Variation not material - unanimous vote in favour	X	X	X	X	X	X	X	X	X	X	X	X	Is Variation material
0466 – Daily Meter Reading Simplification	Implementation not recommended - with 5 votes in favour						✓	✓	✓	✓	✓			Should Modification be implemented (only votes in favour recorded) Note vote carried over from 20 November 2014 Panel meeting
0466AV – Daily Meter Reading Simplification	Implementation recommended - with 10 votes in favour	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be implemented (only votes in favour recorded)
	Prefer 0466	X	X	X	X	X	✓	✓	✓	✓	✓	✓	✓	
	Prefer 0466AV	✓	✓	✓	✓	✓	X	X	X	X	X	X	X	
0479S - Inclusion of email as a valid UNC	No new issues identified - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues

communication	Implemented - with 10 votes in favour	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	Modification to be implemented (only votes in favour recorded)
0501 0501A 0501B 0501C - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations	No new issues identified - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
0501 - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations	Implementation recommended - with 6 vote in favour						✓	✓	✓	✓	✓	✓	Should Modification be implemented (only votes in favour recorded)
0501A - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations	Implementation recommended - with 9 votes in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓			Should Modification be implemented (only votes in favour recorded)
0501B - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations	Implementation recommended - with 8 votes in favour				✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be implemented (only votes in favour recorded)
0501C - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations	Implementation recommended - 6 votes in favour		✓				✓	✓	✓	✓		✓	Should Modification be implemented (only votes in favour recorded)
	Prefer 0501											✓	✓
	Prefer 0501A	✓	✓	✓	✓	✓							
	Prefer 0501B						✓	✓	✓	✓			
	Prefer 0501C												
0512S – Amendment to Section M to be consistent with Faster Switching Proposals	No new issues identified - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implemented - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Modification to be implemented (only votes in favour recorded)
0515S – Resolution timescales for SRVs and USRVs following Project Nexus Implementation	No new issues identified - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implemented - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Modification to be implemented (only votes in favour recorded)

In favour	Not in Favour	No Vote Cast	Not Present	
✓	X	NV	NP	

UNC Modification Panel

Minutes of the 172 Meeting held on Thursday 19 February 2015 at ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

Attendees

Voting Members:

Shipper Representatives	Transporter Representatives	Consumer Representative
A Margan (AM), British Gas C Hill (CH), Cooperative Energy P Broom (PB), GDF Suez and alternate for A Green R Fairholme (RF), E.ON UK	C Warner (CW), National Grid Distribution E Melen (EM), Scotia Gas Networks A Ross-Shaw (ARS), Northern Gas Networks R Pomroy (RP), Wales & West Utilities R Hewitt (RH), National Grid NTS	C Alexander (Citizens Advice)

Non-Voting Members:

Chairman	Ofgem Representative
A Plant (AP), Chair	A Rooney (ARo), Ofgem

Also in Attendance:

A Corkhill* (AC), ENI; C Baldwin* (CB), E.ON UK; D Addison (DA), Xoserve; D Brace* (DB), National Grid NTS; D McCrone* (DMc), Ofgem; G Jack* (GJ), British Gas; K Elliott-Smith (KES), Cornwall Energy; L Jenkins (LJ), Joint Office; M Jones* (MJ), SSE; R Fletcher (BF), Secretary; S Witter* (SW), ENI and R Johnson (RJ) Wingas.

* by teleconference

Record of Discussions

172.1 Note of any alternates attending meeting

A Ross-Shaw for J Ferguson (Northern Gas Networks)

P Broom for A Green (Total)

R Hewitt for F Healey (National Grid NTS)

R Pomroy for S Edwards (Wales & West Utilities)

172.2 Record of Apologies for absence

A Green, F Healey, J Ferguson and S Edwards.

172.3 Minutes and Actions of the Last Meeting(s)

Members approved the minutes from the 15 January and 23 January meeting.

