

Record of Determinations: Panel Meeting, 17 January 2013

Modification	Vote Outcome	Shipper Voting Members					Transporter Voting Members					Consumer Representative	Determination Sought	
		AG	CH	CWr	AG (PBr)	RF	CWa	EM	JF	PBi	JF (SE)	ER		
0438S - Update of UNC TPD Section Y to reflect Exit Reform arrangements	To be considered at short notice - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	Consider at short notice
0442 - Amendment to the implementation date of the Allocation of Unidentified Gas Statement (AUGS) for the 2013/14 AUG Year	To be considered at short notice - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	Consider at short notice
0442A - Amendment to the implementation date of the Allocation of Unidentified Gas Statement (AUGS) for the 2013/14 AUG Year	To be considered at short notice - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NP	Consider at short notice
0441 – Continuation of Daily Metered (Voluntary) service until the implementation of Project Nexus	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	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	X	X	X	Modification should follow Self-Governance Procedures
	Issued to Workgroup 0441 - with 10 votes in favour and 1 vote against	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	Should be referred to Workgroup
	Workgroup to report by the June 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the June 2013 Panel
	Text requested - with 6 votes in favour and 5 votes against	✓	✓	✓	✓	✓	X	X	X	X	X	X	✓	Request Legal Text
0443 – Arranging Flow Swaps between NTS/LDZ Offtakes with increased lead times or for prolonged periods	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	X	Modification is related to Significant Code Review
	Is not a Self-Governance Modification - with 4 votes in favour and 7 votes against	X	X	X	X	X	✓	✓	✓	X	✓	X	X	Modification should follow Self-Governance Procedures
	Issued to Workgroup 0443 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should be referred to Workgroup
	Workgroup to report by the August 2013 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the August 2013 Panel

0398 - Limitation on Retrospective Invoicing and Invoice Correction (3 to 4 year solution)	Consideration deferred - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Defer Consideration
Consent to Modify C049 – Revision to the legal text associated with the implementation of 0378 Greater Transparency over AQ Appeal Performance	Consent to modify recommended - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Recommend Ofgem accept Consent to modify

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

UNC Modification Panel

Minutes of the 134th Meeting held on Thursday 17 January 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 P Broom C Hill (CH), First Utility C Wright (CWr), British Gas R Fairholme (RF), EON UK	C Warner (CWa), National Grid Distribution E Melen (EM), Scotia Gas Networks J Ferguson (JF), Northern Gas Networks and alternate for S Edwards P Bingham (PBi), National Grid NTS	E Reed (ER), Consumer Focus

Non-Voting Members:

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

Also in Attendance:

A Miller (AM), Xoserve; A Raper (AR), National Grid Distribution; D Ianora (ID), Ofgem; Jethro van Hardeveld (JvH), APX; M Clark* (MC), ScottishPower; M Bagnall* (MB), British Gas; R Fletcher (RF), Panel Secretary, and W van Haersma Buma (WvH), APX.

* by teleconference

Record of Discussions

134.1 Note of any alternates attending meeting

A Green for P Broom (GdF Suez)
E Melen for A Musgrave (Scotia Gas Networks)
J Ferguson for S Edwards (Wales & West Utilities)
P Bingham for R Hewitt (National Grid NTS)

134.2 Record of Apologies for absence

A Musgrave, P Broom, R Hewitt and S Edwards.

134.3 Minutes of the Last Meeting

CWa asked members to note that during the discussion for Modification 0437S, Retention of MAM Id in Transporter Systems at Change of Shipper, he requested the minutes reflect that the modification must facilitate at least one of the relevant objectives. However, the debate should be confined to the User Pays aspect of the modification and not whether the consequent changes further the relevant objectives.

The Panel noted and approved the changes to the minutes. The minutes of the last meeting were then approved.

134.4 Consider Short Notice items

- a) Modification 0438S - Update of UNC TPD Section Y to reflect Exit Reform arrangements

Following a short discussion, the Panel determined to consider the Modification at short notice.

- b) Modification 0442 - Amendment to the implementation date of the Allocation of Unidentified Gas Statement (AUGS) for the 2013/14 AUG Year

Following a short discussion, the Panel determined to consider the Modification at short notice.

- c) Modification 0442A - Amendment to the implementation date of the Allocation of Unidentified Gas Statement (AUGS) for the 2013/14 AUG Year

Following a short discussion, the Panel determined to consider the Modification at short notice.

134.5 Consider New, Non-Urgent Modifications

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

AG introduced the modification and its aims. PBi asked if the modification could be issued to consultation as it appears to be sufficiently developed. CWa felt that it would need to be reviewed at a Workgroup as there is an existing timetable for removing DMV based on a previous modification which would need justification for amendment.

For Modification 0441, 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 could have a material impact on some consumers;
- Workgroup Assessment is required, with a report presented to Panel by June 2013.
- Legal Text should be prepared by the Transporters.

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

EM introduced the modification and its aims. PBi agreed with the principles of the modification although detailed rules were required to ensure the process is robust. However, he suggested that the modification is not suitable for Self Governance since it may affect directly connected consumers. DI indicated that Ofgem felt it was suitable for Self-Governance, and noted that they have the option to reverse a Self-Governance decision if, for example, Workgroup assessment reveals issues which suggests Self-Governance is inappropriate.

CWr was concerned about PBi's suggestion of potential impacts on direct connects, and therefore felt implementation could have a material impact and so should not be subject to Self-Governance.

