

**UNC Request Workgroup 0683S Minutes  
Offtake Arrangements Document (OAD) Review Updates – Phase 1  
Monday 06 January 2020  
at Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA**

**Attendees**

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuin (Secretary)	(HC)	Joint Office
Arran Poad *	(AP)	Northern Gas Networks
Darren Dunkley	(DD)	Cadent
David Mitchell *	(DM)	SGN
Leteria Beccano	(LB)	Wales & West Utilities
Louise McGoldrick	(LM)	National Grid NTS
Shiv Singh	(SS)	Cadent
Stephen Ruane	(SR)	National Grid NTS

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0683/060120>

The Workgroup Report is due to be presented at the UNC Modification Panel by 20 February 2020.

**1. Introduction and Status Review**

Bob Fletcher (BF) welcomed everyone to the meeting.

**1.1. Approval of Minutes (04 December 2019)**

The minutes from the previous meeting were approved.

**1.2. Review of Outstanding Actions**

**Action 0703:** SR to confirm the National Grid Redundant Asset process. *Legal Text 3.6.4*

**Update:** Stephen Ruane (SR) confirmed this has been considered offline and feedback provided to Cadent. **Closed.**

**Action 1201:** Operators (DNOs and NTS) to establish if bi-directional flows should cover all offtakes or be limited to only sites that currently have the capability of bi-directional flows.

**Update:** Leteria Beccano (LB) provided feedback that this should cover all offtake sites for use in exceptional circumstances. Shiv Singh (SS) confirmed this will be considered further. See Action 1202. **Closed.**

**Action 1202:** Cadent (SS/DD) to review the Legal Text for bi-directional sites, to ensure the definition is clear and within the intent of the Modification/solution.

**Update:** SS confirmed this required further assessment. See Action 1201 and item 2.0. **Carried Forward.**

**Action 1203:** National Grid (LM) to formulate some options for changing the voting arrangements within OAD Section N, to ensure appropriate change governance for Subsidiary Documents.

**Update:** Louise McGoldrick (LM) confirmed that National Grid have reviewed the arrangements and there are no perceived changes deemed necessary, acknowledging there is a responsibility for voting parties to attend meetings. **Closed.**

**Action 1204:** All to review the definition of Offtake sites and Connection Facilities to ensure sufficient clarity.

**Update:** Shiv Singh (SS) suggested this is added into the Issues Log for further consideration under the next phase Request 0646R related Modification(s). The Workgroup briefly discussed

what constitutes an Offtake Site and SS agreed to add this requirement to the 0646R issues log. This will be added to the Workgroup 0646R agenda for March. **Closed.**

**Action 1205:** All to review the OAD notice process and consider if this is the right communication tool for any activity on Offtake Sites.

**Update:** LM confirmed that National Grid are undertaking an internal end-to-end review of the OAD notice process. The review is ongoing and will need to take into account other operators. LM explained that although National Grid are looking for general improvements, this has a specific link to Modification 0683S in relation to the Supervisory Control and Data Acquisition (SCADA) system notifications. It was challenged if the existing definition needed to be expanded or if a new definition was required for Modification 0683S when there is a SCADA change that is likely to impact the operation of an offtake(s).

LB clarified that notices must be given within 15 days and this was not the NRO (non-routine operation) notice which is initially provided in draft 30 days ahead and final 5 days ahead. Darren Dunkley (DD) explained that when the guidelines were developed there may have been a disconnect between SCADA changes in the subsidiary document.

SR believed in the context of the cyber groups and enhanced separation of telemetry; this would be a short term issue which will be mitigated. DD concurred if all DNOs separate telemetry going forward this would not be an issue, however if there is a shared SCADA system this would continue to be an issue.

LM wished to understand if this was only an issue for Cadent or if other DNOs had the same concerns. It was clarified that Cadent are going through a SCADA separation at this time.

It was agreed this need further consideration at next month's meeting. **Carried Forward.**

**Action 1206:** All to consider Section N3.6.7 and whether all parties want to have access to a Redundant Asset process.

**Update:** See item 2.0. This requires further consideration under Workgroup 0646R in March. This will be added to the Workgroup 0646R agenda for March. **Closed.**

**Action 1207:** Cadent (SS/DD) to consider whether further clarity is required in OAD for Disputes.

**Update:** SS confirmed this needs further consideration. **Carried Forward**

**Action 1208:** Cadent to clarify the definition of a Connection Site in B3.8.3

**Update:** SS confirmed this would be added into the Issues Log for further consideration under the next phase of Request 0646R Modification(s). This will be added to the 0646R agenda for March. **Closed.**

## 2. Review Supporting Documents and Legal Text

SS confirmed some amendments have been made (in particular relation to Actions 1202 and 1208). However, not all amendments have been processed as further discussions are required with Dentons. The Workgroup considered the published Legal Text and supporting documents.

The Workgroup discussed how best to define critical elements of the infrastructure within OAD and protecting their identity. It was suggested terminology such as Integrated Security Solution (ISS) or Enhanced Integrated Security System (EISS) could be a suitable title. DD believed all ISS/EISS would have different security arrangements, but this would not apply to every offtake site.

