

Record of Determinations: Panel Meeting, 18 April 2013

Modification	Vote Outcome	Shipper Voting Members					Transporter Voting Members					Consumer Representative	Determination Sought
		AB (AG)	AG	CWr	PB	RF	CWa	EM	JF	DL	RCH	CH	
0452 - Introduction of the Planning and Advanced Reservation of Capacity Agreement (PARCA)	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	NP	X	Modification is related to Significant Code Review
	Is not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	NP	X	Modification should follow Self-Governance Procedures
	Issued to Workgroup 0452 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	Should be referred to Workgroup
	Workgroup to report by the October 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	Workgroup to report by the October 2013 Panel
0410 0410A - Responsibility for gas off-taken at Unregistered Sites following New Network Connections	Proceed to consultation - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	✓	Issue to Consultation
	Legal text not required - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Legal text not required for inclusion in DMR
	Cost estimate not required - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Cost estimate not required for inclusion in DMR
	Consultation to end on 07 June 2013 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Extend consultation to close out on 07 June
0428 0428A - Single Meter Supply Points	Returned to Workgroup - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Return to Workgroup for further assessment
	Workgroup to report by the May Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the May 2013 Panel
0429 – Customer Settlement Error Claims Process	Proceed to consultation - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Consultation
0433S - Inclusion of the Transmission to Distribution “System Operator Agreement Guidelines” within the Offtake Arrangements Document	Returned to Workgroup - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Return to Workgroup for further assessment
	Workgroup to report by the July Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the July 2013 Panel
	Proceed to consultation - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Consultation

0441 - Continuation of Daily Metered (Voluntary) service until the implementation of Project Nexus	Legal text not required - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Legal text not required for inclusion in DMR
	Cost estimate not required - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Cost estimate not required for inclusion in DMR
	Consultation to end on 07 June 2013 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Extend consultation to close out on 07 June
0448 - UNC alignment with Transporters' licence requirements for "Network Code and Uniform Network Code" relating to European Regulatory change	Text requested - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Request Text
0449 - Introduction of Interconnection Points and new processes and transparency requirements to facilitate compliance with the EU Congestion Management Procedures	Text requested - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Request Text
0407 - Standardisation of notice periods for offtake rate changes for all National Grid NTS Exit Users	Workgroup to report by July 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by July 2013 Panel
0418 0418A - Review of LDZ Customer Charges	Workgroup to report by July 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by July 2013 Panel
0440 - Project Nexus – iGT Single Service Provision	Workgroup to report by August 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by August 2013 Panel
0445 - Amendment to the arrangements for Daily Metered Supply Point Capacity	Workgroup to report by June 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by June 2013 Panel
04375 - Retention of MAM Id in Transporter Systems at Change of Shipper	Not returned to Workgroup - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implemented - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Whether to implement

KEY	In favour	Not in Favour	No Vote Cast	Not Present
	✓	X	NV	NP

UNC Modification Panel

Minutes of the 141st Meeting held on Thursday 18 April 2013 at ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

Attendees

Voting Members:

Shipper Representatives	Transporter Representatives	Consumer Representative
A Green (AG), Total and alternate for A Barnes C Wright (CWr), British Gas P Broom (PB), GDF Suez R Fairholme (RF), EON UK	C Warner (CWa), National Grid Distribution E Melen (EM), Scotia Gas Networks J Ferguson (JF), Northern Gas Networks D Lond (DL), National Grid NTS R Cameron-Higgs* (RCH), Wales & West Utilities	C Hill (CH), Consumer Focus

Non-Voting Members:

Ofgem Representative	Terminal Operators' Representative	Chairman
J Dixon (JD), Ofgem		T Davis (TD), Joint Office

Also in Attendance:

A Miller (AM), Xoserve; A Raper (AR), National Grid Distribution; A Sheikh* (AS), Ofgem; E Thorburn (ET), Ofgem and R Fletcher (RF), Panel Secretary.

* by teleconference

Record of Discussions

141.1 Note of any alternates attending meeting

A Green for A Barnes (Gazprom)
D Lond for R Hewitt (National Grid NTS)
E Melen for A Musgrave (Scotia Gas Networks)
R Cameron-Higgs for S Edwards (Wales & West Utilities)

141.2 Record of Apologies for absence

A Barnes, A Musgrave, R Hewitt and S Edwards.

