

UNC Workgroup 0809S Minutes
Distribution of Last Resort Supplier Payment (LRSP) claims to
include IGT sites
Thursday 23 June 2022
via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Adrian Symons	(AS)	CNG Services Ltd
Andy Clasper	(AC)	Cadent
Ben Hanley	(BH)	Northern Gas Networks
Ben Mulcahy	(BM)	Northern Gas Networks
Claire Louise Roberts	(CLR)	ScottishPower
Clare Manning	(CM)	E.ON Energy
David Mitchell	(DM)	SGN
Gethyn Howard	(GH)	Last Mile UK
Hursley Moss	(HM)	Cornwall Insight
Joel Martin	(JM)	SGN
Kate Lancaster	(KL)	Xoserve
Louise Hellyer	(LH)	Totalenergies Gas & Power
Mark Jones	(MJ)	SSE
Oorlagh Chapman	(OC)	Centrica
Richard Pomroy	(RP)	WWU
Rhys Kealley	(RK)	British Gas
Simon Harris	(SH)	Xoserve
Steve Mulinganie	(SM)	Gazprom
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0809/230622>

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 July 2022.

1.0 Outline of Modification

Tracey Saunders (TS) introduced the Modification and explained that the purpose of the Modification is to add clarity to the UNC, that charges resulting from the Supplier of Last Resort (SoLR) are distributed to all end supply meter points, regardless of whether they are on an Independent Gas Transporter (IGT) Connected System Exit Point (CSEP) or directly connected to a Distribution Network (DN), to remove any ambiguity. Currently the UNC is silent on including or excluding IGT CSEPs.

It was noted that the intent of Urgent Modification 0797 - Last Resort Supply Payments Volumetric Charges cost recovery, was to target the market sector and align the costs to where they arose from.

Whilst this Modification adds clarity within the UNC around how the IGTs CSEP Supply Meter Points are treated and how Last Resort Supply Payments (LRSP) payments are managed, there were no required changes to the IGT UNC.

TS confirmed that the implementation charging rates will take effect from 01 April 2023 and the system changes need to be implemented in time for the 2023-2024 charging year onwards. The associated Change Proposal is XRN4992B.

TS clarified that the Modification would document current practice, will not change where the costs are being allocated and it will avoid misinterpretation in the future.

2.0 Initial Discussion

2.1. Issues and Questions from Panel

None raised.

2.2. Initial Representations

None received.

2.3. Terms of Reference

The standard UNC Workgroup Terms of Reference will apply and are available at www.gasgovernance.co.uk/mods

3.0 Completion of Workgroup Report

The Workgroup reviewed and concluded the Workgroup Report for consideration at the July UNC Modification Panel Meeting.

The Workgroup considered whether the Modification should be treated as a Self-Governance Modification or Authority direction. As there had been direction from Ofgem some Workgroup participants believed the Modification could be managed as a Self-Governance Modification. However other parties believed as this involved large sum of monies and Ofgem instructed the change based on Ofgem's letter, this indicated that Ofgem expect to consider the related Modification to enact the change. It was noted that being a Self Governance Modification, Ofgem could call in the Modification if required.

4.0 Next Steps

Rebecca Hailes (RHa) confirmed that the Workgroup will be asking Panel to agree that this Self-Governance Modification should now proceed to consultation.

5.0 Any Other Business

None.

6.0 Diary Planning

No further meetings were planned.

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