

UNC Unidentified Gas (UIG) Workgroup Minutes

Monday 19 November 2018

at Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Alexander Mann*	(AM)	Gazprom
Andy Clasper	(AC)	Cadent
Carl Whitehouse	(CWh)	First Utility
Chris Warner	(CW)	Cadent
Dan Fittock	(DF)	Corona Energy
Imran Shah*	(IS)	British Gas
John Welch	(JW)	npower
Kirsty Dudley*	(KD)	E.ON
Leanne Jackson	(LJ)	Xoserve
Lindsay Biginton*	(LB)	Utilita
Lorna Lewin*	(LL)	Orsted
Louise Hellyer	(LH)	Total Gas & Power
Mark Bellman	(MB)	ScottishPower
Mark Jones	(MJ)	SSE
Mark Palmer*	(MP)	Orsted
Mark Rixon*	(MRi)	Engie
Megan Coventry*	(MC)	SSE
Richard Pomroy	(RP)	Wales and West Utilities
Robert Cameron-Higgs	(RCH)	Flow Energy UK
Sallyann Blackett	(SAB)	E.ON
Shaheeni Vekaria*	(SV)	Utility Warehouse
Steven Britton*	(SB)	Cornwall
Tracey Saunders	(TS)	Northern Gas Networks

* via teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/uig/191118

1.0 Introduction and Status Review

1.1 Approval of Minutes (31 October 2018)

The minutes of the previous meeting were approved.

1.2 Pre-Modification discussions

Bob Fletcher (BF) explained that, the UNC Panel had deferred consideration of Modification 0674 at its meeting held on 15 November 2018, as it was not sufficiently developed.

Mark Bellman (MB) gave an update and advised that, as a result of UNC Panel feedback, the Modification is to be developed further, and he intends to consider Panels

comments including if the Modification should be changed to a Request or managed through a number of smaller Modifications.

In terms of a pre-modification discussion, MB explained he would like the opportunity to take the Workgroup through the current version of the Modification.

MB advised that with regards to the incentives and charging methodologies, the principles would be set out in Code although they may be supported by separate referenced documents.

He went on to explain that the intention is to layout a series of techniques and controls that could be applied proportionately depending on the level of risk/impact and knowledge of the parties involved.

CW suggested that MB might want to take anything that refers to the background or reference information out of the solution and to strip it back to the fundamental rules to inform the drafting of Legal Text, keeping it very factual.

The Workgroup had a lengthy debate going through the solution section in detail with CW providing feedback and highlighting which pieces of text should be classed as guidance, suggesting edits/amendments and where text in the solution, such as the background, could be moved to the Why Change section.

BF explained that, the sections leading up to the solution is setting out the reasons for change and the approach to be taken, which should describe up front why the current regime doesn't work, the solution should be about putting in a new regime and the rules to govern it.

It was suggested that, where the Modification sets out that PAC Members have powers to create an incentive and/or target or be able to change the incentive and/or the target, there are aspects of this that can go in the Performance Assurance Framework (PAF) document and Terms of Reference as opposed to the UNC. PAC Members could have the ability to refine an develop and refine incentives. It was confirmed that any change to the PAF would require a UNCC vote currently.

In reviewing the Escalation Framework sub-section, a suggestion was made that, with the introduction of an Operational Support Manager (OSM), discussions need to be had with Xoserve with the intention of providing more detail on what the responsibilities would be.

There was a lengthy debate with regards to the escalation levels listed as part of the Consequences sub-section. In particular, Level 7, CW suggested it is unlikely that this would ever be applied although he would seek a legal view as to the drafting consequences. MB clarified that the industry needs to understand there are consequences for poor performance and breaching UNC requirements but also have a degree of certainty as to the process to be followed.

CW asked for MB to make clear what are the obligations and what are the process steps and in particular the escalation process.

KD suggested that, the sanctions could have different impacts depending on whether the User is a Shipper or a Shipper/Supplier.

It was suggested that there is an obligation that IGTs to follow processes in a similar way where they are appropriate. This Modification could apply the same to both UNC and IGT UNC, however, they would need to be joined together in terms of development.

KD said that, currently, there are a number of PAC related Modifications, Is this Modification dependent on the others. When asked, MB confirmed that although the Modifications would support each other if implemented they are not dependant on each other.

MB clarified that Modification 0674 is a framework of consequences for poor performance which increases settlement risk and that the other PAC related Modifications, 0652 and 0664 are target specific areas of poor performance.

CW felt that in reflection, much of the solution which impacts UNC is setting out the definitions. Much of the other material will be set out in UNC referenced documents.

In response to a comment that was made, MB emphasised that this Modification is not about restricting competition but ensuring parties are treated equitably and competition is fair due.

MB will review the comments made today and make the necessary refinements to the Modification and discuss offline the legal text requirements with CW.

BF advised the deadline for the amended Modification is 12 December 2018 for it to be considered at the December UNC Panel.

2.0 UIG Dashboard Reporting

LJ gave an update and advised that, at the last meeting, Fiona Cottam took an action (Action 1002) to review the customer management information currently available and provide proposals on how this can be delivered based on the views of customers. The update is that the change proposal related to this, XRN 4789, will be presented to the DSG meeting which is also due to be held 19 November. KD added that this change proposal is also out for initial review, Xoserve are asking for feedback on the initial review. The review is due to close on 23 November.

3.0 Workgroups

3.1. 0652 - Obligation to submit reads and data for winter consumption calculation (meters in EUC bands 3 - 8)

(Report to 20 December 2018)

<https://www.gasgovernance.co.uk/0652>

3.2. 0664 - Transfer of Sites with Low Read Submission Performance from Class 2 and 3 into Class 4

(Report to Panel 21 March 2019)

<https://www.gasgovernance.co.uk/0664>

3.3. 0672 - Incentivise Product Class 4 Read Performance

(Report to Panel 17 January 2018)

www.gasgovernance.co.uk/0672

4.0 Issues

4.1. New Issues

None raised.

5.0 Review outstanding actions

Action 1001: ES to investigate if an AQ tolerance would help and feed back to this meeting on this and known AQ system issues.

Update: LJ provided an update. ES has written out to shippers to see which of the AQ tolerances is an issue and no responses had been received to date. It was mentioned that this is now highlighting defects that Xoserve did not know about. **Carried Forward**

Action 1002: Xoserve to review the customer management information currently available and provide proposals on how this can be delivered based on the views of customers.

Update: Update provided in agenda item 2.0 above. **Carried Forward**

6.0 Any Other Business

None

7.0 Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Time / Date	Venue	Workgroup Programme
10:30 Friday 07 December 2018	Radcliffe House, Blenheim Court Warwick Road Solihull B91 2AA	Detail planned agenda items.

Action Table (as at 19 November 2018)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1001	03/10/18	1.1	ES to investigate if an AQ tolerance would help and feed back to this meeting on this and known AQ system issues.	Xoserve (ES)	Carried Forward
1002	31/10/18	2.0	Xoserve to review the customer management information currently available and provide proposals on how this can be delivered based on the views of customers.	Xoserve (FC)	Carried Forward