141.3 Minutes of the Last Meeting

The minutes of the last meeting were accepted.

141.4 Consider New, Non-Urgent Modifications

- a) Modification 0452 - Introduction of the Planning and Advanced Reservation of Capacity Agreement (PARCA)

DL introduced the modification and its aims.

For Modification 0452, Members determined:

- The modification is not related to the Significant Code Review as it is not a related subject;
- The criteria for Self-Governance are not met as this modification is expected to have a material impact on consumers and Shippers;
- The modification be issued to Workgroup 0452 for assessment with a report presented by the October Panel.

141.5 Consider Workgroup Issues

Workgroup Reports for Consideration

- a) Modification 0410(A) - Responsibility for gas off-taken at Unregistered Sites following New Network Connections

Members accepted the recommendations in the Workgroup Report and determined for Modification 0410(A) that:

- it should proceed to consultation;
- legal text is not required for inclusion in the draft Modification Report;
- a cost estimate is not required for inclusion in the draft Modification Report; and
- that consultation should close on 07 June 2013.

JD requested that views were sought in consultation responses regarding whether the modifications should be considered as both being

implementable rather than being alternatives in the normal sense, where implementing one would preclude implementing the others. The legal text does not appear to preclude both being implemented and it would be helpful to receive views on whether one, both, or neither of the modifications should be implemented..

b) Modification 0428 0428A - Single Meter Supply Points

Members accepted the recommendation in the Workgroup Report and determined that further Workgroup Assessment is required, with a report presented by the May Panel.

c) Modification 0429 - Customer Settlement Error Claims Process

Members accepted the recommendation in the Workgroup Report and determined that Modification 0429 should proceed to consultation.

The Transporters will now prepare legal text in support of this modification, and the consultation period is expected to commence following the May Modification panel meeting.

d) Modification 0433S - Inclusion of the Transmission to Distribution “System Operator Agreement Guidelines” within the Offtake Arrangements Document

Members accepted the recommendation in the Workgroup Report and determined that further Workgroup Assessment is required, with a report presented by the July Panel.

e) Modification 0441 - Continuation of Daily Metered (Voluntary) service until the implementation of Project Nexus

Members accepted the recommendation in the Workgroup Report and determined for Modification 0441 that:

- it should proceed to consultation;
- legal text is not required for inclusion in the draft Modification Report;
- a cost estimate is not required for inclusion in the draft Modification Report.
- that consultation should close on 07 June 2013.

Request the Provision of Legal Text

Members determined unanimously to request the provision of text for the following modifications:

a) Modification 0448 - UNC alignment with Transporters’ licence requirements for “Network Code and Uniform Network Code” relating to European Regulatory change

- b) Modification 0449 - Introduction of Interconnection Points and new processes and transparency requirements to facilitate compliance with the EU Congestion Management Procedures

Consideration of Workgroup Reporting Dates

- a) Modification 0407 - Standardisation of notice periods for offtake rate changes for all National Grid NTS Exit Users

Members determined unanimously to extend the date by which Workgroup 0407 should report, with a report presented by the July Panel.

- b) Modification 0418 - Review of LDZ Customer Charges

Members determined unanimously to extend the date by which Workgroup 0418 should report, with a report presented by the July Panel.

- c) Modification 0440 - Project Nexus – iGT Single Service Provision

Members determined unanimously to extend the date by which Workgroup 0440 should report, with a report presented by the August Panel.

- d) Modification 0445 - Amendment to the arrangements for Daily Metered Supply Point Capacity

Members determined unanimously to extend the date by which Workgroup 0445 should report, with a report presented by the June Panel.

141.6 Final Modification Reports

- a) Modification 0437S - Retention of MAM Id in Transporter Systems at Change of Shipper

The Panel Chair summarised that, at Change of Shipper, Transporters delete the previous Meter Asset Manager (MAM) information, with the incoming Shipper being expected to provide updated Meter Asset Manager information. It is proposed that the system be changed such that this deletion no longer takes place. No UNC change is required to implement the modification.

