

**UNC Workgroup 0486 Minutes
Use of the Pre-Payment Profile For IGTs
Thursday 26 June 2014
at ENA, Dean Bradley House, 52 Horseferry Road, London
SW1P 2AF**

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
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
Dave Addison	(DA)	Xoserve
Dave Mitchell	(DM)	Scotia Gas Networks
Erika Melen	(EM)	Scotia Gas Networks
Gareth Evans*	(GE)	Waters Wye Associates
Huw Comerford	(HC)	Utilita
Kirsten Elliott-Smith	(KES)	Cornwall Energy
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Robert Cameron-Higgs*	(RCH)	Good Energy
Rob Johnson	(RJ)	Wingas UK)
Swetta Cooparmah	(SC)	British Gas

* *via teleconference*

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0486/260614>

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 August 2014.

1.0 Review of Minutes and Actions

1.1. Minutes

The minutes were accepted.

1.2. Actions

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

Update: Opening, DA apologised for the short notice provision of the High Level Cost estimate (HLC) immediately prior to today's meeting – those present agreed to consider the document.

DA provided a brief overview of the document and explained that there are two possible options and that there are risks associated with option 1 around when a decision on Modification 0486 from the Authority would be forthcoming. Guidance is also needed on how best to combine the solution with Modification 0451AV - Individual Settlements For

Pre-Payment & Smart Meters' and that this would need to be resolved around September at the latest. BF reminded those present that it is the Demand Estimation Sub Committee (DESC) who actually approve the profiles.

Moving on, DA advised that the July UK Link Committee Implementation Plan would now show a December 2014 / January 2015 implementation date which is a change from the original September 2014 date, as previously provided. It was noted that there are two elements to the solution, one being systems related and the other profile related. When asked, DA confirmed that the 'drop dead date' for Xoserve is when they start the physical systems build sequence circa mid September – the worst case scenario being Xoserve incur costs, whereupon the modification is rejected.

DA went on to highlight the potential risk(s) associated with commencing any system build stages without formal approval of the modification whilst it was also acknowledged that a quick progression of the modification through to sign off would also benefit iGT UNC Modification 054. When asked, AM advised that there are approximately 20 – 40k iGT meter points involved.

The focus of discussions then briefly moved onto changes to the User Pays section of the draft Workgroup Report (v0.1, dated 26 June 2014). In briefly considering what would be the best basis on which to develop any cost predictions, AM wondered whether or not the approach adopted during development of UNC Modification 0467 'Project Nexus – iGT Single Service Provision; data preparation' would be appropriate to which DA responded by suggesting that this would not really be suitable as the solution for the modifications are subtly different.

In the end it was concluded that a solution based on SSP Market Share on iGT CSEPs would be more appropriate and that Option 1 (and associated costs) is the preferred solution. BF made onscreen changes to the User Pays table within the WGR to 'mirror' the discussion outcome(s). **Closed**

0402: National Grid Distribution to provide a view on the whether the obligations should reside within the UNC or CSEP NExA Agreement.

Update: CW confirmed that in National Grid's opinion, the obligations should reside within the provisions of the UNC as this is a reconciliation requirement applied prior to the CSEP. **Closed**

0403: Consider UNC TPD Section E (Daily Quantities, Imbalances and Reconciliation) and express a view.

Update: In the absence of any feedback, it was agreed to close the action. **Closed**

2.0 Workgroup Report

2.1. Amended Modification

During an onscreen review of the draft Workgroup Report (v0.1, dated 26 June 2014) CW and HC provided a brief resume of the most recent amendments to the modification (v2.0, dated 17 June 2014) that where appropriate, have been included within the WGR.

During consideration of the legal text some concerns were voiced around the formatting and style proposed in the legal text as these are not in keeping with the standard UNC layouts. CW agreed to discuss the points with his lawyer and look to provide amended text at the earliest opportunity.¹

2.2. Business Rules

¹ Please note: following post meeting discussions, the concern raised relating to the UNC GTB paragraph 2.1.4 numbering was considered to be unfounded and that piece of text deemed 'fit for purpose' as written, whilst updated legal text for TPDE paragraphs 6.9.4 and 6.9.7 has subsequently been provided.

During discussions, further (subtle) amendments were made to the business rules and these were approved by both the Proposer and National Grid Distribution (CW) who are preparing the legal text.

2.3. User Pays

When asked for a view on the robustness of the User Pays information provided in the table within the WGR, DA suggested that Xoserve would need to caveat that their assessment (of costs) is based in information provided by the iGTs at a point in time. He is also of the view that the modification should be 'tweaked' to enable any party reading it for the first time to be able to appreciate that it is more about reconciling the energy at the iGT CSEP, rather than a (Large) Transporter charges change. He will look to ensure that the accompanying Agency Charging Statement (ACS) is also updated to reflect these facts. CW then suggested that there might also be a Transportation Commodity related impact as well.

In response to the discussions, BF made onscreen changes to the draft WGR, which subject to the provision and inclusion of revised legal text and amendments to the solution, would be presented to the July Panel.

3.0 Diary Planning

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

There are no further Workgroup meetings proposed at this time.

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)	Update provided. Closed
0402	24/04/14	1.2	National Grid Distribution to provide a view on the whether the obligations should reside within the UNC or CSEP NExA Agreement.	National Grid Distribution (AR)	Update provided. Closed
0403	22/05/14	2.0	Consider UNC TPD Section E (Daily Quantities, Imbalances and Reconciliation) and express a view.	All parties	Update provided. Closed