

Record of Determinations: Panel Meeting 21 August 2014

Modification	Vote Outcome	Shipper Voting Members					Transporter Voting Members					Consumer Representative	Determination Sought
		SM	AG	AM	PB	RF	CW	EM	JF	RP	RH	CA	
0513 - UK Link Programme (Project Nexus) - independent project assurance for Users	View on Urgency not to be provided - with 4 votes in favour and 7 votes against	X	X	X	X	X	✓	✓	✓	X	✓	X	Should a view on Urgency be provided to the Authority at this meeting?
0479A - Inclusion of email as a valid UNC communication	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Is Modification related to Significant Code Review
	Is not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0479 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Refer to Workgroup 0479 for assessment
	Workgroup to report by the December 2014 Panel - by majority vote with 10 votes in favour and 1 against	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the December 2014 Panel
0501A – Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations, including capacity return option	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Is Modification related to Significant Code Review
	Is not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0501 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Refer to Workgroup 0501 for assessment
	Workgroup to report by the November 2014 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the November 2014 Panel
0509 - Permission to release Protected Information to Authorised Third Parties	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Is Modification related to Significant Code Review
	Is not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Does Modification satisfy the Self-Governance criteria
	Issued to Workgroup 0509 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Refer to Workgroup 0509 for assessment

0497 - Introduction of Annual update to the AQ values within the CSEP NExA table	Proceed to consultation - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should DMR be Issued to Consultation
	Legal text not required - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Is further Legal text required for inclusion in DMR
	Cost estimate not required - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Is a Cost estimate required for inclusion in DMR
	Consultation to close out on 19 September - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should consultation end on 19 September 2014 (>15 days)
0507 - Changing the Effective Date of 0451AV (Individual Settlements for Pre-Payment & Smart Meters)	Consider at short notice - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be considered at short notice?
	Legal Text Requested - Unanimous Vote in Favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	To request Legal Text
	Proceed to consultation - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should DMR be Issued to Consultation
	Legal text not required - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Is further Legal text required for inclusion in DMR
	Cost estimate not required - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Is a Cost estimate required for inclusion in DMR
	Consultation to close out on 08 September - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should consultation end on 08 September 2014 (<15 days)
0445 – Amendment to the arrangements for Daily Metered Supply Point Capacity	No new issues, not returned to Workgroup - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implementation recommended - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be implemented (only votes in favour recorded)
0467 – Project Nexus –iGT Single Service Provision; data preparation	No new issues, not returned to Workgroup - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implementation recommended - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be implemented (only votes in favour recorded)
0472S - Reporting the number of registration	No new issues, not returned to Workgroup - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues

attempts by a supplier	Implemented - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be implemented (only votes in favour recorded)
0489 – EU Gas Balancing Code – Information Provision changes required to align the UNC with the EU Code	No new issues, not returned to Workgroup - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implementation recommended - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be implemented (only votes in favour recorded)
0494 – Imbalance Charge amendments required to align the UNC with the Network Code on Gas Balancing of Transmission Networks	No new issues, not returned to Workgroup - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implementation recommended - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should Modification be implemented (only votes in favour recorded)
0505S - Update to UNC TPD Section G & M to correct anomalies arising from the implementation of UNC Modification 0463S “Recognition of the ‘2nd January’ Scottish Bank Holiday as a Business Day for Supply Point related transactions”	New issues identified, returned to Workgroup - unanimous vote if favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Did consultation raise new issues
	Issued to Workgroup 0505 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Refer to Workgroup 0505 for assessment
	Workgroup to report by the November 2014 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the November 2014 Panel

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

UNC Modification Panel

Minutes of the 163rd Meeting held on Thursday 21 August 2014 at ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

Attendees

Voting Members:

Shipper Representatives	Transporter Representatives	Consumer Representative
A Green (AG), Total A Margan (AM), British Gas P Broom (PB), GDF Suez R Fairholme (RF), E.ON UK S Mulinganie (SM), Gazprom	C Warner (CW), National Grid Distribution E Melen (EM), Scotia Gas Networks J Ferguson (JF), Northern Gas Networks R Pomroy (RP), Wales & West Utilities R Hewitt (RH), National Grid NTS	C Alexander (CA), Citizens Advice

Non-Voting Members:

Chairman	Ofgem Representative
L Jenkins (LJ), Joint Office	A Rooney (ARo), Ofgem

Also in Attendance:

A Clasper (AC), National Grid Distribution; A Miller (AM), Centrica Storage; D Brace* (DB), National Grid NTS; D Addison (DA), Xoserve; I Hollington (IH), Joint Office; K Elliott-Smith (KES), Cornwall Energy; M Jones* (MJ), SSE; P Hamilton* (PH), SSE and R Fletcher (RF), Secretary

* by teleconference

Record of Discussions

163.1 Note of any alternates attending meeting

A Margan for C Wright (British Gas)
E Melen for A Musgrave (Scotia Gas Networks)
R Pomroy for S Edwards (Wales & West Utilities)
S Mulinganie for A Barnes (Gazprom)

163.2 Record of Apologies for absence

A Barnes, A Musgrave, C Wright and S Edwards.