172.4 Consider New Non-Urgent Modifications

- a) Modification 0523 - Supply Point Registration – Facilitation of ‘faster switching’ for Shared Supply Meter Points

CW introduced the modification and its aims. CA asked if shared supply point customers were disadvantaged as they were excluded from Modification 0477. CW advised that was not the case as unique sites, which include shared Supply Meter Points, have always been managed through a separate offline process. Once Project Nexus is implemented, unique sites would be brought into the Nexus systems and therefore it is appropriate to include them at this point.

Self Governance is proposed as the materiality issue was addressed through the implementation of Modification 0477 and this modification is adding a number of additional Supply Meter Points which should not be considered material.

For Modification 0523, Members determined:

- The criteria for Self-Governance are met by this modification as the low numbers of relevant Supply Points is unlikely to have material effect on gas consumers; competition or the operation of pipe-line systems;
- That modification 0523S is issued to Workgroup 0523S for assessment, with a report to be presented no later than the May 2015 Panel.

- b) Modification 0525 - Enabling EU Compliant Interconnection Agreements

DB introduced the modification and its aims. PB asked why this modification is being raised so late in the process, why couldn't it have been raised earlier when there is a desire for an October implementation. DB advised that this is due to the delay in the development and consultation for the EU Interoperability Code (INT) and associated

Interconnection Agreements (IA). The INT Code also requires shipper consultation on these sections before the TSOs execute amended IAs. PB is concerned that the processes are not aligned. RH advised that the TSO discussions are ongoing and that the INT and IA still have to go through comitology - there is an overlap but should be manageable within the timeframe to meet an October implementation date.

For Modification 0525, Members determined:

- The criteria for Self-Governance are not met as this modification is expected to have a material impact on commercial activities connected with the transportation of gas conveyed via the National Transmission System and the operation of the pipeline system;
- That modification 0525 is issued to Workgroup 0525 for assessment, with a report to be presented no later than the June 2015 Panel.

c) Modification 0526 - Identification of Supply Meter Point pressure tier

CB introduced the modification and its aims. AP asked if this was an appropriate time to raise this modification considering the time and resource constraints leading up to Project Nexus implementation. CB advised that there had been a number of examples where meter installers had not been able to complete meter exchanges or meter works, which in some cases delayed urgent jobs, leaving consumers without gas. In addition, the modification has an interim solution proposed to reduce the impacts on Project Nexus implementation until such time the enduring solution can be implemented.

LJ advised that some consumer representatives had recently raised concerns about making such information readily available to non Code parties (eg Suppliers) which could be used for marketing exercises.

RP asked if the pressure information required is at the Emergency Control Valve (ECV) or is it network pressure? CB confirmed that the pressure required is at the ECV. RP asked if the reference to SMART metering roll out limits the requirements to domestic meters only? CB confirmed all markets and pressure tiers would be included.

CW challenged the implementation date and asked if this could be considered by the workgroup.

CA asked if the modification was assuming that new entrant meter operators/installers were of reduced skill level compared to existing meter installers? CB advised this was not the case, it is a matter of ensuring that the person attending site has the right skill level to undertake the work.

PB asked if the information is readily available now so that the implementation date can be met. RP advised that mains/network pressure is known but this may not be the same as pressure at the ECV.

Questions for the Workgroup:

Q1. Demonstrate how the Solution mitigates the risk of inappropriate use of information;

Q2. Clarify the implementation timetable for both transitional and enduring solutions;

Q3. Should NTS sites be excluded from the scope of information provision;

Q4. Consider if a joint Workgroup should be established with iGTs.

