

UNC Workgroup 0570 Minutes
Obligation on Shippers to provide at least one valid meter reading
per meter point into settlement once per annum
Thursday 28 April 2016
at Energy UK, 5-11 Regent Street, London, SW1Y 4LR

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Alex Ross-Shaw	(ARS)	Northern Gas Networks
Andrew Margan*	(AM)	British Gas
Andy Clasper	(AC)	National Grid Distribution
Angela Love	(AL)	ScottishPower
Anne Jackson	(AJ)	SSE
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
Colin Blair	(CBI)	ScottishPower
David Mitchell	(DM)	Scotia Gas Networks
Gavin Anderson*	(GA)	EDF Energy
Hilary Chapman	(HC)	Scotia Gas Networks
John Welch*	(JW)	RWE npower
Kirsten Elliott-Smith	(KES)	Cornwall Energy
Naomi Nathanael	(NN)	Plus Shipping
Rachel Hinsley	(RH)	Xoserve
Richard Pomroy*	(RP)	Wales & West Utilities
Sasha Pearce	(SP)	npower
Suchitra Hammond	(SHa)	Ofgem
Steve Mullinganie	(SM)	Gazprom

* via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0570/280416>

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 July 2016.

1.0 Introduction and Status Review

1.1. Review of Minutes (25 February 2016)

AL requested a small typographical change in paragraph 5 on page 2 of the original minutes whereby the word 'explained' is replaced by 'believed'. Thereafter, the minutes of the previous meeting were approved.

2.0 Workgroup Report

2.1. Consideration of Business Rules

Consideration deferred.

2.2. Review of Impacts and Costs

Consideration deferred.

2.3. Development of Workgroup Report

Consideration deferred.

2.4. Consideration of Modification 0570 Presentation from ScottishPower

In providing a brief overview of the presentation, AL agreed to clarify whether or not the modification refers to either a submission, or a meter read being loaded into the system for settlement purposes.

In considering the 'Solution Options' slide, it was pointed out that the proposed interim Performance Assurance Committee (PAC) is not an elected group and should only be seen as a committee that is supporting the procurement of the Performance Assurance Framework Administrator (PAFA).

When it was also suggested that some form of risk monitoring supporting mechanism would be required in order to provide a feed into the PAC, CW quickly reminded everyone present that this is not necessary as the Uniform Network Code (UNC) already has existing settlement arrangements in place (*ref: TPD Section M paragraph 3.1.1 which becomes even tighter under Project Nexus*).

When asked whether the modification is actually needed, or whether improvements to existing performance targets might be a better solution should option 1 be deemed the preferred choice, AL indicated that the real concern revolves around the potential to influence the PAC focus post 01 October 2016 should parties identify issues they consider should be investigated.

It was also pointed out that should changes be needed at a later date, parties would always have the option of raising a new UNC modification to change the provision. When AL suggested that the CMA had highlighted possible 'target' requirements, some parties suggested that this was not necessarily accurate, as the CMA may have more of a focus on retail performance than settlement performance. When GA advised that the CMA are currently considering the matter and whether or not any licence changes might be required, SM suggested simply leaving the modification on the table to which could be amended based on any CMA report considerations.

It was felt that there was still value in continuing to develop the modification in order to ensure that the industry would be able to have some provision in place for when the PAC became active. At this point, BF provided a brief explanation of the new (July / August) Elections process to appoint Shipper representatives that become effective on 01 October 2016.

When it was suggested that the industry does not have to wait for the 'elected' PAC to be in place from 01 October, as they could be put in place once the results were known, RP questioned the value of potentially having two PACs in operation at the same time as the interim PAC will have been constituted.

Moving on to consider the 'Meter Reading Submission Targets – Post-Nexus' slide, RH advised those present that if the Workgroup (or industry) is looking to specify any new reports (over and above the 0520 / 0520A set) as part of 0570, then these could take up to an additional 12 months, post Project Nexus, to be delivered.

In looking to establish what possible amendments might be needed for the modification, the following points were raised:

- a) what changes to the modification might be needed should Project Nexus delivery be delayed, and
- b) inclusion of consideration of Supplier Ownership aspects might prove beneficial.

When asked, AL explained that it is envisaged that the PAC would receive reports from Xoserve relating to how parties are performing against Code obligations and look to assess the potential risks involved before deciding what changes might be required (*i.e. performance target and/or terms of reference changes etc. – requiring UNCC approval*). Some parties wondered if this implies that Ofgem could look to impose some form of licence obligation on parties to provide 100% of reads, whilst some felt that the PAC would need to (initially) consider existing arrangements without placing undue pressure of industry parties – in short, the modification needs to clarify what it is trying to achieve and what reports would be needed in order to support its aims. BF pointed out that the Workgroup (industry) could always look to establish a Terms of Reference for PAC which would include them undertaking risk assessments etc.

New Action 0401: ScottishPower (AL) to consider the views / comments provided by the Workgroup with a view to amended the modification, especially aspects relating to reporting including pre and post Project Nexus requirements.

3.0 Review of Outstanding Actions

There were no outstanding actions to consider.

4.0 Next Steps

BF explained that subject to the provision of an amended modification in time for consideration at the next meeting and baring in mind the proposed Workgroup Reporting date is 21 July 2016, it may be necessary at some point to consider seeking an extension to the reporting date.

5.0 Any Other Business

None.

6.0 Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/Diary

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:30 Thursday 26 May 2016	Consort House, 6 Homer Road, Solihull. B91 3QQ	Detail planned agenda items. <ul style="list-style-type: none"> • Consideration of amended modification • Consideration of Business Rules • Review of Impacts and Costs • Development of Workgroup Report

Action Table (28 April 2016)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0401	28/04/16	2.4	To consider the views / comments provided by the Workgroup with a	Scottish Power	Pending

Action Table (28 April 2016)

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			view to amended the modification, especially aspects relating to reporting including pre and post Project Nexus requirements.	(AL)	