

Uniform Network Code Committee
Minutes of Meeting 227 held on
Thursday 20 October 2022
Via Teleconference

Attendees			
Voting Members:			
Shipper Representatives		Transporter Representatives	
D Fittock (DF), Corona Energy D Morley (DM), Ovo Energy O Chapman (OC), Centrica M Bellman (MB), ScottishPower R Fairholme (RF), Uniper S Mulinganie (SM), SEFE Energy		K Matiringe (KM), BUUK D Mitchell (DMi), SGN G Dosanjh (GD), Cadent J Bates (JB), National Grid NTS T Saunders (TS), Northern Gas Networks R Pomroy (RP), Wales & West Utilities	
Non-Voting Members:			
Chairperson	Ofgem Representative	Consumer Representative	Independent Supplier Representative
W Goldwag (WG)	J Semple (JS)		
Also, in Attendance: B Fletcher (BF), Joint Office; E Rogers (ER), Xoserve - CDSP Representative; M Bhowmick-Jewkes (MBJ), Joint Office; R Hailes (RH), Joint Office; P Garner (PG), Joint Office;			

Copies of all papers are available at: <http://www.gasgovernance.co.uk/uncc/180822>

227.1 Note of any alternates attending the meeting

K Matiringe for A Travell

227.2 Apologies for Absence

A Travell, BUUK

227.3 Minutes and Actions from the previous meeting

The 15 September 2022 meeting minutes were approved.

227.4 Review of Actions

None.

227.5 Matters for the Committee's Attention

a) **UNCC view sought by DSC Change Management Committee:**

Governance and interactions of XRN4914 MOD 0651- Retrospective Data Update Provisions, and

New Modification 0825 – Removal of the remaining Retrospective Asset, Address and Supply Point (RAASP) elements of the Retrospective Adjustment arrangements put in place under Modification 0434

R Hailes (RH) noted that the UNC Modification Panel had briefly considered this matter when considering new Modification 0825. It was noted that the DSC Change Management Committee requested UNCC's views on how to balance the interactions between two as there is a potential to commit costs and resources to commence the implementation process for Modification 0651 which might then be stranded.

WG clarified the issue was that if Modification 0825 is implemented, Modification 0651 would become irrelevant.

S Mulinganie (SM) noted that if a Modification directed by Authority is set aside, it would set a dangerous precedent. SM suggested that a better understanding of Modification 0825 was required, and that it feels more pragmatic to defer Modification 0651 implementation until there was a clearer understanding of Modification 0825.

G Dosanjh (GD) agreed with SM noting it was a unique circumstance but noted that whilst Modification 0651 was approved to be implemented, not carrying out work on implementation of the change at this time, was not working at risk as the money on stake was of a significant amount.

UNCC noted that Ofgem's guidance was being sought and it was agreed that it would be beneficial to pause any development of on the implementation of Modification 0651 and its related Change Proposal (XRN) without gaining a better understanding of Modification 0825.

D Morley (DM) remarked that Panel did not recommend implementation of Modification 0651, although it was approved by Ofgem and whether Modification 0825 would reiterate the same issues.

SM said Modification 0651 would become redundant if Modification 0825 was implemented and the rationale between the two Modifications was different as were the circumstances.

WG requested Joint Office's views on how this should be progressed. P Garner advised that Ofgem's guidance was required.

B Fletcher (BF) advised that the DSC Change Management Committee felt that they were unsure on whether the development of the XRN could be put on hold without seeking wider UNC Parties views.

SM suggested that the period of hiatus in the development of the XRN was pragmatic, particularly considering current energy crisis.

J Bates (JB) asked whether Modification 0651 can be implemented in the 6 months Modification 0825 will be developed. GD and E Rogers (ER) advised that was not possible as that change required a longer lead time and could be a major system release on its own.

WG confirmed the UNCC view to the DSC Change Management Committee is that Modification 0651 implementation should be a standing agenda item at every DSC Change Management meeting to stay abreast of any progress without committing costs or resources until the status of Modification 0825 is clearer.

b) Update of PAC Terms of Reference – 2 Year Term

RH explained UNC Panel appointments is for two years, whilst PAC appointments are for one year. RH highlighted that with the one year appointment period there was a risk of losing expertise.

RH added that given the new power and auspices of PAC following the implementation of Modification 0674V and to enable debate and embed greater understanding in decision making process; the proposal is to set out in the PAC Terms of Reference (ToR) that members are appointed for two years and also to stagger memberships over two year period.

RH noted that this item has been brought as a courtesy as from 01 November 2022 PAC can change their own ToR.

