

UNC Workgroup 0792S Minutes
Amendments to Cost Recovery under OAD
Friday 04 February 2022
via Microsoft Teams

Attendees

Eric Fowler (Chair)	(EF)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Ben Hanley	(BH)	Northern Gas Networks
Catherine Litser	(CL)	Wales & West Utilities
Christopher Syrett	(CS)	E.ON
David Mitchell	(DM)	Scotia Gas Networks
Darren Dunckley	(DD)	Cadent
Ellie Rogers	(ER)	Xoserve
James Doyle	(JD)	Out Fox the Market
Louise M ^c Goldrick	(LMc)	National Grid
Mark Field	(MF)	Sembcorp
Phil Lucas	(PL)	National Grid
Sally Hardman	(SH)	Scotia Gas Networks
Shiv Singh	(SS)	Cadent
Stephen Ruane	(SR)	National Grid
Tom Stuart	(TS)	Wales & West Utilities

Copies of non-confidential papers are available at: <https://www.gasgovernance.co.uk/0792/040222>

1. Introduction and Status Review

Eric Fowler (EF) welcomed all parties to the meeting.

1.1 Approval of Minutes (07 January 2022)

The minutes from the previous meeting were then approved.

1.2 Approval of Later Papers

The Workgroup noted, and agreed to consider, the one late paper (*draft Legal Text Guidance Document*) submitted on 03 February 2022.

One Workgroup participant noted that late provision of materials for meetings potentially reduces 'stakeholder' engagement.

1.3 Review of Outstanding Actions

None to consider.

2. Review of Legal Text

Shiv Singh (SS) provided an onscreen review of the '*Draft Legal Text Guidance Document*' during which he provided a brief outline for the Modification and the rationale for raising it, noting that it is seeking to introduce a more forward thinking approach, rather than the existing retrospective based one.

During the review of the document, the following key aspects were noted (by exception) as follows:

- Latest iteration of the Legal Text (and supporting guidance document) reflect the feedback from Workgroup participants at the 07 January 2022 meeting, during which a detailed consideration of the Business Rules was undertaken;
- Paragraph 2.4.3(a) [BR8] – relates to onsite persons actions that might inadvertently result in damage;
 - It was pointed out that the lawyers (Denton’s) have reviewed the text and are happy it is ‘fit for purpose’, hence the reason for the more ‘generic’ based approach;
 - It was noted that whilst equipment repair would be chargeable, time and resource aspects would not be;
 - Utilisation of the terms ‘Party 1’ and ‘Party 2’ to be considered;
- Paragraph 2.4.3(e) [BR9] – links to 2.4.3(a) above;
- Paragraph 2.3 amendments (rewrite) – Denton’s believe that a new paragraph 2.3 provision is preferable to simply ‘tweaking’ the existing 2.3;
 - Old paragraph 2.3.1(c) provisions to be potentially reinstated in some form or other following concerns (i.e. missing ‘closure loop’ relating to identification of actual costs / recovery of final costs etc.) , voiced by various Workgroup participants during a review of the remainder of the new 2.3 proposals;
 - New paragraph 2.3.4 comment – it is believed that new paragraph 2.3.5 and 2.3.6 provisions cover off the concern;
 - It was acknowledged that the previous years OAD Notice contained ‘changes and impacts’ tick box option, although it is not the notifying parties role really – it is felt that no further notice changes are needed under the new proposals;
- New Paragraph 2.3.7 [BRs 4 and 6] – SGN still believe that their comment warrants further consideration, whilst it was pointed out that this is in essence a ‘backstop provision’;
 - It was agreed to consider including an explanation within the supporting Legal Text guidance comment, especially as dialogue between impacted parties remains of paramount importance;

Concluding discussions, a new action was assigned to Cadent (Shiv Singh and Darren Dunkley) and National Grid (Louise McGoldrick) to review the existing versus proposed 2.3 amendments and also the Scotia Gas Network comments, with a view to providing revised Legal Text, if appropriate.

<p>New Action 0201: Cadent (SS and DD) and National Grid (LMc) to review the existing versus proposed 2.3 amendments and also the Scotia Gas Network comments, with a view to providing revised Legal Text, if appropriate.</p>
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3. Finalisation of Workgroup Report

In preparation for development of a draft Workgroup Report following the meeting, EF undertook an onscreen review of the Modification initially focusing attention on ‘*Section 6 – Impacts & Other Considerations*’, during which there were no adverse comments raised by Workgroup participants.

Discussion then briefly centred on ‘*Section 8 – Implementation*’ with it being noted that from a National Grid perspective, effective implementation on a date 16 Business Days following a decision to implement being given by Panel, could pose problems, on the grounds that this would not allow sufficient time for them (National Grid) to amend their internal support processes.

It was noted, that the 16BDs referred to for Self-Governance Modifications is a minimum elapsed period, and that often, an effective date longer than 16BDs is supported by the Proposer and Legal Text provider. Regardless, parties are always able to highlight any implementation concerns as part of the consultation process.

EF agreed to include a statement within the (draft) Workgroup Report to ‘cover off’ the timing concerns.

4. Next Steps

EF explained that the next steps would include the following:

- A review of updated Legal Text, if appropriate, and
- Completion and sign off, of the Workgroup Report.

5. Any Other Business

None.

6. Diary Planning

6.1 2022 meeting dates

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

Time/Date	Paper Publication Deadline	Venue	Programme
13:00, Tuesday 08 March 2022	17:00 Friday 25 February 2022	Teleconference	Standard Agenda

Action Table (as of 04 February 2022)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Target Date	Status Update
0201	04/02/22	2.	To review the existing versus proposed paragraph 2.3 Legal Text amendments and also the Scotia Gas Network comments, with a view to providing revised Legal Text, if appropriate.	Cadent (SS / DD) & National Grid (LMc)	08 March 2022	Pending