For Modification 0443, 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 could have a material impact on consumers connected to the NTS;
- Workgroup Assessment is required, with a report presented to Panel by August 2013.
- Legal Text should not be prepared by the Transporters at this stage.

- c) Modification 0444 – Changes to reflect demerger by APX of OCM Trading System Operator from the Trading System Clearer

PBi introduced the modification and its aims. JvH advised that the APX

demerger is due to go ahead in February. Interim arrangements have been agreed with National Grid NTS to manage the process until the UNC is amended to reflect the demerger.

PBi confirmed the suggested text provided is final text and that it should be included in the DMR.

For Modification 0444, 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 met as this modification would not have a material impact on charges, consumers or competition;
- Legal Text should be prepared by the Transporters.
- Should be issued to consultation;
- Legal Text and a cost estimate are not required for inclusion in the Draft Modification Report.

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

AR introduced the modification and its aims. PBi asked if there were any NTS impacts: AR advised that this modification is restricted to consumers connected to Distribution Networks. CH asked why this modification has been raised when a previous modification on this issue had been withdrawn. AR felt that there was a question of timing, and it is appropriate to address this issue at this time.

For Modification 0445, 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 could have a material impact on charges and so on Shippers and competition;
- Workgroup Assessment is required, with a report presented to Panel by May 2013;
- Legal Text should be prepared by the Transporters.

e) Modification 0442 - Amendment to the implementation date of the Allocation of Unidentified Gas Statement (AUGS) for the 2013/14 AUG Year

CWr introduced the modification; its aims and the amendments published shortly before the meeting. He advised that the amendments were prompted to support the drafting of text for the modification.

CWr explained the intention of the modification and its associated timetable, which required the modification either to be issued to consultation or to follow a truncated assessment process. CWA challenged the definitions suggested in the modification, and concluded

that the modification would benefit from being amended to clarify what is proposed.

Some parties were concerned that the modification could be issued to consultation and therefore prevent full discussion of the relevant objectives and the potential impacts, with the modification reflecting a single view at present.

CWr was concerned that Workgroup Assessment to produce an agree Workgroup Report is likely to delay the modification when there is an upcoming event that everyone is aware of. AG countered this by saying that, at this time, the true extent of the potential impact is unknown. The modification is proposing to go outside the industry agreed guidelines: the modification should be discussed at a Workgroup so that the implications can be fully understood.

TD then outlined a potential timeline:

Workgroup Meeting – 25 January (complete Workgroup Report)

Panel Meeting – 28 January (by Teleconference 09.30)

Close Consultation - 18 February

Panel Recommendation – 28 February

Ofgem Decision Date – asap thereafter.

Members supported this timetable, and determined to meet at short notice on 28 January.

For Modification 0442, 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 could have a material impact on charges and so on Shippers and competition;
- Workgroup Assessment is required, with a report presented to Panel by 28 January 2013;
- Legal Text should be prepared by the Transporters.

- f) Modification 0442A - Amendment to the implementation date of the Allocation of Unidentified Gas Statement (AUGS) for the 2013/14 AUG Year

MC introduced the modification and its aims. CWa asked if the rolling forward process would potentially run until April 2014. MC agreed that this was the intention. There was a concern that the proposed solution may need to be amended, as with Modification 0442, in order to achieve the intended outcome.

For Modification 0442A, 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 could have a material impact on charges and so on Shippers and competition;
- To refer the Modification to Workgroup 0442 for assessment as an alternative;
- Legal Text should be prepared by the Transporters.

134.6 Consider Workgroup Issues

Workgroup Reports for Consideration

- a) Modification 0430 - Inclusion of data items relevant to smart metering into existing industry systems

Members accepted the recommendations in the Workgroup Report and determined that Modification 0430:

- should proceed to consultation;
- that legal text is not required for inclusion in the draft Modification Report;
- that a cost estimate is not required for inclusion in the draft Modification Report.

- b) Modification 0438S - Update of UNC TPD Section Y to reflect Exit Reform arrangements

Members accepted the recommendation in the Workgroup Report and determined that Modification 0438S:

- should proceed to consultation;
- that legal text is not required for inclusion in the draft Modification Report;
- that a cost estimate is not required for inclusion in the draft Modification Report.

Request the Provision of Legal Text

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

- a) Modification 0428 - Single Meter Supply Points;
- b) Modification 0429 - Customer Settlement Error Claims Process;

- c) Modification 0436S - Consequential changes to the UNC resulting from RIIO-T1.

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 May Panel.

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

Members determined unanimously to extend the date by which Workgroup 0410 should report, with a report presented by the April Panel.

- c) Modification 0436S

Members determined unanimously to extend the date by which Workgroup 0436S should report, with a report presented by the March Panel.

134.7 Existing Modification Proposals for Reconsideration

- a) Modification 0395 - Limitation on Retrospective Invoicing and Invoice Correction

Members determined unanimously to defer consideration.

- b) Modification 0398 - Limitation on Retrospective Invoicing and Invoice Correction (3 to 4 year solution)

Members determined unanimously to defer consideration.

134.8 Any Other Business

- a) Consent to Modify C049 – Revision to the legal text associated with the implementation of 0378 Greater Transparency over AQ Appeal Performance

TD explained the reason for the Consent to Modify which is to correct the text in the FMR to the correct version prior to its insertion into the UNC.

Members determined unanimously to recommend the Consent to Modify to the Authority.

- b) Code of Practice KPIs

TD provided an overview of the KPIs. There were no comments.

134.10 Conclude Meeting and Agree Date of Next Meeting

09:30 28 January 2013 by teleconference

10:30 21 February 2013, at the ENA.