

**UNC Workgroup 0486 Minutes  
Use of the Pre-Payment Profile For IGTs**

**Thursday 27 March 2014**

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

**Attendees**

Bob Fletcher (Chair)	(BF)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Adam Pearce*	(AP)	ES Pipelines
Alan Raper	(AR)	National Grid Distribution
Alex Ross-Shaw*	(ARS)	Northern Gas Networks
Andrew Margan	(AM)	British Gas
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
David Addison*	(DA)	Xoserve
Dave Mitchell	(DM)	Scotia Gas Networks
Ed Hunter	(EH)	RWE npower
Hilary Chapman	(HCh)	Xoserve
Huw Comerford	(HCo)	Utilita
Mark Jones	(MJ)	SSE
Steve Mulinganie	(SM)	Gazprom

\* via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0486/270314>

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 July 2014.

**1.0 Outline of Modification**

HCo introduced the modification and explained the rationale, which appeared to be very straightforward.

**2.0 Initial Discussion**

*Links with iGT Modification 054*

It was noted that if iGT modification 054 was not progressed/implemented then this UNC Modification 0486 would be ineffective if it were implemented. AP gave a progress update on the iGT modification. Development had concluded and an Ofgem view on how it wished to consider the iGT and any UNC modifications was awaited (ie individually or in parallel, etc). The iGT modification consultation had yet to take place.

BF observed that this does not prevent progress being made on this UNC Modification 0486.

*Business Rules*

CW asked if the business rules proposed under Section 3 worked from Xoserve's point of view. HCh responded that these were being reviewed internally.

*Legal Text*

National Grid Distribution was to provide the text and CW indicated that this was under discussion with the lawyers. He would advise HCo should any revisions to the modification be suggested following the review.

## Costs

CB asked how costs were to be recovered and who would be responsible. DA explained that a potential common solution was being developed for a number of modifications that would accommodate various elements. BF asked who would be charged to use the report, noting that there would be an element of cross-over with other work but was there an operational cost that would need to be recovered, and was that likely to be nominal? DA indicated that more thought was required to clarify what if any costs might be associated. BF reminded that this information would be required in order to progress the modification.

Xoserve will look at the marginal costs of implementing over and above those associated with UNC Modification 0451AV, and whether there might be any fixed costs, and offer a view on how the costs (if any) might be split.

CB queried that as this could be considered to facilitate an iGT modification so why should UNC Shippers be charged. DA responded that a large Transporter invoice was being adjusted under this modification, and if costs under Modification 0451AV still stand as they are, it was anticipated that any costs for Modification 0486 would be marginal. DA will provide a view of anticipated marginal costs, and a further view can be taken on whether any fixed costs should be picked up. CW observed that most iGT related changes were being accommodated within the Project Nexus arrangements.

AP clarified what Xoserve was carrying out, ie iGTs were providing data to Xoserve so that appropriate charging can be made/reconciled. The data will be provided to Xoserve at the level it requires (LMN or MPN). MJ questioned if this made it an LMN report and not an MPN report, and does the modification need to reflect this more clearly. DA confirmed that Xoserve held information at LMN level, and explained how charges were applied/received at an aggregated level. It was confirmed that Xoserve can manage the way data is provided under iGT Modification 054.

It was noted that if this is to be accepted as being a User Pays modification then the modification will require revision to take account of this change of view.

**Action 0301: Costs - Xoserve to clarify and confirm what, if any, costs (marginal and fixed) would be incurred, and be recoverable and from which parties.**

### *Progression of this Modification*

Potential timescales were considered, noting that cost information and legal text still had to be provided.

DA advised that the potential requirements of this modification had been incorporated into the build requirements for Modification 0451AV, and Xoserve would aim to have a solution in place by October/November. The iGT modification would be potentially implemented on 01 October 2014, however the solution for this UNC Modification 0486 will not automatically line up with the iGT modification and there may be a period of adjustment.

### *Next Steps*

BF summarised the next steps:

- the modification is to be revised;
- cost information is to be provided; and
- the legal text is to be provided.

### 3.0 Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/Diary](http://www.gasgovernance.co.uk/Diary)

The next meeting will take place within the Distribution Workgroup on Thursday 24 April 2014 at 31 Homer Road, Solihull B91 3LT.

#### Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0301	27/03/14	2.0	Costs - Xoserve to clarify and confirm what, if any, costs (marginal and fixed) would be incurred, and be recoverable and from which parties.	Xoserve (DA/HCh)	<b>Pending</b>