Agenda: Pre-Modification Panel Briefing

Meeting Details: 13:00, 18 July 2016

Teleconference: 0207 950 1251, access code 21870295#

Documentation at: http://www.gasgovernance.co.uk/panel/210716

Dear Colleague,

Please note that we will be hosting a pre-Modification Panel briefing by teleconference starting at **13:00 on Monday 18 July 2016**. Discussions will be based on the Modification Panel agenda (http://www.gasgovernance.co.uk/panel/210716).

This pre-Panel briefing is intended to provide, in particular, an opportunity for smaller parties, including customer representatives as well as smaller Shippers and Suppliers, an opportunity to feed views into the modification process at critical stages. We therefore expect to focus on new Modifications and those on which the Panel will debate whether or not implementation is supported. Similar teleconferences are held prior to each monthly Modification Panel meeting (third Thursday of the month). Any views on which information would be most helpful to you, or on the time and format of the teleconference, would be welcome.

Modifications that are on this month's Panel agenda are:

New Modifications

Modification 0589 – Inclusion of CSEP Meter Supply Points within the NDM Sampling Arrangements

Proposed by E.ON

This modification seeks to remove the restriction on the inclusion of CSEP Supply Meter Points within the available supply points for NDM Sampling arrangements. It is believed that this will improve the overall sample selections by ensuring that Demand Models and End User Categories are developed with a fully representative set of supply points.

The Proposer is seeking self-governance status for this modification on the basis that it seeks to improve data quality and has no material impact on competition.

http://www.gasgovernance.co.uk/0589

Request 0590 – Review the Options to Remove the Use of Fax Machines within the UNC

Proposed by E.ON

Fax machines are no longer a primary tool for business communication as electronic communications become the default option, so the purpose of this request is to review whether fax should remain the default option for certain processes and their designated code communication requirements.

http://www.gasgovernance.co.uk/0590

Modification 0591 - DSR - Removal of 7 day rolling profile functionality

Proposed by National Grid NTS

Ofgem has recently approved a revised gas Demand Side Response methodology and the changes now need to be reflected in the UNC. This modification seeks to remove the non-core elements of the methodology; essentially the removal of the ability to post a 7-day profile of daily offers.

The Proposer is seeking self-governance status for this modification on the basis that it simply reflects an approved methodology and therefore is unlikely to have an impact on competition.

http://www.gasgovernance.co.uk/0591

Modification 0592 – Separation of NTS and National Grid owned networks – Transitional invoicing arrangements

Proposed by National Grid Distribution

This modification proposes contingency transportation charging-related invoicing arrangements that would be required for a transitional period in the event that systems changes are not made in time following hive-across of National Grid's Distribution networks.

The Proposer is seeking self-governance status for this modification on the basis that the changes allow the existing invoicing arrangements to continue until such time as systems changes are made, which has no impact on competition.

http://www.gasgovernance.co.uk/0592

Implementation Recommendations

Modification 0576 – Generation of an estimated Meter Reading at the Code Cut Off Date in the absence of an actual Meter Reading

This modification proposes to provide Transporters with the ability to create an estimated reading with an effective date of the Code Cut Off Date (Line in the Sand) where no reading has been received for a period of up to seven years. It will improve settlement accuracy by allowing reconciliation to take place for the affected supply points.

In the 0576 consultation there was unanimous support for implementation in the 8 representations received. Respondents agreed with the Proposer that this change would increase the overall accuracy of settlement.

http://www.gasgovernance.co.uk/0576

Modification 0578 – Implementation of Retrospective Invoice Adjustment arrangements (Project Nexus transitional modification)

This modification identifies requirements relating to Retrospective Data Updates and Updated Meter Readings to enable an orderly and efficient transition from current UNC

arrangements to those identified within UNC Modification 0434 - Project Nexus – Retrospective Adjustment and subsequently amended by Modification 0573 – Project Nexus – deferral of elements of Retrospective Adjustment arrangements.

In the 0578 consultation there was unanimous support for implementation in the 7 representations received. Respondents agreed with the Proposer that this change would support the orderly progression to the new provisions introduced by Modification 0434.

http://www.gasgovernance.co.uk/0578

Self-Governance Implementation

Modification 0580S – Implementation of Non Effective Days to enable Annual AQ Review (independent of Nexus transition)

Modification 0580S, as consulted upon, currently proposes to introduce seven non-effective days in September 2016, the same as those days proposed under Modification 0532 for Non Effective Days to enable Nexus transition, to allow the data processing required for the annual AQ review to take place. The transfer of registration process would not be extended.

In the original 0580S consultation 8 representations were received; 6 supported implementation, 1 provided comments and 1 was not in support. Respondents agreed with the intent of the proposal, but opinions differed about whether the number of non-effective days were demonstrated as being needed. Panel returned the modification to the workgroup to consider the issues raised and, in the interim, 0532 was rejected by Ofgem because of a further deferral of the Project Nexus Implementation Date into 2017.

A Variation Request has been raised to reduce the number of non-effective days to four and to remove any linkage to Nexus. The varied Modification 0580VS will replace 0580S and is recommended by the proposer to be self-governance.

Panel members will be asked whether the Variation Request is material, requiring further consultation. If non-material, Members will be asked if the varied 0580VS should be implemented.

http://www.gasgovernance.co.uk/0580

Modification 0584S – Energy Theft Tip-Off Service (ETTOS) – Release of Supplier identity

To fulfil the terms of the ETTOS, this modification is required to give the Transporter permission to release the Supplier identity, as provided by Users, of a supply point to the ETTOS Service Provider.

In the 0584S consultation there was unanimous support for implementation in the 10 representations received. Respondents agreed with the Proposer that this change would support the identification of gas theft.

http://www.gasgovernance.co.uk/0584

I hope this summary is helpful.

Regards,

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UNC related documents can be accessed via our website: www.gasgovernance.co.uk