163.3 Minutes and Actions of the Last Meeting(s)

The proposed amendments to the minutes were accepted. Members asked for a post-meeting note to be added to clarify a statement made by AL and then the minutes of the previous meeting (17 July) were approved. Members requested that an amended version of the minutes be published.

163.4 Consider New, Urgent Modification

- a) Modification 0513 - UK Link Programme (Project Nexus) - independent project assurance for Users

There was a general discussion on the modification process and whether the request to consider this modification and to provide a view to the Authority had been raised at too short notice for this meeting. Members determined not to provide a view to Ofgem at this meeting and to consider Modification 0513 at 10.30 on 26 August 2014.

163.5 Consider New, Non-Urgent Modifications

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

RF introduced the modification and its aims. SM asked if the process is to allow a choice on email and not make it mandatory on a party should the UKLC decide to choose the method for a particular type of communication – RF confirmed this was correct.

There was a general discussion on the Self Governance status of Modifications 0479S/0479A and whether one could be Self-Governance and the other not.

RP challenged why the alternative should or should not be Self Governance and that both statuses could be catered for.

AR was keen to see Panel take a view that both Modifications should follow the same governance route to ensure the industry is not in any doubt as to the process to be adopted.

RH challenged whether they could both be implemented and therefore not true alternatives? JF disagreed, as the text and obligations overlap so

it would not be possible to implement both.

Workgroup 0479 is requested to consider the following:

Self Governance status for both modifications;
Should modifications be User Pays;
How other Codes have managed the use of email.

For Modification 0479A, Members determined:

- The modification is not related to the Significant Code Review as it is not a related subject;
- The criteria for Self-Governance are not met as this modification is expected to have a material impact on competition;
- That modification 0479A be issued to Workgroup 0479 for assessment with a report presented by the December 2014 Panel.

- b) Modification 0501A – Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations, including capacity return option

AM introduced the modification and its aims. This alternative allows Users to return unwanted capacity so that it can be released to the industry. CA asked if the existing arrangements allow parties to return capacity. RH confirmed that capacity return is allowable under the current regime under certain circumstances, but not in the manner envisaged in this proposal. However, LJ clarified that parties consider the proposed arrangements significantly differed to those in place when capacity was purchased and therefore they should be allowed to reconsider their position.

LJ confirmed that this issue has been raised at a high level in the EU Codes process and with the European Commission.

For Modification 0501A, Members determined:

- The modification is not related to the Significant Code Review as it is not a related subject;
- The criteria for Self-Governance are not met as this modification is expected to have a material impact on competition;
- That Modification 0501A be issued to Workgroup 0501 for assessment with a report presented by the November 2014 Panel.

- c) Modification 0509 - Permission to release Protected Information to Authorised Third Parties

RF introduced the modification and its aims. RP was concerned that the modification proposes to extend permissions based on guidelines and/or UNCC requirements. SM supported the proposal as it future proofs the process and would assist with gathering information for performance assurance.

LJ advised that some consumer representatives were concerned that data could be used for the wrong purposes. JF confirmed that the data is UNC data and not the sort of data that is personal and covered by the data protection requirements – it should be considered very high level with no specific address details.

SM was concerned that the level of scrutiny required may delay the information gathering exercise required to support the work of the Performance Assurance Workgroup. Members expressed a general view that the proposer should consider re-scoping the modification to Performance Assurance requirements if it was to proceed through the process with the correct level of assessment.

RF agreed to reconsider the scope of the modification.

Workgroup 0509 is requested to consider the following:

Provision of business rules;

Ensure the summary and solution are consistent;

Are guidelines strong enough to under pin the provision of data?;

Data Protection and the release of other parties data through this process;

Do Panel have the authority to agree to the release of this data;

Consider what other Codes do.

For Modification 0509, Members determined:

- The modification is not related to the Significant Code Review as it is not a related subject;
- The criteria for Self-Governance are not met as this modification is expected to have a material impact on competition or consumers;
- The modification be issued to Workgroup 0509 for assessment with a report presented by the March 2015 Panel.

d) Modification 0510 - Reform of Gas Allocation Regime at GB Interconnection Points

RH introduced the modification and it aims.

For Modification 0510, Members determined:

- The modification is not related to the Significant Code Review as it is not a related subject;
- The criteria for Self-Governance are not met as this modification is expected to have a material impact on competition or consumers;
- The modification be issued to Workgroup 0510 for assessment with a report presented by the March 2015 Panel

e) Modification 0511 - Introduction of an Enduring Solution for managing Advanced Meters in central systems post Nexus

SM introduced the modification and its aims. DA advised that Xoserve would like to see quick progress on the modification to add certainty to the build for Nexus. RH is concerned that this modification is proposing to add to the Nexus delivery and if so, that this will not impact the European system requirements delivery.