UNCC Members determined to approve the amendments to the PAC Terms of Reference, by unanimous vote (14 out of 14).

c) DSC ChMC Appeal – XRN5554 – Allocation of Unidentified Gas Expert (AUGE) Management Independent Review BER for UK Link February 2023

BF presented the rules around the appeal process for DSC Committees.

WG noted that an appeal has been raised regarding the decision of the DSC Change Management Committee to reject a DSC Change to implement an AUGE independent review audit.

D Fittock (DF) explained what the background and context around this appeal was, noting that there were issues around Unidentified Gas (UIG) allocation and AUGE process.

BF advised that the discussion at the DSC Change Management Committee centered around the justification for implementing an additional audit process and justifying this cost when some considered it unnecessary, and if the process prior to the decision had taken account of wider industry views via consultation.

WG asked why DSC Change Management Committee had rejected the BER.

O Chapman (OC) explained that a Shipper constituency meeting had been held prior to the DSC Change Management Committee meeting, and an agreement was reached to reject the BER as a number of constituents did not feel the additional process was required. OC added that usually justification for rejection does not have to be provided, but in this case views were provided.

RP asked if there were any concerns that the industry was not informed about this process sufficiently. Further to discussions, RP was satisfied that sufficient notice had been provided to the relevant parties about this matter.

MB agreed with RP noting this is about grounds for appeal rather than merits of claim. MB noted he was not satisfied there was sufficient evidence to overturn the DSC Change Management Committee's decision in this case (i.e. that the additional process was required or that it was not good value for money).

PG explained the voting to be undertaken, noting that if the DSC Change Management Committee's decision is overturned, guidance would need to be provided. In all cases materiality of matter also needs to be determined which will then determine the additional appeal criteria should an appeal to the Authority be considered.

UNCC Members do not agree that the DSC Change Management Committee decision should be overturned, by majority vote (10 of 12).

UNCC Members were asked to consider materiality criteria. This allows any party not satisfied with the UNCC consideration and determination of the appeal, the ability to appeal to the Authority.

UNCC Members agreed that the subject of the appeal was material and subject to further appeals criteria, by majority votes (10 of 12).

227.6 AOB

a) **New Significant Measurement Error at Royston**

GD advised Cadent has identified a new Significant Measurement Error (SMER) and it will be discussed at the Offtake Workgroup meeting scheduled on Wednesday 26 October 2022. Interested parties were asked to dial in.

New Action UNCC 10/01: Joint Office (RH) to issue a meeting invite for Offtake Workgroup on 26 October 2022 to all UNC Parties.

b) **Review of Measurement Error Notification Guidelines**

PG noted that the Measurement Error (MER) Notification guidelines document includes the rules for the MER process and asked if UNCC felt these rules needed to be reviewed.

WG suggested the document should be issued to UNCC to review first.

New Action UNCC 10/02: Joint Office (RH) to issue the Measurement Error Notification Guidelines to all UNCC Members to review and include the item on the next meeting agenda.

c) **REC Representative at UNC PAC**

RH advised that a REC staff member rather than REC service provider employee would be attending PAC as a representative. RH noted she had been liaising with J Dixon at REC.

WG asked if there would be any reciprocation. RH clarified A Jackson (AJ) from PAFA attends REC.

PG explained this was an exercise to share of knowledge and expertise. RP asked should the PAC Terms of Reference be amended to reflect this. RH noted PAC would make the required amendments after 01 November 2022 when the new Performance Assurance Framework is implemented.

New Action UNCC 10/03: Joint Office (RH) to ensure PAC ToR are updated to reflect the attendance of REC representatives.

d) Government Upheaval

WG noted that the change in government leadership would likely delay the Energy Bill that is at Parliament at present. And the industry may see a number of changes being introduced by late November or early December and urgent meetings may need to be held to address these.

227.7 Next Meeting

The next meeting will be on 17 November 2022, immediately after the UNC Modification Panel meeting on that date.

Action Table (20 October 2022)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
UNCC 10/01	20/10/22	227.6 a)	Joint Office (RH) to issue a meeting invite for Offtake Workgroup on 26 October 2022 to all UNC Parties.	Joint Office (RH)	Pending
UNCC 10/02	20/10/22	227.6 b)	Joint Office (RH) to issue the Measurement Error Notification Guidelines to all UNCC Members to review and include the item on the next meeting agenda.	Joint Office (RH)	Pending
UNCC 10/03	20/10/22	227.6.c)	Joint Office (RH) to ensure PAC ToR are updated to reflect the attendance of REC representatives.	Joint Office (RH)	Pending