

**Combined UNC0602 and iGT092 Workgroup Minutes  
Implementation of Non Effective Days and Variant Non-Business  
Days for Project Nexus Implementation (Project Nexus transitional  
modification)**

**Thursday 22 December 2016**

**at Elexon, 350 Euston Road, London NW1 3AW**

**Attendees**

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Andrew Margan	(AM)	British Gas
Andy Clasper	(AC)	National Grid Distribution
Angela Love*	(AL)	ScottishPower
Carl Whitehouse*	(CWa)	first utility
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON Energy
David Addison	(DA)	Xoserve
David Mitchell	(DM)	Scotia Gas Networks
David Turpin (0602 only)*	(DT)	Xoserve
Fraser Mathieson	(FM)	Scotia Gas Networks
John Cooper*	(JC)	Brookfield Utilities
Jon Dixon	(JD)	Ofgem
John Welch*	(JW)	npower
Kathryn Turner	(KT)	Good Energy
Kishan Nundloll*	(KN)	ES Pipelines
Lorna Lewin	(LL)	DONG Energy
Mark Jones*	(MJ)	SSE
Naomi Nathanael*	(NN)	Plus Shipping
Phil Lucas*	(PL)	National Grid NTS
Rachel Bird*	(RB)	Gemserve
Rachel Hinsley	(RH)	Xoserve
Richard Pomroy	(RP)	Wales & West Utilities
Shanna Key	(SK)	Northern Gas Networks
Steve Mulinganie*	(SM)	Gazprom

\* via teleconference

Copies of all UNC meeting papers are available at: <http://www.gasgovernance.co.uk/0602/221216>

The UNC Workgroup Report is due to be presented at the UNC Modification Panel by 19 January 2017.

**1.0 Introduction and Status Review**

**1.1. Approval of Minutes (12 December 2016)**

The minutes of the previous meeting were approved.

**2.0 Consider Transition Progress Group (TPG) Recommendation**

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CW advised that at a recent PNSG meeting, participants had indicated that they were happy with the 9:3 proposals, and as a consequence National Grid Gas Distribution had amended the modification accordingly.

### 3.0 Amended Modifications

Opening discussions (*based around v3.0, dated 20 December 2016*), DA explained that it is conceivable that for Monday 22 May 2017, an objection window of less than 12 hours would be available. He went on to clarify that due to the 23:15 or 23:30 timings involved there would not be an opportunity for Users to schedule an overnight batch run, as currently defined in the modification, and this therefore results in it being the only day when Users would not have a full day (*as previously discussed at the 24 November 2016 meeting*). DA then advised that at the last TPG meeting Xoserve had been requested to consider how this 'catch up' matter would be managed.

Several participants voiced concerns that this could have an adverse effect on Users and potentially consumers, especially those Users expecting to implement their systems over this weekend period, as it could potentially result in them having zero time to object. When asked, DA indicated that one possible option might be to look to extend the objection window to two days although he felt that this could potentially result in a 3 day licence breach, under certain circumstances.

In recognising that the Workgroup had previously requested a minimum of a one day objection window, attention focused on what actually constitutes a day in this scenario (*i.e. is it a whole or part day?*), and whether or not this should be deemed a potential risk or not.

When asked whether or not this potential scenario only applies to Monday 22 May, DA indicated that he believed this to be the case, as on the 'other' objection window days there is a clear day available to Users.

When asked whether it would be feasible to extend the 22/05/17 objection window and whether this would/could potentially impact on the current 9:3 proposals, DA explained that this could potentially add complexity to the (modification) solution (*i.e. in order to give a full 24hr objection window period, Xoserve would need to invoke a 19 May 2017 deadline for files going live on 18 June 2017*) from both a Code and systems perspective and also risk pushing this single day past the 21 day Supplier licence condition. DA went on to add that should Users be thinking of taking their systems down on the (preceding) Friday there could/would be potential impacts involved.

When asked for a view, JD suggested that it is unclear to him whether or not extending the objection window period would directly impact on Modification 0602, and whether it also potentially invokes additional licence related concerns. However, he is of the opinion that any change would need supporting justification and should any Workgroup doubts or concerns remain, these should be clearly captured within the Workgroup Report (and subsequent documents) so that Ofgem could take an informed view on the matter. JD also explained that he is relatively relaxed as to what solution is adopted so long as it delivers the intent of the solution agreed by PNSG.

