UNC Workgroup 0812R Minutes Review of Alternative to "Must Read" Arrangements

Thursday 25 August 2022

via Microsoft Teams

Attendees						
Eric Fowler (Chair)	(EF)	Joint Office				
Helen Bennett (Secretary)	(HB)	Joint Office				
Vera Li	(VL)	Joint Office				
Aleksandra Cebo	(ACe)	EDF				
Andy Clasper	(AC)	Cadent				
Ben Mulcahy	(BM)	Northern Gas Networks				
Brandon Rodriguez	(BR)	ESP Utilities Group				
Claire Louise Roberts	(CLR)	ScottishPower				
Clare Manning	(CM)	E.ON Energy				
David Mitchell	(DM)	SGN				
David Reynolds	(DR)	Northern Gas Networks				
Elena Dranceanu	(ED)	SEFE Energy Limited				
Ellie Rogers	(ER)	Xoserve				
Fiona Cottam	(FC)	Xoserve				
Hursley Moss	(HM)	Cornwall Insight				
Gurvinder Dosanjh	(GD)	Cadent				
John R Harris	(JH)	Xoserve				
Kate Lancaster	(KL)	Xoserve				
Kathryn Adeseye	(KA)	Xoserve				
Mark Jones	(MJ)	SSE				
Martin Attwood	(MA)	Xoserve				
Michelle Brown	(MB)	Energy Assets				
Nicky Kingham	(NK)	Xoserve				
Phil Lucas	(PL)	National Grid				
Rebecca Hailes	(RHa)	Joint Office				
Richard Pomroy	(RP)	Wales & West Utilities				
Steve Mulinganie	(SM)	SEFE Energy Limited				
Talia Lattimore	(TL)	Gemserv				
Tom Stuart	(TSt)	Wales & West Utilities				
Tracey Saunders	(TS)	Northern Gas Networks				

The Workgroup Report is due to be presented at the UNC Modification Panel by 20 April 2023.

Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of all papers are available at: www.gasgovernance.co.uk/dist/250822

1.0 Outline of Modification

Richard Pomroy (RP) was invited to provide an overview of the Request and referred to Section 3 of the Request, Terms of Reference.

Steve Mulinganie (SM) suggested that Class 1 Meter Reads could be included in the scope if the Distribution Network Owners are no longer going to be the custodian of Settlement.

RP advised this has been considered but the decision was made to leave them out of scope.

When it was mentioned there is no element of safety considerations when a meter has not been read for long period of time, RP advised that gas safety checks are Licence condition and the Must Read process only relates to meter readings. He added that Meter Readers may or may not be competent in safety of site checks.

EF noted that historically, it has often been a coincidence that both Must Read, and the Site Safety check have been carried out at the same time.

It was requested that a 'For the avoidance of doubt' statement is added to the Request to state that safety related matters are out of scope.

RP agreed to revise the ToR and an make the necessary updates.

RP noted the 3 option solutions for Workgroup to consider in discussions going forward which should lead to the creation of a Modification:

- 1) (Preferred solution) Remove obligation on Transporters and let PAC manage any settlement risk which gives them the freedom to address the issue as they see fit;
- 2) Remove obligation on Transporters and put in place specific obligations on Shippers should they breach their meter reading obligation;
- 3) Replace the Transporter obligation in Code by arrangements for central provision of the service.

SM stated a preference for Option1 and noted that if it was taken forward, under Modification 0674 - Performance Assurance Techniques and Controls, which is due to be implemented from 01 November 2022, PAC is more robust and should determine an appropriate action.

Workgroup considered that IGTs are quite heavily involved in must reads. Talia Latimore (TL) noted that IGT Modification 0159 looks to further expand the must read provisions and is currently in Consultation until 19 September 2022. In order to see how this Request moves forward, and the possible impact on IGTs, TL will attend future meetings.

IGT Modification 159 – Amendments to the Must Read process:

To update the Must Read process to include timescales for a site to enter the process, and to introduce timeframes for procuring and returning a read. To update reporting requirements to ensure the most accurate and up to date information is available to all Industry Parties.

New Action 0108: IGT (TL) to update Workgroup on what the counterargument is for IGTs expanding the Must-Read service. What explains that preference? How much is the process being used? Why are IGT taking a very different approach?

RP clarified that if the obligation is removed from Transporters, that does not preclude anyone from offering a commercial service to Suppliers to procure reads.

RHa noted, as Chair of PAC, she is quite nervous about PAC taking on this responsibility and that PAC could, in future, raise a Modification to put the service back to Transporters.

It was noted that the main objective for Modification 0674 is putting the appropriate tools in place to manage Settlement risk and not necessarily how long a read has been missing for.

SM asked if it is worth Workgroup asking Ofgem, as the Authority, in principle if are they happy with the removal of the must read obligation from Transporters.

RP highlighted to the Workgroup there was a Modification raised previously which Ofgem rejected on the basis of Transporters being the guardian of Settlement, but that is no longer valid.

2.0 Initial Discussion

2.1. Issues and Questions from Panel

2.1.1. Does the process utilised in the IGT UNC work as an alternative arrangement?

2.2. Initial Representations

None received.

2.3. Terms of Reference

As matters have been referred from Panel a specific Terms of Reference will be published alongside the Modification at www.gasgovernance.co.uk/0812.

3.0 Next Steps

Commence discussions.

4.0 Any Other Business

None.

5.0 Diary Planning

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

Workgroup meetings will take place as follows:

Time / Date	Paper Publication Deadline	Venue	Programme	
Thursday 10:00 22 September 2022	5pm 13 September 2022	Microsoft Teams	Standard Agenda	
Thursday 10:00 27 October 2022	5pm 18 October 2022	Microsoft Teams	Standard Agenda	
Thursday 10:00 24 November 2022	5pm 15 November 2022	Microsoft Teams	Standard Agenda	
Monday 10:00 12 December 2022 5pm 01 December 202		Microsoft Teams	Standard Agenda	

Action Table (as at 25 August 2022)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0108	25/08/22	1.0	IGT (TL) to update Workgroup on what the counterargument is for IGTs expanding the Must-Read service. What explains that preference? How much is the process being used? Why are IGT taking a very different approach?	IGT (TL)	Pending