UNC TPD Section U defines “any Transporter System Modification where the Transporters do not intend to make such modification unless the costs of making the modification are to be recovered from UK Link Users” as a Class 3 UK Link Modification. This modification falls within this definition. Section U also provides that “Before a Class 3 Modification may be made by the Transporters, a Modification Proposal in respect thereof must be made in accordance with the Modification Rules”, and this modification has been raised to meet that requirement.

Members felt that, by facilitating the implementation of a UK Link change that Users are willing to pay for, implementation of this modification would be consistent with the relevant objective promotion of efficiency in the implementation and administration of the Code since it would be inefficient to prevent the change.

Panel members then voted and unanimously determined to implement Self-Governance Modification 0437S.

141.7 Any Other Business

- a) Modification 0443 - Arranging Flow Swaps between NTS/LDZ Offtakes with increased lead times or for prolonged periods

EM raised an issue around the timing of the potential implementation of Modification 0443. Due to impacts on summer maintenance, it would be beneficial if this could be earlier than expected under the standard modification process. EM would therefore prefer if the status of the modification could be amended to Self-Governance in order to facilitate earlier implementation.

DL advised that National Grid NTS were originally against Self-Governance but were now content that, as a result of Workgroup assessment and development of the modification, no material impact is expected on the wider aspects of industry flow swaps. ET confirmed Ofgem would have no objections to the modification following the Self-Governance route.

CWr asked if there were issues around discrimination between direct connects and DN offtakes – should any service be offered universally? DL advised that this modification should have no impact or implication for direct connects. CWr remained concerned that any assessment should take into account whether it is appropriate to create different operating options for different offtakes, as well as any consequences that may impact system flexibility.

TD advised that the Modification Rules provide for the Panel to determine whether a modification should follow the self-governance route when that modification is first discussed. The option exists for the Panel to determine that a modification should no longer follow the self-governance route but instead be sent to Ofgem for a decision, but there is no explicit option for the Panel to revert to self-governance rather than a modification going to Ofgem for decision. It may be possible to interpret the Modification Rules in a way that would allow this, but this did not appear to be the intent of the Modification Rules. In light of this, EM had prepared a new modification that mirrors Modification 0443. This could be raised and (potentially) determined as meeting the self-governance route, with Modification 0443 being withdrawn. Members agreed that it would seem inefficient for a new modification to be raised and the existing one withdrawn simply solely with a view to allowing the implementation decision to be subject to self-governance.

TD confirmed that the Modification Rules provide that Ofgem can change the route which a modification follows, either requiring it to be subject to self-governance or to be subject to Authority decision. JD suggested that to take this issue forward in the most efficient manner possible, Ofgem could provide a view on self-governance following completion of the

consultation and prior to the Panel making its recommendation. Given the desire for the change of route to be implemented, the consultation could specifically seek views on the suitability of self-governance, and Ofgem could then decide whether or not self-governance should be followed in light of the views expressed.

b) Modification 0451 - Individual Settlements For Pre-Payment & Smart Meters

JD explained Ofgem's consideration of the request for urgency. They would welcome the Panel's views of an achievable timetable that includes an assessment process, with development of the modification as raised but also consideration of alternative solutions.

CH was concerned about the amount of effort and development required by Xoserve to amend its systems and questioned whether it is possible to agree such a timetable at this stage. JD emphasised that Ofgem is considering the timetable for being in a position to determine whether or not to implement the modification, with the potential for supporting systems to be introduced after the implementation date.

There was a general discussion around potential options, which could be developed and presented in the modification, including possible effective dates that may be different to system implementation dates. Given the range and complexity of possible issues, Member's felt that at least three and possibly six months would be required to assess the current modification and develop a solution which meets the proposer's requirements and could be implemented.

The Panel Secretary was asked to provide a timetable to Ofgem that would provide sufficient time to develop the modification and for the Panel to make a recommendation in September. This would enable Ofgem to issue a decision ahead of the forthcoming winter period regarding whether or not the modification should be implemented.

141.8 Conclude Meeting and Agree Date of Next Meeting

10:30 16 May 2013, at the ENA.