LM expressed concern about the links and the flow of the document from Section 3.8.2. LM believed the Modification Solution may require further clarification for it to be in line with the provided legal text.

DD confirmed there is a need to find an appropriate title and definition for an ISS/EISS connection site. At present Cadent needed feedback on whether the proposed title was suitable. He confirmed that further consideration is required on whether this term can be used in the public domain and what acronyms need to be avoided to ensure there is no confusion. LB enquired about the consistent use of terms. DD is looking for a non-specific term.

It was agreed the solution needs to be amended to ensure it aligns with the legal text and SS agreed the modification would be amended.

LB advised that their legal representative (Paul Miller) suggested in 3.6.7. Page 4 adding after 1.1.4 (whether or not the instrument has any provisions relating to redundant assets).

David Mitchell (DM) noted that some lease agreements might not have any reference to Redundant Assets and even if there is a lease agreement these provisions should be available to be utilised subject to parties agreeing.

If a lease agreement is in place without a redundant assets process, the proposed OAD process could apply and National Grid would need to consider the risk.

SR offered to look at this concern offline but suggested this could be tabled within the Workgroup Meeting. LM noted the need to consider any cost allocation and funding for work.

The Workgroup considered the original proposal that where the lease agreement didn't cover redundant assets the OAD could apply. LB viewed the lease should still take precedent regardless even if it doesn't reference a redundant asset process.

SR confirmed that where National Grid is party to a lease they have the right to have equipment on site for the duration of the lease.

NGN confirmed they agree the lease takes precedent over OAD. However, they would need to consider if they would want to make use of a redundant assets process in addition to the lease.

SGN favoured the lease with the option to use the redundant asset process in the OAD if this is silent in the lease. SR suggested this has been addressed as there is a reference in the legal text which stipulates the lease agreement will take precedent over OAD where they exist.

DD confirm the way the legal text is written currently that if a lease exists it takes precedence over the redundant asset process.

DD suggested rather than delaying the modification further, the redundant asset process could be taken out of this modification to allow its progression and could then be included in the next phase modification.

The workgroup agreed an extension to April Panel would be appropriate with a report produced earlier if possible.

SR suggested that a redundant asset meeting should be arranged as part of Workgroup 0646R to enable interested parties to attend and hopefully agree a way forward.

LM provided some comments on the published documents and wished to consider some of the feedback and consideration for changing the text. SS explained all of the feedback had been provided to Dentons and this was still under consideration.

The Workgroup considered the feedback presented by National Grid.

It was challenged if all sites are potentially bi-directional – DD did not agree as not all sites are capable of being bi-directional. There are specific sites with exceptional circumstances to support maintenance activities such as ili (in line inspection) runs. LM referred to the business rules. It was expected that the modification solution was going to be amended to reflect the exceptional circumstances for specific sites. LM suggested other types of shared sites may want similar arrangements, for similar maintenance activities, possibly needing a temporary connection. DD suggested this may need further consideration referring to Action 1202. DD explained the need to cover off the Inline Inspection scenarios.

LM was unsure if bi-directional covers all sites and only refers to where there is a need in exceptional circumstances and where the specific site is capable (usually an historical situation). It was deemed further clarification was required within the legal text.

LM enquired about NTS to LDZ. There was concern the legal text did not reflect the modification.

**Action 0101:** Cadent to review the scenarios where a bi-directional flow can exist and ensure the legal text considers Shared Sites and NTS to LDZ in line with the Modification's solution.

LB referring to Shared Sites within section 10.1.7 (a) enquired if there was a duplication of a reference within the legal text. SS agreed to review the legal text and solution.

The Workgroup considered feedback on the back on the Supplemental Agreement Template. LM raised a number of issues:

LM asked if 1.3 was the correct Recital referenced as it currently states Recital A, and should possibly be Recital C. DD agreed to undertake a sense check of the whole consolidated document.

LM asked about the text in brackets under 2.4 (in relation to asset ownership). DD confirmed item 2.5 had been added to cover a point made in previous meetings.

The Workgroup considered the consolidated document and whether there was some duplication with the use of content pages and if the front cover would suffice and whether some duplication could be removed.

LM also suggested that the wording in italics needs to be explained at the beginning of the document to make it clear it's for guidance or as an example only and not the mandated text.

LM when considering the Sub-Types of the Offtakes, sites users are to select the most appropriate Offtake Type and delete the example text provided which is not appropriate. The Workgroup discussed the Sub-Type for Bi-directional Offtake and this is a temporary position only used in exceptional circumstances. The Workgroup considered if there is a capability for a site to be Bi-directional, it was understood this would need to be captured somewhere. National Grid agreed to consider this offline.

LB asked about different terminology of no-offtake and non-offtake and whether this should refer to Shared Sites. The OAD definition referred to a Shared Site which is not an offtake site. It was agreed that the template will need to be reviewed to ensure consistent references are used within the consolidated documents.

LM noted on page 9 the ability to include Site Owner Drawings. LM understood other site user drawings could also be added and asked if this section could be more generic. LM explained that the connection facilities need to be described and can be provided with the use of drawings and these may not be limited to Site Owner drawings.

