

UNC Workgroup 0410/0410A Minutes Responsibility for gas off-taken at Unregistered Sites following New Network Connections

Thursday 27 September 2012

ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office of Gas Transporters
Lorna Dupont (Secretary)	(LD)	Joint Office of Gas Transporters
Alan Raper	(AR)	National Grid Distribution
Alex Ross	(ARo)	Northern Gas Networks
Andrew Margan	(AM)	British Gas
Andrew Wallace	(AW)	Ofgem
Anne Jackson	(AJ)	SSE
Brian Durber*	(BD)	E.ON UK
Chris Warner	(CW)	National Grid Distribution
Darren Lond	(DL)	National Grid Transmission
David Addison	(DA)	Xoserve
David Mitchell	(DM)	Scotia Gas Networks
Elaine Carr*	(EC)	ScottishPower
Erika Melen	(EM)	Scotia Gas Networks
Fergus Healy	(FH)	National Grid NTS
Gareth Evans	(GE)	Waters Wye (for Total and Corona)
Lorna Lewin	(LL)	DONG
Rob Cameron-Higgs*	(RCH)	Wales & West Utilities
Steve Mulinganie	(SM)	Gazprom

*via teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/0410/270912

The Workgroup Report is due to the UNC Modification Panel on 15 November 2012.

1. Review of Minutes and Actions from previous meeting (23 August 2012)

1.1. Minutes

The minutes of the previous meeting were accepted.

1.2. Actions

0010: Ofgem (AW) to review/clarify the position relating to deemed contracts and unregistered and Shipperless sites.

Update: Ofgem (AW) reiterated that the ability to put a backdated registration into the system provides scope for a deemed contract to exist. Ofgem had considered the concept of central databases/systems and clear records of when a retrospective registration is in place. SM believed a party should rely on the legal position rather than inaccurate system data. **Closed**

2. Discussion and Workgroup Report

2.1. Modification 0410

GE (for Total Gas & Power) has amended the modification to clarify the business rules contained in the Solution. A change marked version has also been published.

GE then explained the changes that had been made following discussions with Xoserve. Subsequent changes to the AUGE process and guidelines may also be required and this had been noted in the modification. Unregistered Gas charges were briefly discussed. DA explained why it would be treated as a non-energy charge. FH observed that references to a “neutrality pot” or concept may cause confusion as such a well defined concept already exists in relation to other aspects of the gas regime, and suggested that GE consider modifying the reference to/definition of/requirement to hold monies in a separate account. FH also questioned the assumption that National Grid NTS should have any involvement. DA added that Xoserve should identify the most appropriate vehicle in which any monies should be secured pending distribution; it was likely that it should be distinct and ring-fenced, and would be managed by an appropriately appointed party. GE suggested that this might be National Grid NTS, however FH reiterated his concern that this may not be appropriate. AR suggested it should be made very clear what, how and by whom this should be managed, and what risks might be involved, to avoid any ambiguities or misinterpretations. GE indicated that he was happy to consider alternatives to National Grid NTS managing ‘the pot’ and would welcome suggestions.

GE noted comments and suggestions for further consideration.

DA will clarify whether monthly average SAP or cumulative SAP is most appropriate.

DA indicated that Xoserve will look at providing a ROM but this was unlikely to be available in time for the late October Workgroup meeting.

CW advised that the legal text would be provided for review at the October meeting.

2.2. Modification 0410A

CW advised that a few amendments had been made in response to the discussion at the previous meeting, and proceeded to explain the changes to the Business Rules.

Referring to rule 12, AW queried how legal text might be developed to cover this. CW explained his view. AW asked for further definition to clarify the reference to section 4.8 etc. CW noted this and will reconsider the form of words.

AM sought reassurances in respect of disconnection and CW and AR directed him to the SPAA Theft of Gas Code of Practice (CoP). AW suggested that it would be beneficial to discussions if those present would read the SPAA Theft of Gas Code of Practice document before the next meeting to assess whether a sufficient degree of assurance exists.

AJ questioned the inclusion of a reference to ‘vulnerability’ and whether such an explicit reference should be in the public domain as the finalised CoPs were not to be available in the public domain. There was a short discussion on the uses and abuses of the concept of ‘vulnerability’. AW observed that Ofgem has always lobbied for customers to stay on gas as far as possible, but it also recognised that there were certain circumstances when disconnection was the right course of action. AJ commented that the CoPs gave more details and the Shippers (GE, AJ and SM) suggested removing the statement relating to ‘vulnerability’ as it was believed this detail was not required.

GE suggested considering the relevant section of the SPAA document in closer detail at the next meeting. CW agreed to provide/publish the relevant section of the draft SPAA CoP and will consider reframing the words under rule 12 of the draft Business Rules.

New Action 0011: Provide/publish the relevant section of the draft SPAA CoP.

New Action 0012: Read the SPAA Theft of Gas Code of Practice document before the next meeting and assess whether a sufficient degree of assurance in respect of disconnections exists.

Further discussion was then deferred until the next meeting, which it was agreed should be included in the business proceedings of the Distribution Workgroup on 10 October 2012.

2.3 Workgroup Report

BF reminded the Workgroup that its Report is due to be submitted to the UNC Modification Panel on 15 November 2012. The intention will be to conclude the Workgroup Report at the meeting on 25 October 2012 for submission to the November UNC Modification Panel.

AW indicated that it would be helpful to Ofgem to get industry views on how 0410 and 0410A fit together, as they seem to be mutually exclusive. How do they fit with the MPRN creation process? He believed it would be useful for the UNC Modification Panel to include such questions in the consultation process. BF explained that this request could be made through the Ofgem representative who attended UNC Modification Panel (Jon Dixon) and suggested that AW discuss this and collates specific questions that could be included in the consultation process.

3. Any Other Business

None.

4. Diary Planning for Workgroup

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

Workgroup meetings will take place within the Distribution Workgroup on:

Wednesday 10 October 2012, 10:30, at 31 Homer Road, Solihull, B91 3LT.

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0010	28/06/12	2.1	AW to review/clarify the position relating to deemed contracts and unregistered and Shipperless sites.	Ofgem (AW)	Closed
0011	27/09/12	2.2	Provide/publish the relevant section of the draft SPAA CoP.	National Grid Distribution (CW)	Pending
0012	27/09/12	2.2	Read the SPAA Theft of Gas Code of Practice document before the next meeting and assess whether a sufficient degree of assurance in respect of disconnections exists.	ALL	Pending