

Uniform Network Code Committee
Minutes of Meeting 214 held on Thursday 16 September 2021
Via Teleconference

Attendees			
Voting Members:			
Shipper Representatives		Transporter Representatives	
D Fittock (DF), Corona Energy M Jones (MJ), SSE R Fairholme (RF), Uniper R Kealley (RK), British Gas S Mulinganie (SM), Gazprom and for A Green.		A Travell (AT), BUUK D Mitchell (DM), SGN D Lond (DL), National Grid G Dosanjh (GD), Cadent R Pomroy (RP), Wales & West Utilities T Saunders (TS), Northern Gas Networks	
Non-Voting Members:			
Chairperson	Ofgem Representative	Consumer Representatives	Independent Supplier Representative
W Goldwag (WG)	R Fernie (RFe)		(None)
Also, in Attendance: C Aguirre (CA), Pavilion Energy; E Rogers (ER), Xoserve - CDSP Representative; J Semple (JS), Ofgem; M Bhowmick-Jewkes (MBJ), Joint Office; P Garner (PG), Joint Office; R Hailes (RH), Committee Secretary; Y Reid-Healy (YRH), Joint Office			

Copies of all papers are available at: <http://www.gasgovernance.co.uk/uncc/160921>

214.1 Note of any alternates attending the meeting

- R Kealley on behalf of M Bellman, ScottishPower
- S Mulinganie on behalf of A Green, Total Gas & Power
- D Mitchell on behalf of H Chapman, SGN

214.2 Apologies for Absence

- H Chapman, SGN
- M Bellman, ScottishPower

A Green, Total Gas & Power

214.3 Minutes and Actions from the previous meeting

The 19 August 2021 meeting minutes were approved.

214.4 Review of Actions

No outstanding actions.

214.5 Matters for the Committee's Attention

None.

214.6 AOB

a) Alrewas Meter Error (EM009)

P Garner (PG) provided an overview of the Alrewas Meter Error, noting the anticipated Error Range is 4.5 % - 7.5 % which equates to 650 to 1050 GWh which makes it a Significant Measurement Error (SMER).

PG added that an Independent Technical Expert (ITE) had already been appointed. The ITE had determined the Error Range, but the Measurement Error Guidelines¹ requires a second ITE, if an error is greater than 500 GWh.

PG advised that the SMER would be discussed in greater detail, including reviewing the ITE report and considering the process for appointing a second ITE at the Offtake Arrangements Workgroup on 29 September 2021. PG requested Shipper engagement, noting that because of the value of the error Shippers would be impacted and the Joint Office wanted to ensure they were involved in the process for fairness and transparency.

G Dosanjh (GD) noted that there had been minimal Shipper engagement since the error had been identified and the Offtake Arrangements Workgroup had convened to discuss it. However, he advised the Shippers can now nominate a second ITE to review the error before it progresses any further.

S Mulinganie (SM) asked whether the error had resulted in over or under recovery. GD confirmed that it had been an under recovery and a relatively substantial amount of money would need to be recouped.

¹<https://www.gasgovernance.co.uk/sites/default/files/ggf/page/2021-08/Measurement%20Error%20Notification%20Guidelines%20v5.0.pdf>

R Kealley (RK) expressed his frustration that there were no sanctions for the responsible parties and all Users would be penalised for the error. RK also noted that the timing of the error was inconvenient as it was likely that a surprise bill would be generated around November when there were other financial obligations such as the Renewables Obligations (ROs) which would need to be paid. SM agreed with these views.

SM asked what the next steps in the process was, besides the ITE report being produced and asked for further clarity on what the Shipper appointed second ITE process would be.

PG advised that the Offtake Arrangement Workgroup would be the best place to raise and clarify these points, noting that until the process of reviewing the error is complete, the figures could not be confirmed.

GD advised that the PAC (Performance Assurance Committee) had asked Cadent to clarify the process and provide further information on this specific error. GD advised that this information was already published on the JO website².

WG suggested that an overview of the rules for appointing a second ITE should be flagged prior to this meeting if it required a majority vote. GD explained that voting would not be required and if one User requested a second ITE to be appointed, the appointment would proceed. WG accepted this.

D Mitchell (DM) explained that he had been involved in the last SMER and advised that two ITEs would have to work in isolation to produce their reports before it is reviewed at the Offtake Workgroup. DM added the process is likely to take longer than expected.

PG asked the Committee to contact the Joint Office if there were any questions in relation to the process, rather than the error itself or the commercials.

SM advised he would be proposing to appoint a second ITE at the meeting on 29 September and requested a summary of service providers to be emailed to Workgroup attendees prior to the meeting. RH advised a list of ITEs is available on the Joint Office website.³

WG asked what would happen when a Shipper ceased trading but were still liable for their share of the bill for the error. E Rogers (ER) noted she could not advise but could seek views and advise the Committee in October.

WG also asked what the payment process would be. PG asked ER if Xoserve could attend the meeting on 29 September to explain the effect of the SMER on affected Shippers, including the process, reconciliation, and billing. ER confirmed she would take on this action.

UNCC 0901: Xoserve/CDSP (ER/FC) to produce slides to be presented at the Offtake Arrangement Workgroup on 29 September to cover the following:

- How is neutralisation dealt with?
- What is the invoicing / billing process, including expected timings?
- What happens if a User impacted by the SMER ceased trading and left the market.
- To produce a new timeline showing the impacts to the reconciliation process by the appointment of a second ITE.

PG asked when the ITE report is going to be published. GD advised it was still being prepared. PG asked for it to be submitted to the Joint Office for publishing by midday 21 September so there would be 5 clear working days prior to the Offtake Arrangements Workgroup.

PG noted this topic would be discussed again at the October UNCC for recommendation and ratification.

214.7 Next Meeting

The next meeting will be on 21 October 2021, immediately after the UNC Modification Panel meeting on that date.

Action Table (16 September 2021)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
UNCC 0901	16/09/21	214.6 a)	<p>Xoserve/CDSP (ER/FC) to produce slides to be presented at the Offtake Arrangement Workgroup on 29 September to cover the following:</p> <ul style="list-style-type: none"> • How is neutralisation dealt with? • What is the invoicing / billing process, including expected timings? • What happens if a User impacted by the SMER ceased trading and left the market. <p>To produce a new timeline showing the impacts to the reconciliation process by the appointment of a second ITE.</p>	Xoserve/CDSP (ER/FC)	Pending

² www.gasgovernance.co.uk/PAC/150621

³ Measurement Error page (including list of ITEs): <https://www.gasgovernance.co.uk/mer>