

UNC Distribution Workgroup Minutes
10.30 Thursday 25 August 2016
at Elexon, 4th Floor, 350 Euston Road, London, NW1 3AW

Attendees

Andy Clasper	(AC)	National Grid Distribution
Angela Love*	(AL)	ScottishPower
Bob Fletcher (Chair)	(BF)	Joint Office
David Mitchell	(DM)	Scotia Gas Networks
Fraser Mathieson	(FM)	Scotia Gas Networks
James Hill*	(JH)	EDF Energy
Lorna Lewin	(LL)	DONG Energy
Maitrayee Bhowmich-Jewkes*	(MBJ)	RWE npower
Mark Jones*	(MJ)	SSE
Mike Berrisford (Secretary)	(MB)	Joint Office
Rachel Hinsley	(RH)	Xoserve
Sean Hayward	(SH)	Ofgem
Shanna Key	(SK)	Northern Gas Networks
Steve Mullinganie	(SM)	Gazprom

* *via teleconference*

Copies of all papers are available at: <http://www.gasgovernance.co.uk/dist/250816>

1. Introduction and Status Review**1.1. Approval of Minutes (28 July 2016)**

The minutes of the previous meeting were approved.

1.2. Modification(s) with Ofgem

No modifications to consider at this time.

1.3. Pre-Modification discussions**1.3.1. Meter Reading Submission for Advanced & Smart Metering**

In providing a quick overview of the new draft Gazprom Request Proposal, SM explained that this has come into being as a result of the recent publication of the final Competition Market Authority (CMA) report.

During a brief discussion attention initially focused on the highlighted text contained within Section 1, with SM explaining that he is keen to avoid licence changes, preferring instead to seek a Code based solution. When SH explained that the CMA must exercise its 'powers' by the end of 2016 at the very latest, MJ pointed out that Ofgem (J Dixon) had recently provided a related presentation at the Change Overview Board meeting.

It was noted that some of the smaller Shippers had already commenced rollout of SMART meters. However, there were concerns that some Suppliers may need to reach a tipping point before it becomes economically viable to move Supply Points into Class 3 or above.

When asked about the prospective timeline for Review Group proceedings, SM indicated that he would expect the Workgroup Report to be presented to the January 2017 Panel for consideration, which may, or may not lead on to a formal UNC Modification being raised in due course. He went on to explain that whilst he believes the key lies in looking to follow pragmatic timelines which Gazprom see as being Project Nexus +, and possibly following on from RAASP, he remains open to the Workgroup suggesting / developing suitable timeline requirements. BF pointed out that any potential delay in the Project Nexus Implementation Date (PNID) would / could be 'factored in' to the Workgroup Report.

It was suggested that if the industry are looking to potentially 'head off' a CMA decision that might force them down a particular route, then it might prove beneficial to highlight the wider initiatives and potential impacts, relating to this matter (i.e. prioritisation assessment etc.). It was also recognised that whilst cost / benefits and risk assessments would need careful consideration it might not be feasible to achieve changes to systems prior to Nexus implementation.

SM believed that at the end of the day, formal consideration of the matter within a Request Workgroup environment would demonstrate that the 'industry' is being proactive. However he also noted that ultimately the CMA could place 'an order' upon the industry anyway, even though this would not be his preferred route.

In noting that a formal Request Proposal would need to be raised by Friday 02 September 2016 for consideration at the September Panel meeting, BF requested that parties provide direct feedback to SM asap.

2. Workgroups

2.1. 0570 - Obligation on Shippers to provide at least one valid meter reading per meter point into settlement once per annum

(Report to Panel 17 November 2016)

<http://www.gasgovernance.co.uk/0570/250816>

2.2. 0571 0571A – Application of Ratchets Charges to Class 1 Supply Points Only (and Class 2 with an AQ above 73,200KWhrs)

(Report to Panel 17 November 2016)

<http://www.gasgovernance.co.uk/0571/250816>

2.3. 0593 – Provision of access to data for Price Comparison Websites and Third Party Intermediaries

(Report to Panel 20 October 2016)

<http://www.gasgovernance.co.uk/0593/250816>

3. Issues

None raised.

4. Review of Outstanding Actions

DX0501: DNs to provide information on the process for recording the ownership of connecting pipework in a sub-deduct arrangement.

Update: A brief discussion took place as to whether or not it is feasible for the DNs to provide the requested information, on the grounds that it relates to a rarely utilised

clarification of ownership matter and the difficulties experienced around an individual's name based solution and approach.

Whilst it was felt by some that the action had potentially been closed at the previous meeting, BF did take the opportunity to point out that single property ownership aspects are less of an issue, than multi property sites.

In the end, the reluctant consensus was to close the action on the grounds that a more informative answer is unlikely. **Closed**

5. Any Other Business

5.1. Must Read Process Change Update

AC explained that nothing would be expected to happen on this matter until post PNID, to ensure that Xoserve focus on Nexus delivery. When AC also explained that thereafter this would be automatically picked up anyway, it was agreed to remove this standing agenda item until such a time as it is beneficial to reinstate it.

5.2. AQ Review Appeal Window Discussions

SM pointed out that some of his Gazprom colleagues had provided feedback from the earlier AQ Review teleconference meeting involving Xoserve, during which Xoserve indicated that a UNC Modification would be needed in order to change the (current) AQ Appeal Window.

New Action DX0801: Xoserve (RH) to seek to clarify the position around the processes for re-opening the AQ Appeals Window.

5.3. Project Nexus Workgroup Meeting Cessation

BF advised those in attendance that going forwards, the (now reducing) Project Nexus requirements would be discussed within the Distribution Workgroup arena, in order to free up additional capacity for forthcoming FGO discussions.

The first discussion of the integrated PN items would be undertaken at the 22 September 2016 Distribution Workgroup meeting.

6. Diary Planning

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

Distribution Workgroup meetings will take place as follows:

Time/Date	Venue	Workgroup Programme
10:30 Thursday 22 September 2016	Consort House, 6 Homer Road, Solihull B91 3QQ	<ul style="list-style-type: none"> • Standard Agenda items (plus transferred Project Nexus) • <i>Other – to be confirmed</i>

Action Table (25 August 2016)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
DX0501	28/04/16	4.	To provide information on the process for recording the ownership of connecting pipework in a sub-deduct arrangement.	DNs	Update provided. Closed
DX0801	25/08/16	5.2	To seek to clarify the position around the processes for re-opening the AQ Appeals Window.	Xoserve (RH)	Pending