For Modification 0526, Members determined:

- The criteria for Self-Governance are not met as this modification is expected to have a material impact on commercial activities associated with the transportation of gas;
- That Modification 0526 is issued to Workgroup 0526 for assessment, with a report to be presented no later than the August 2015 Panel.

d) Modification 0527 – Implementation of Annual Quantity arrangements (Project Nexus transitional modification)

CW introduced the modification and its aims. AP asked for views on Self Governance, should Project Nexus-related transitional modifications be considered Self Governance as they facilitate the transition from the existing regime to the new regime and therefore do not introduce enduring requirements? The Self Governance criteria were then displayed on screen for all Panel Members to consider.

RP felt that Self Governance is not appropriate due to the costs involved. LJ challenged that costs do not specifically influence Self Governance unless it can be shown to impact the Self Governance criteria.

CW challenged this view as the transitional modifications propose to extract data or identify how data from the old regime is populated or used in the new regime, so they would potentially have significant indirect impacts on consumers and so would not meet the Self Governance criteria. Other Members agreed with this view.

For Modification 0527, Members determined:

- The criteria for Self-Governance are not met as this modification is expected to have a material impact on existing gas consumers;
- That modification 0527 is issued to Workgroup 0527 for assessment, with a report to be presented no later than the June 2015 Panel.

e) Modification 0528 – Implementation of Supply Point Administration, gas allocation and settlement arrangements (Project Nexus transitional modification)

CW introduced the modification and its aims.

PB asked if there was a view on the number of non effective days and would the Workgroup address this issue. DA advised that analysis is on going and a formal position is still to be provided. However, Xoserve are looking at days preceding 01 October and not days on or after 01 October.

AM advised that non effective days were discussed at iGTUNC Panel and the possible impacts on Supplier switching obligations. The iGTUNC Panel Chair is to write to Ofgem to seek views and possibly assurances from Ofgem with regard to switching obligations.

CA felt that Suppliers should communicate any potential switching implications to consumers either prior to, or at the time consumers are

switching so that their expectations can be managed.

For Modification 0528, Members determined:

- The criteria for Self-Governance are not met as this modification is expected to have a material impact on existing gas consumers;
- That modification 0528 is issued to Workgroup 0528 for assessment, with a report to be presented no later than the June 2015 Panel.

- f) Modification 0529 – Implementation of Retrospective Adjustment arrangements (Project Nexus transitional modification)

CW introduced the modification and its aims.

For Modification 0529, Members determined:

- The criteria for Self-Governance are not met as this modification is expected to have a material impact on existing gas consumers;
- That modification 0529 is issued to Workgroup 0529 for assessment, with a report to be presented no later than the June 2015 Panel.

- g) Modification 0531 - Provision and Development of Industry Testing Prior to Nexus Go- live

MJ introduced the modification and its aims. EM asked if this modification is likely to have an impact on Nexus delivery? DA could not confirm this was likely or not based on current information, although it may not be possible to meet the modification requirements as it could have impact market testing.

AP was concerned that the UNC was being used to specify transitional and testing requirements, should this be the role of a systems development and transition group? RH felt that such modifications are likely to be more prevalent following the implementation of FGO, as Users will be funding them directly.

PB was sympathetic to the modification requirements and that it is in response to a lack of visibility around testing, which is creating frustration. DA advised that there is a workgroup under UKLIEF dedicated to testing and these issues are being discussed there.

AM asked why the modification has been raised now and not at an earlier date. MJ explained that they were concerned that Xoserve were driving the process to meet their own requirements and not the needs of the industry. In addition the delivery plan was only provided recently and testing inadequacies identified then.

For Modification 0531, Members determined:

- The criteria for Self-Governance are not met as this modification is expected to have a material effect on commercial activities connected with the shipping and transportation of gas;
- That Modification 0531 is issued to Workgroup 0531 for assessment, with a report to be presented no later than the May 2015 Panel.