DD suggested when parties use the new template there will be an opportunity to review drawings and any discrepancies addressed, in particular if there are issues with demarcation. SR suggested the template needs to be clear as to which drawings apply if there is inconsistency with demarcation. SR was keen to for the template to be clear as to what elements of drawings apply to site if there are various drawings. DD noted that the site owner has the responsibility to maintain site drawings and site user drawing should not supersede this requirement.

**Action 0102:** National Grid (SR) to validate the point of offtake, confirmed in the Supplemental Agreement, is by Appendix A and not the drawings referenced.

LM asked about retaining site and maintenance records. She pointed out that within Annex B 2 (c) OAD has certain obligations for the retention of site records set out for site services and questioned whether this should be included within the Supplemental Agreement. The Workgroup considered the significance of this and whether it needed to be within the Supplemental Agreement if there is a note of where records are to be held. The Workgroup was concerned there maybe a need to add this back into the Supplemental Agreement. DD highlighted there is a different section to cover Cathodic Protection (CP) and Asset Ownership.

It was also noted that the permitted uncertainty level and the text provided was an example of orifice plates and perhaps should be provided as sample text as the text would be different for ultrasonic meters. Alternatively, it should include ultrasonic meters sample text or remove the all sample text.

LM wished to also note the capitalisation of 'parties' within Recital E and whether in all instances, parties should have a capital letter.

Cadent agreed to review the Modification and Legal Text in line with discussions and provide amendments for the next meeting.

### 3. Next Steps

Amended Modification (February)  
 Amended Legal Text (February)  
 Amended Supplemental Agreement Template (February)  
 Development of Workgroup Report (February/March)  
 Finalise Workgroup Report (March/April)

Items transferred to Workgroup 0646R:

- Redundant Asset Process Review (March - Action 1206)
- Offtake Sites and Connection Site definitions (March - Actions 1204 and 1208)

### 4. Any Other Business

SR advised that National Grid will be seeking assistance from DNOs regarding the visibility of site safety signs and asked for DNO support in providing suitable/relevant DNO contacts so that a letter can be provided explaining recent issues concerning site access and signage.

### 5. Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Time / Date	Venue	Workgroup Programme
10:00 Wednesday 05 February 2020	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Review of Amended Modification Amended Legal Text Amended Supplemental Agreement Template Development of Workgroup Report
10:00 Wednesday 04 March 2020	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Development of Workgroup Report
10:00 Wednesday 01 April 2020	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Finalise Workgroup Report
10:00 Wednesday 06 May 2020	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Finalise Workgroup Report

**Action Table (as at 06 January 2020)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0703	31/07/19	6.0	<i>Legal Text 3.6.4</i> SR to confirm the National Grid Redundant Asset process.	National Grid (SR)	<b>Closed</b>
1001	10/10/19	1.2	Cadent (DD) to confirm that the use of the new Supplemental Agreement Template, will be an option not an obligation and this is in keeping with his expectations.	Cadent (DD)	<b>Closed</b>
1201	04/12/19	2.0	Operators (DNOs and NTS) to establish if bi-directional flows should cover all offtakes or be limited to only sites that currently have the capability of bi-directional flows	All	<b>Closed</b>
1202	04/12/19	2.0	Cadent (SS/DD) to review the Legal Text for bi-directional sites, to ensure the definition is clear and within the intent of the Modification/solution.	Cadent (SS/DD)	<b>Carried Forward</b>
1203	04/12/19	2.0	National Grid (LM) to formulate some options for changing the voting arrangements within OAD Section N, to ensure appropriate change governance for Subsidiary Documents.	National Grid (LM)	<b>Closed</b>
1204	04/12/19	2.0	All to review the definition of Offtake sites and Connection Facilities to ensure sufficient clarity. <b>Transferred to 0646R Issues Log</b>	All	<b>Closed</b>
1205	04/12/19	2.0	All to review the OAD notice process and consider if this is the right communication tool for any activity on Offtake Sites.	All	<b>Carried Forward</b>
1206	04/12/19	2.0	All to consider Section N3.6.7 and whether all parties want to have access to a Redundant Asset process. <b>Transferred to 0646R Issues Log</b>	All	<b>Closed</b>
1207	04/12/19	2.0	Cadent (SS/DD) to consider whether further clarity is required in OAD for Disputes.	Cadent (SS/DD)	<b>Carried Forward</b>
1208	04/12/19	2.0	Cadent to clarify the definition of a Connection Site in B3.8.3. <b>Transferred to 0646R Issues Log</b>	Cadent (SS/DD)	<b>Closed</b>
0101	06/01/20	2.0	Cadent to review the scenarios where a bi-directional flow can exist and ensure the legal	Cadent (SS/DD)	<b>Pending</b>

			text considers Shared Sites and NTS to LDZ in line with the Modification's solution.		
0102	06/01/20	2.0	National Grid (SR) to validate the point of offtake, confirmed in the Supplemental Agreement, is by Appendix A and not the drawings referenced.	National Grid (SR)	<b>Pending</b>