SM advised that the system functionality is already within scope, the data items need to be identified to populate the fields. DA confirmed that this process is to manage the solution after the interim solution falls away on Nexus delivery. However, should the timeline be constrained then it may be de-scoped from Nexus delivery.

JF was concerned that the delivery of the system solution should not drive the modification as it should focus on the changes to the UNC contractual position, the system solution and its delivery should reside with UKLC and not Panel.

For Modification 0511, Members determined:

- Consider the modification at short notice;
- The modification is not related to the Significant Code Review as it is not a related subject;
- The criteria for Self-Governance are not met as this modification is expected to have a material impact on consumers;
- The modification be issued to Workgroup 0511 for assessment with a report presented by the October 2014 Panel.

163.6 Consider Workgroup Issues

Workgroup Reports for Consideration

- a) Modification 0487S – Introduction of Advanced Meter Indicator and Advanced Meter Reader (AMR) Service Provider Identifier

RP asked if data quality is to be considered by the Workgroup. LJ requested the issue is raised at the Workgroup meeting.

SM was concerned that the text provider had not been in contact for this modification and was concerned this was delaying the process. JF challenged this view as they had written to the proposer seeking clarification in July.

Workgroup 0487 is requested to consider the following:

Should and, if so, how data quality is to be considered/assured;

Members accepted the recommendations in the Workgroup Report:

- It should be considered at short notice;
- It should be returned to Workgroup;
- The modification be issued to Workgroup 0487 for assessment with a report presented by the October 2014 Panel.

- b) Modification 0497 - Introduction of Annual update to the AQ values within the CSEP NExA table

CW confirmed that legal text is not required as the modification does not require any amendment to the UNC and only amends the CSEP NExA. He would provide a copy of the proposed CSEP NExA changes for publication with the modification; these would be for information only.

Members accepted the recommendations in the Workgroup Report:

- It should be considered at short notice;
- To request legal text;
- It should proceed to consultation;
- Legal text is not required for inclusion in the draft Modification Report; and
- A cost estimate is not required for inclusion in the draft Modification Report; and
- Consultation should close on 19 September 2014.

- c) Modification 0507 - Changing the Effective Date of 0451AV (Individual Settlements for Pre-Payment & Smart Meters)

CW confirmed the Legal text provided is suitable for inclusion in the Draft Modification Report.

Members accepted the recommendations in the Workgroup Report:

- It should be considered at short notice;
- To request legal text;
- It should proceed to consultation;
- Legal text is not required for inclusion in the draft Modification Report; and
- A cost estimate is not required for inclusion in the draft Modification Report; and
- Consultation should close on 08 September 2014.

163.7 Final Modification Reports

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

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

Members unanimously determined to recommend implementation of Modification 0445.

- b) Modification 0467 – Project Nexus – iGT Single Service Provision; data preparation

RP questioned if Panel should make a recommendation at this time as the decision on Modification 0440 - Project Nexus – iGT Single Service Provision was still outstanding. LJ felt that under the current circumstances it may be prudent for Panel to continue with its recommendation as this modification is required in preparation for Modification 0440 and Ofgem would then be in a position to make a decision on both modifications.

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0467

Members unanimously determined to recommend implementation of Modification 0467.

- c) Modification 0472S - Reporting the number of registration attempts by a supplier

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0472

Members unanimously determined to implement Modification 0472S

- d) Modification 0489 – EU Gas Balancing Code – Information Provision changes required to align the UNC with the EU Code

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0489

Members unanimously determined to recommend implementation of Modification 0489.

- e) Modification 0494 – Imbalance Charge amendments required to align the UNC with the Network Code on Gas Balancing of Transmission Networks

For Panel discussion see the Final Modification Report published at www.gasgovernance.co.uk/0494

Members unanimously determined to recommend implementation of Modification 0494.

- f) Modification 0505S - Update to UNC TPD Section G & M to correct anomalies arising from the implementation of UNC Modification 0463S “Recognition of the ‘2nd January’ Scottish Bank Holiday as a Business Day for Supply Point related transactions”

EM advised that there may be system impacts if this modification is implemented and that further analysis is required to understand the extent of the changes, therefore the Final Modification Report should be issued to Workgroup for consideration.

For Modification 0505S, Members determined:

- The modification be issued to Workgroup 0505 for assessment with a report presented by the November 2014 Panel. The Workgroup is requested to make a recommendation on whether further Consultation is required.

163.8 Any Other Business

a) Panel Chair Recruitment

LJ advised that a candidate has been recommended for appointment as independent Panel Chair and that Ofgem has approved them. The candidates identify will be announced once the contractual process has concluded and that they should be in post for the December 2014 Panel meeting.

163.9 Conclude Meeting and Agree Date of Next Meeting

10.30 26 August 2014, by teleconference

10:30 18 September 2014, at the ENA.