# UNC Workgroup 0710 Agenda CDSP provision of Class 1 Read Service Thursday 27 February 2020

# at Radcliffe House, Blenheim Court, Warwick Road, Solihull, B91 2AA

Attendees					
Alan Raper (Chair)	(AR)	Joint Office			
Helen Bennett (Secretary)	(HB)	Joint Office			
Alexander Mann*	(AM)	Gazprom Energy			
Andy Clasper	(AC)	Cadent			
Andrew Green*	(AG)	Total Gas & Power			
Brandon Rodrigues*	(BR)	ESP			
Carl Whitehouse*	(CW)	Shell Energy Retail Limited			
David Addison	(DA)	Xoserve			
David Mitchell	(DM)	SGN			
Ellie Rogers	(ER)	Xoserve			
Kirsty Dudley*	(KD)	E.ON			
Lea Slokar*	(LS)	Ofgem			
Lee Greenwood	(LGr)	British Gas			
Liam Gallagher*	(LG)	BU-UK			
Louise Hellyar*	(LH)	Total Gas & Power			
Oorlagh Chapman*	(OC)	British Gas			
Phil Lucas	(PL)	National Grid			
Rebecca Cailes*	(RC)	BU-UK			
Richard Pomroy	(RP)	Wales & West Utilities			
Thomas Bourke*	(TB)	Ofgem			
Tracey Saunders	(TS)	Northern Gas Networks			
*via teleconference					

Copies of all papers are available at: <a href="https://www.gasgovernance.co.uk/0710/270220">www.gasgovernance.co.uk/0710/270220</a>

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

#### 1.0 Approval of Minutes (23 January 2020)

The minutes for previous meeting were reviewed and accepted.

#### 1.1. Review of outstanding actions relating to Modification 710

**Action 0101:** Consider when should the proposal take effect: RP to liaise with Xoserve to work out a plausible timeline for a 2020 implementation.

**Update:** RP updated the Workgroup and advised that Shippers have broadly said they would prefer implementation in the Summer of 2020. ER provided a timeline looking at implementation July 2020, although it was recognized that this date is dependent on Ofgem approval. The general agreement was that the proposal should be progressed on the basis of a July 2020 implementation.

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If implementation is not achieved before 1 October 2020 then implementation may have to be delayed until 2021. RP suggests that Xoserve and Shippers consider what would be required in a procurement tender so that it is ready as part of the re-procurement process. **Closed** 

#### 2.0 Amended Modification

RP advised that feedback received on the justification for authority direction, is that it wasn't detailed enough, this has been updated to now say:

This modification transfers the obligation from Transporters to the CDSP and therefore the price cap on the Daily Metered Read charge in Condition 4D of the Transporter licence will no longer apply to this service. This is a material change. Given that the contracts between the DNOs and Daily Metered Service Providers are being novated in the short term there should be no effect on the charges Shippers receive and in the longer term the freedom for Suppliers to define the service will enable them to influence the charge; however, this effective removal of a price cap justifies Authority Direction. In addition, this service is provided to the largest consumers and the longer term potential for this service to change, although potentially providing Shippers with more influence and possibly choice in meter reading, could affect competition between Shippers in respect of these customers.

When asked, RP clarified, as part of the solution there would be an asset charge and a read charge.

#### **Legal Text**

RP summarised the key points in section M as being:

5.6.1 establishes that read delivery timings would be set out in the DSC

6.5 sets out the framework for the provision of within day reads to shippers and transporters, WWU have added in the provision to Transporters; while noting that this is an elective services and should probably rest within the DSC.

6.2.1 WWU have amended the definitions of Datalogged Daily Read Equipment and improved the clarity with respect to Telemetered Daily Read Equipment.

In RP's opinion the current wording relies on "everyone knowing what we mean". The current approach is sufficient at present because the obligation for both is with the Transporter but under 0710, the obligations sit with different parties so better definitions are required. RP would welcome any comments of the proposed drafting. WWU have not moved the location of the definitions even though they are referenced in earlier parts of section M.

WWU have deleted the whole of the current section 7, (liabilities) and section 8, (provision of services to IGTs).

WWU have also removed section 6.7 that currently, very briefly, deals with telemetry equipment, this has been replaced by a new section 7 that deals with this area with more precision.

RP asked for feedback regarding section 6.5.1 & 6.5.2 being removed, the within day read provision, which it is proposed could become part of the DSC Service Line. and asked for feedback within the next 2 weeks.

**New Action 0201:** All to provide feedback regarding section 6.5.1 & 6.5.2 being removed, the within day read provision would then become part of the DSC Service Line. **Deadline is 13 March 2020.** 

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RP will consider providing an easy access guide and will come back to the next meeting with revised legal text.

Following today's discussion, it was agreed that the Modification and the legal text would be revised, and a decision would be made as to whether there is a need for a page turning review of the legal text or if the new documentation can be incorporated in to the draft Workgroup Report.

#### 3.0 Consideration of Business Rules

This item was deferred to the March 2020 meeting.

#### 4.0 Review of Impacts and Costs

This item was deferred to the March 2020 meeting.

#### 5.0 Development of Workgroup Report

- **5.1.** Issues and Questions from Panel:
  - **5.1.1.** Consider whether this modification satisfies the self-governance criteria specifically bearing in mind the effect on competition.

Workgroup considered this question from Panel again, and the consensus of the Workgroup remains that the implementation decision should be made by way of an Authority Direction.

#### **5.1.2.** Consider when should the proposal take effect

Workgroup considered this question from Panel and agreed implementation should aim for July 2020.

#### 6.0 Next Steps

AR confirmed that completion of the Workgroup Report would be undertaken at the March 2020 meeting.

#### 7.0 Any Other Business

None.

## 8.0 Diary Planning

Further details of planned meetings are available at: <a href="www.gasgovernance.co.uk/events-calendar/month">www.gasgovernance.co.uk/events-calendar/month</a> Workgroup meetings will take place as follows:

Time / Date	Venue Workgroup Programme	
10:30 Thursday 26 March 2020	Elexon, 350 Euston Road, London, NW1 3AW	Completion of Workgroup Report

### Action Table (as at 27 February 2020)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1001	24/10/19	2.0	Taken from 0694R workgroup which has now closed:  Xoserve (DA) and WWU (RP) to provide further clarity on duration of contracts and what arrangements are in place at present as well as when current arrangements end.	Xoserve (DA) and Wales & West Utilities (RP)	Closed
0101	23/01/20	5.1.2	Consider when should the proposal take effect:  RP to liaise with Xoserve to work out a plausible timeline for a 2020 implementation.	Wales & West Utilities (RP) and Xoserve (DA)	Pending
0201	27/02/20	2.1	Legal Text:  All to provide feedback regarding section 6.5.1 & 6.5.2 being removed, the within day read provision would then become part of the DSC Service Line. Deadline is 13 March 2020.	All	Pending