When asked where this matter might best be progressed (*i.e. under which forum – Workgroup or TPG or both*), JD advised that if today's discussions do not impact upon the delivery of the system solution, then he does not believe it is a TPG related matter, however if this is not the case then perhaps an (urgent) alternative modification would be more appropriate – the main driver being to ensure as early as possible delivery of the solution preferred by PNSG.

When asked, DA provided a brief explanation of the actual objection window timelines and indicated that the files submitted on either 20 or 21 May 2017 are the potential squeeze point. Whilst JD noted that previous Workgroup discussions had touched on the potential catch up

impacts that might invoke additional non-variant day requirements and that there are potential issues should large sectors of the market shut down (*i.e. a system purging bow wave effect*), RP also suggested that there could also be a potential risk associated to how legacy system files would be processed over the same period.

Workgroup participants then discussed whether or not it would be appropriate to raise an alternative modification to seek to cater for a new two day objection window period (*to be inserted into UNC TPD Section G provisions*) in order to resolve the 22 May 2017 problem. Whilst some parties also suggested that perhaps 0602 could/should be amended to cater for the issue (*including suitable supporting justification statements*), others wondered whether simply capturing the various options within the Workgroup Report would be more favourable.

BF provided a brief explanation around how a potential alternative modification could be raised, suggesting that it could be progressed via an urgent (short notice) Panel meeting scheduled to take place prior to the next (*combined UNC 0602 / iGT092*) Workgroup meeting on 05 January 2017.<sup>1</sup> He also pointed out that an equivalent alternative iGT modification would also need to be raised to 'mirror' the UNC one.<sup>2</sup>

When it was suggested that the confirmation submission deadline table contained within the Solution section of the modification lacked clarity around the potential timeline tensions (*as discussed above*), DA acknowledged the point and provided a brief explanation around how the 08 June SPRD incoming files are time stamped, processed and then issued to the incumbent shipper. Thereafter, he agreed to provide more clarity around the actual objection window constraints for inclusion in the modification.

**New Action 1201: Xoserve (DA) to provide more clarity around the actual objection window constraints for inclusion in the modification.**

Moving on, DA explained that there is another element to consider (for 0602 and any alternative modification) in moving to a two day objection window based solution in that files with a confirmation effective date of 08 June 2017 would need to be submitted by 18 May 2017, thereby necessitating running one day on the old and one day on the new systems (*i.e. the system on 19/05 would need to initially state 22 calendar days which would then be knocked back to 20 calendar days at a later time*). Responding, some parties questioned the value of this statement as it boils down to how the industry would manage either solution.

Summarising discussions, BF explained that a copy of the modification would then be provided to JW in order that npower are able to raise an alternative modification thereafter.

#### **4.0 Development/Completion of UNC 0602 Workgroup Report**

Inline with discussions on item 3.0 above, further consideration of these items was deferred at this meeting.

##### **4.1. Issues and Questions from Panel**

4.1.1. The Workgroup is requested to consider the Proposer's requested governance and provide a justified recommendation

4.1.2. The Workgroup is asked to validate the Solution in terms of how many days are required to accommodate objections, and how this would be achieved

#### **5.0 Review of Actions Outstanding**

None outstanding.

<sup>1</sup> Post meeting note: UNC alternative modification 0602A was raised on 23 December 2016 with a subsequent urgent (short notice) Panel meeting arranged for Wednesday 04 January 2017 in order for a Workgroup Report to be completed at the combined 05 January 2017 UNC/iGT Workgroup meeting (at the Gemserve office, London).

<sup>2</sup> Please note: iGT092A alternative modification was subsequently raised on 28 December 2016.

**6.0 AOB**

None.

**7.0 Next Steps**

BF outlined the following:

- Xoserve to provide additional information on objection window constraints;
- NGGD to consider amending modification 0602;
- npower to consider raising a formal alternative modification (0602A), and
- Completion of the Workgroup Report at the 05 January 2017 joint iGTUNC/UNC meeting.

**8.0 Diary Planning**

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

Workgroup meetings will take place as follows:

Time/Date	Venue	Workgroup Programme
10:30 Thursday 05 January 2017	Consort House, 2-6 Homer Road, Solihull. B91 3QQ	Standard agenda plus <ul style="list-style-type: none"> <li>• Consideration of amended modification (0602)</li> <li>• Consideration of alternative modification (0602A)</li> <li>• Complete Workgroup Report for January Panel.</li> </ul>

**Action Table (as at 22 December 2016)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1201	14/12/16	3.0	To provide more clarity around the actual objection window constraints for inclusion in the modification.	Xoserve (DA)	<b>Pending</b>