

UNC Workgroup 0633 0638 Minutes
Mandate monthly read submission for Smart and AMR sites from 01
December 2017 (01 April 2018)
Friday 08 December 2017
at Xoserve Ltd, Lansdowne Gate, 65 New Road, Solihull. B91 3DL

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford	(MB)	Joint Office
Andy Clasper	(AC)	Cadent
Andrew Margan*	(AM)	British Gas
Beverley Viney	(BV)	National Grid
Chris Warner	(CW)	Cadent
Dave Addison*	(DA)	Xoserve
Emily Wells*	(EW)	Corona Energy
Gareth Evans*	(GE)	Waters Wye Associates
Hilary Chapman*	(HC)	SGN
John Cooper*	(JC)	EUK
Kirsty Dudley*	(KD)	E.ON
Mark Jones*	(MJ)	SSE
Paul Carmen*	(PC)	ScottishPower
Rachel Hinsley	(RH)	Xoserve
Rachel Mottram*	(RM)	first:utility
Shanna Key	(SK)	Northern Gas Networks

* via teleconference

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0633/081217>

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 December 2017.

1.0 Introduction

BF welcomed all to the meeting and explained that the main aim of the meeting is to consider the 24 November 2017 Panel send back request.¹

BF went on to remind those present that should the Proposers wish to amend their respective modifications now that the formal consultation stage has been completed, it would require them to raise a Variation Request in order to do so. To this end, two (draft) Variation Requests (0633 and 0638) have already been tabled for consideration at this meeting. Furthermore, any Workgroup consideration of the Variation Requests also requires assessment of the materiality aspects – BF provided a brief overview of the ‘materiality’ criteria.

¹ Please note: a copy of the 24 November 2017 Panel meeting minutes are available to view and/or download from the Joint Office web site at: <https://www.gasgovernance.co.uk/panel/241117>

2.0 Consideration of Panel Request / Questions

A brief onscreen review of the 24 November 2017 Panel minutes was undertaken to clarify requirements before a 'generic' overview of the draft Variation Requests was undertaken, as follows.

2.1. Consideration of (draft) Variation Request 0633

During a brief onscreen review, it was noted that in order for Northern Gas Networks (NGN) to produce the legal text, the solution section needed to be absolutely clear in terms of what is expected/required. Thereafter, concerns were voiced as to the suitability of the current wording and proposed sequencing under the 'Nature of Variation' section.

During the discussions it was suggested that what is being proposed could be considered as being a 'light' monthly read definition, with some believing that this infers that we are potentially looking to introduce a subset of monthly reads. This was a view rejected by the Proposers representative (GE).

In noting that the modification(s) are simply trying to reflect the Competition Markets Authority (CMA) requirements around Smart and AMR provisions, SK suggested that the modification solution(s) should clearly state that parties are electing to submit monthly reads. In reminding everyone that the 293kWh threshold is only referred to from a historical perspective, GE pointed out that the CMA have little, or no interest in consumption aspects and whilst it can be recognised that the CMA Review was potentially flawed, he suggested that we are where we are and need to look to move forwards – the consensus was that we are looking at a 'reasonable endeavours' type obligation.

When SK pointed out that it is highly likely that the NGN lawyers would not be able to produce the legal text for these modifications based on the current drafting in the VR's, GE agreed to discuss the matter in more detail offline (in a style of approach similar to previous contentious modifications) following the meeting.

It was suggested that it may be beneficial to swap the 'why' and the 'how' aspects around in a revised version of the VR as this would provide a better platform on which to move forward on preparing the legal text. In short, if the current first paragraph was to become the solution, then NGN could work with that and prepare the legal text for the modifications. When asked, SK indicated that whilst she is happy to show the suggested legal text to her lawyers, she could not guarantee that they would utilise it.

When asked whether or not there are any potential system impacts associated with either modification 0633 or 0638, RH responded by explaining that Xoserve are not anticipating any UK Link system impacts as a consequence of implementation or either one or other of the modifications.

DA briefly referenced the Impact Assessment reiterating Xoserve's previous views on the matter before explaining that both Proposers appear happy with the 25 day read submission requirements. DA went on to point out that the only grey area remaining related to the potential reporting obligations (i.e. read frequency reports etc.) that both Proposers have subsequently confirmed that they are not expecting to impact on these current reporting provisions – in other words the Proposers are not looking to 'codify' the reasonable endeavours definition.

When asked whether or not there are any potential Performance Assurance Committee (PAC) monitoring related issues / impacts, RH explained that the PAC has considered how best to generate the supporting reports and concluded that these should be at a high-level assessment perspective for the time being. Again, there should be no system impacts.

When asked whether or not there are any potential impacts to the more frequent read provisions (as defined under UNC TPD Section M5.9.2), DA advised that the Proposers suggest not.

When asked whether UNC Modification 0632S provisions could have a potential impact on 0633 or 0638, GE explained that 0632S is seeking to provide a more robust definition for Smart meters in terms of both the UNC and licence aspects and as a consequence, should improve the position for both 0633 and 0638.

CW explained that in his view the amendments highlighted within the respective draft VRs lead him to conclude that Cadent would potentially wish to amend their previous formal representation submission, on the grounds that the view on materiality has changed. In considering how best to timetable a potential re-consultation exercise, BF pointed out that the proposed Ofgem moratorium makes it unlikely that the process could be completed before January 2018. When asked, EW indicated that she would support submitting the combined Final Modification Report to the February 2018 Panel. Mindful of the potential timeout aspects associated with modification 0633, the February date should be seen as the very latest 'backstop' date.

2.2. Consideration of (draft) Variation Request 0638

AM confirmed that the 0638 VR is the same as the 0633 version apart from a different date.

Please refer to discussion under item 2.1 above for more details.

3.0 Completion of Supplemental Final Modification Report

A brief onscreen review of the Supplemental Final Modification Report was undertaken during which BF made changes to the wording inline with discussions and CW confirmed that he was happy with the 'Must Read' statements.

When asked, the Workgroup members did not indicate a clear view on the materiality aspects of the report. It was also noted that that either way this does not prevent a re-consultation exercise being undertaken. BF once again outlined the material / no material process differences.

It was noted that the revised VRs should look to include a implementation date expectation clause.

In considering the potential timeline requirements going forwards, BF suggested that perhaps a short (re)consultation might suffice which could then be followed up with a short notice January 2018 Panel meeting. The Workgroup indicated its support for recommending to the 21 December 2017 Panel that a short duration consultation should follow which closes-out on 08 January 2018 with a final Panel meeting on 12 January 2018.

4.0 Next Steps

Proposers to submit formal Variation Requests², and Northern Gas Networks to provide supporting legal text and the Joint Office (BF), to submit the Supplemental Final Modification Report to the 21 December 2017 Panel for their consideration.

5.0 Additional Questions for Panel Consideration / Workgroup Recommendation.

Please refer to item 4.0 above for more details.

² Please note: revised Variation Requests for UNC Modifications 0633 and 0638 were provided for submission to the 21 December 2017 Panel following this Workgroup meeting. Please refer to: <https://www.gasgovernance.co.uk/0633> and <https://www.gasgovernance.co.uk/0638> for more details.

6.0 Any Other Business

None.

7.0 Diary Planning

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

There are no further Workgroup meetings planned at this time.