

**UNC Workgroup 0829S Minutes**  
**Updates to the Supplemental Agreement Amendments Process**  
**Thursday 08 December 2022**  
**via Microsoft Teams**

**Attendees**

Eric Fowler (Chair)	(EF)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Ben Oldham	(BO)	Cadent
Darren Dunkley	(DD)	Cadent
David Mitchell	(DM)	SGN
Fiona Cottam	(FC)	Xoserve
Kirsty Dudley	(KD)	E.ON
Leteria Beccano	(LB)	Wales & West Utilities
Louise McGoldrick	(LMG)	National Grid
Shiv Singh	(SS)	Cadent
Simon Howard	(SH)	Cadent
Steve Mulinganie	(SM)	SEFE Energy Ltd
Zoe Thorpe	(ZT)	National Grid

*This Workgroup meeting will be considered quorate provided at least two Transporter and two Shipper User representatives are present.*

*Please note these minutes do not replicate the 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 papers are available at: <https://www.gasgovernance.co.uk/0829/081222>*

**1.0 Outline of Modification**

**Purpose:**

*To change the processes for updating Supplemental Agreements*

Shiv Singh (SS) provided an overview of the Modification and explained under the existing arrangements, it is the responsibility of the upstream party to process any Supplemental Agreements (SA) amendments. All parties will discuss the merits of allowing either party to initiate the execution phase providing agreement has been reached during the draft phase.

SS stated the process does not cater for tri-party sites, so this is a gap within the OAD that needs addressing. SS noted as the process is very transactional and does not allow sufficient time for operators to review amendments made by another operator, Cadent were proposing an allowance for a draft and execution phase, which should result in a suitable governance period.

SS drew attention to the Business Rules, and where specific discussions took place, these are detailed below:

Business Rules

*For the subsidiary document:*

- *BR1 - the revised processes will include a draft phase and an execution phase. The execution phase can remain transactional with set timescales.*
- *BR2 - any party can initiate the update process and draft proposed changes.*

- *BR3 - any amendments provided must have updated the relevant current version of the supplemental agreement and track changes must have been applied so that the other operator(s) can quickly identify the changes made for prompt and an efficient review to take place.*
- *BR4 - for tri-partite sites, the initiating or amending party shall assess the impact on the services party and will seek approval for any modifications to the site services (Section 3 within the SA template). Where this occurs, the amending party will provide the written confirmation from the services party that the amendments to site services have been duly reviewed and agreed upon before submission of the revised SA to the operator.*
- *BR5 - the process will apply to all site types including Shared Sites.*
- *BR6 - other receiving party or parties may require further additional information from the amending party to support to acceptance of the revised supplemental. This is covered by OAD Section N3.3.*

Steve Mulinganie (SM) requested clarification regarding the word 'receiving' in BR6. Darren Dunkley (DD) said that in this context the word 'receiving' was for parties who would be receiving an updated amendment of the Supplemental Agreement.

- *BR7 - the revisions will also include the specific scenarios where the Supplemental Agreement needs to be agreed prior to the respective assets becoming operationally live or amended.*
- *Other rules and updates:*
- *BR8 - A new clause is necessary to close, supersede or terminate the previous version of the Supplemental Agreement when a new agreement has been entered. Include a new provision within OAD will negate the need to update the recitals or legal text within the OAD template documents.*

Louise McGoldrick (LMG) stated that the ways of working could be achieved without changing OAD and that she had reiterated this point several times previously. She said that despite her stating this fact, Cadent were still progressing with this Modification proposal.

SS explained that Cadent had tried to work with the Code in the past, and they had encountered barriers in relation to the exact meaning and a lack of clarity. DD said that in relation to N33 this would still have the flexibility arrangements. DD stated the current text does not work, and the new subsidiary document will be the new default position and there is an option for an alternate process. A discussion took place in relation to how a previous supplemental agreement is superseded and how the old one then becomes void. DD said this was a more efficient process, rather than using a previous template and that the administration clause N33 would provide the necessary clarity needed.

Leteria Beccano (LB) said that BR8 needed more discussion and investigation due to the evergreen aspect of a change, specifically how one supplemental agreement ends and the new one commences. She added that this process needed more clarification especially from a legal text perspective.

The Workgroup requested that Cadent re-circulated the Subsidiary Report to allow all to re-familiarise themselves with the content. SS confirmed that he would circulate the Subsidiary Report as requested.

**New Action 1201:** Cadent (SS) to send the latest version so the Subsidiary Report to all the Workgroup participants to re- familiarise themselves with the content.

- *BR9 - The appropriate linkages from Section N3.3 and N10 to the new subsidiary document will be required.*
- *BR10 - Section N1.2.1 (Subsidiary Documents) will need to be updated to include the new process document.*

Eric Fowler (EF) suggested due to the content of the discussions, it was possibly advisable to seek an extension for the Panel submission date.

SS and DD agreed that an extension should be requested and that a 3-month extension was required until May 2023.

**New Action 1202:** Joint Office (EF) to seek an extension from Panel to May 2023.

## 2.0 Initial Discussion

### 2.1. Issues and Questions from Panel

None received.

### 2.2. Initial Representations

None received.

### 2.3. Terms of Reference

The Terms of Reference is included in the Request [www.gasgovernance.co.uk/0828](http://www.gasgovernance.co.uk/0828).

## 3.0 Next Steps

EF said his aspirations for the next meeting were:

- Action Updates
- Re-consideration of Business Rules
- Consideration of Further Considerations

## 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](http://www.gasgovernance.co.uk/events-calendar/month)

Workgroup meetings will take place as follows:

Time / Date	Paper Publication Deadline	Venue	Workgroup Programme
1:00pm Monday 16 January 2023	17:00hrs 06 January 2023	Microsoft Teams	Detail planned agenda items. <ul style="list-style-type: none"> <li>• Action Updates</li> </ul>

			<ul style="list-style-type: none"> <li>• Re-consideration of Business Rules</li> <li>• Consideration of Further Considerations</li> </ul>
10:00 Thursday 09 February 2023	17:00hrs 01 February 2023	Microsoft Teams	<ul style="list-style-type: none"> <li>• Agenda TBC</li> </ul>

**Action Table (as of 08 December 2022)**

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Reporting Date	Status Update
<b>1201</b>	08/12/12	1.0	Cadent (SS) to send the latest version so the Subsidiary Report to all the Workgroup participants to re- familiarise themselves with the content.	Cadent (SS)	January 2023	<b>Pending</b>
<b>1202</b>	08/12/12	1.0	Joint Office (EF) to seek an extension from Panel to May 2023.	Joint Office (EF)	January 2023	<b>Pending</b>