172.5 Consider Workgroup Issues

Consideration of Workgroup Reporting Dates and Legal Text Requests:

Members determined unanimously to extend the following Workgroup reporting dates:

Workgroup	Reporting Date
0522 - Inclusion of email as a valid UNC Communication	July 2015

Members determined unanimously to request Legal text for the following modifications:

Modification
0516 - Information provision by large Customers to aid understanding of site characteristics

172.6 Variation Requests

- a) Modification 0466A - Daily Meter Reading Simplification (with improved within day data provision)

RJ presented the Variation Request. RH clarified that this variation request would amend their representation. However, they would support the variation being immaterial as it removed the concerns they had previously raised.

PB agreed with this view that further consultation would not be required in this situation.

Following discussion, Members unanimously determined that the Modification 0466A Variation Request was not material. Therefore, the new modification will continue from the point in the Modification Rules reached by Modification 0466A, i.e. the Panel will determine whether to recommend implementation of the varied modification.

172.7 Final Modification Reports

- a) Modification 0445 - Amendment to the arrangements for Daily Metered Supply Point Capacity

CW provided an overview of Workgroup discussions and the additional information and analysis provided. He confirmed that there were no amendments to the modification.

Members considered the Workgroup supplemental report and determined unanimously to recommend the Final Modification Report should be

resubmitted to the Authority.

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0445

b) Modification 0466 0466AV – Daily Meter Reading Simplification

For Modification 0466 Members determined not to recommend the implementation of Modification 0466 (Note that this vote was taken at the November 2014 Panel meeting).

For Modification 0466AV Members determined to recommend the implementation of Modification 0466AV.

When asked for a preference, Members determined that Modification 0466 furthers the Relevant Objectives more than Modification 0466AV.

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0466

c) Modification 0479S - Inclusion of email as a valid UNC communication

Members determined to implement Modification 0479S.

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0479S

d) Modification 0501/A/B/C - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations

For Modification 0501 Members determined to recommend the implementation of Modification 0501.

For Modification 0501A Members determined to recommend the implementation of Modification 0501A.

For Modification 0501B Members determined to recommend the implementation of Modification 0501B.

For Modification 0501C Members determined to recommend the implementation of Modification 0501C.

When asked to consider a preference there was no clear majority view on whether proposed Modification 0501, 0501A, 0501B or 0501C better facilitates the Relevant Objectives than the others.

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0501

e) Modification 0512S – Amendment to Section M to be consistent with Faster Switching Proposals

Members determined to implement Modification 0512S.

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0512S

- f) Modification 0515S – Resolution timescales for SRVs and USRVs following Project Nexus Implementation

Members determined to implement Modification 0515S.

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0515S

172.8 Any Other Business

- a) Modification 0513 - UK Link Programme (Project Nexus) - independent project assurance for Users (*suggested amendment to the Urgent process*)

BF provided an overview of a potential change to the Modification Rules to introduce a modification variation process into the Urgent Modification Process. Members supported the changes and Transporters agreed to consider raising a governance modification to progress the changes.

- b) Update - Cross Gas Codes Final Report on Industry Data Quality, Ownership and Governance

BF provide a brief overview of the discussion at the joint energy meeting held with Ofgem on the Data Quality report recommendations. He advised that the majority of the actions highlighted in the gas report were being progressed by SPAA as they were related to their activities.

BF asked members to note that Ofgem were considering writing to Panels requesting they set up a joint energy group to review the merits of using UPRN.

- c) Changes to consultation response template (for approval)

LJ provided an overview of the proposed changes to the response template. RH asked why views were sought on preferences for alternate modifications. Other Members felt this was useful to gauge respondent's views and helped them judge the merits of modifications and any alternates.

Members unanimously approved the proposed amendments to the response template.

- d) Modification 0465V (PARCA) – amendment to the paragraph numbering (for noting only)

LJ advised that there was a numbering issue with the legal text associated with this modification which had only been identified now due to the long lead time between text development and implementation. Members unanimously approved the renumbering of the legal text paragraphs.

172.9 Conclude Meeting and Agree Date of Next Meeting

10:30 19 March 2015, at the ENA