

**UNC Workgroup 0812R Minutes**  
**Review of Alternatives to “Must Read” Arrangements**  
**Wednesday 03 May 2023**  
**via Microsoft Teams**

<b>Attendees</b>		
Bob Fletcher (Chair)	(BF)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Alex Nunnington	(AN)	Xoserve
Ben Mulcahy	(BM)	Joint Office
Charlotte Gilbert	(CG)	BU-UK
Clare Manning	(CM)	E.ON Next
Dan Stenson	(DS)	Brook Green Trading
David Mitchell	(DM)	SGN
Gurvinder Dosanjh	(GD)	Cadent
Ellie Rogers	(ER)	Xoserve
Harry Hailwood	(HH)	Brook Green Trading
James Lomax	(JL)	Cornwall Insight
Martin Attwood	(MA)	Xoserve
Paul O’Toole	(PO)	Northern Gas Networks
Pete Ratledge	(PR)	Gemserv (PAFA)
Richard Pomroy	(RP)	Wales & West Utilities
Tom Stuart	(TSt)	Wales & West Utilities
<b>Apologies</b>		
Steve Mulinganie	(SM)	SEFE
Tracey Saunders	(TS)	Northern Gas Networks

*The Workgroup Report is due to be presented at the UNC Modification Panel by 21 September 2023.*

*Please note these minutes do not replicate/include detailed content provided within the material published, therefore it is recommended that the published material is reviewed in conjunction with these minutes.*

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0812/030523>

## **1.0 Introduction and Status Review**

### **1.1. Approval of Minutes (23 March 2023)**

The minutes from the meeting held on 23 March 2023 were approved.

### **1.2. Approval of Late Papers**

There were no late papers.

### **1.3. Review of Outstanding Actions**

**Action 0301:** Proposer (RP) to provide a possible solution for Option 3.

**Update:** Richard Pomroy (RP) expressed some doubt over whether the statement that Performance Assurance Committee (PAC) supported Option 3 was the way forward, as having reviewed the PAC minutes and had a discussion with a PAC member present at the time, RP had the understanding that PAC had not really arrived at a firm consensus to support Option 3. He went on to agree that PAC had agreed that Transporters had no dependencies on the Must-Read process, so removing the obligations from them was logical as this is a Shipper settlement issue.

On this understanding, RP had produced a sketch of how a potential Option 3 solution might look for the purpose of initiating workgroup discussion. He described how it identified two potential approaches:

- Option 3(a), in which the CDSP procures and manages a Must Read service in much the same manner as each of the DNOs do currently; or
- Option 3(b) in which the CDSP procures a Must Read service to address specific instances of Shippers failing to meet meter read obligations.

RP commented that the latter option, 3(b) seemed much more complicated, and with an even greater volume uncertainty than the current methodology, which would make procurement difficult as potential providers struggled to understand volume expectations. As such, RP's view was that if Option 3 was to be progressed then 3(a) would be the only workable means of delivery.

Ellie Rogers (ER) agreed with RP's view and expressed the expectation that 3(b) would prove more expensive and likely to be less responsive in terms of parties responding to a tender request.

RP asked if the workgroup shared this view to which Pete Ratledge (PR) responded that he too agreed, noting it's a similar approach to the current service, and how Option 3(b) would be more complicated in nature. He felt that PAC would probably hold a similar view.

RP noted Parties would need to contribute to the cost of the service provision, even if they did not individually trigger the use of the service. ER agreed that a share of the retaining costs would need to be mutualised, with further costs to those parties that trigger the Must Read.

PR suggested that this presented an opportunity to review the charges set for the service, including how current costs vary geographically, depending on which DNO provides the Must Read service. ER acknowledged that this could indeed be part of the procurement considerations, depending on the providers tendering and whether they are able to provide nationwide or geographically defined services such as by network or region.

RP observed that the UNC is silent on any specification of the Must Read service with much currently left to the DNOs to determine. He suggested that the UNC doesn't need to describe the full process itself, instead, some form of UNC-related document would detail the specifics. He expressed the view that this document would need to be quite comprehensive, including, for example, consideration of cancellation functionality for Must Read requests where meter reads have subsequently been collected in the interim. RP asked if the workgroup agreed this would be a sensible way forward.

ER agreed on the basis that some form of description within a UNC-related document would provide the industry with a clear description of what is included in the Must Read process, and what is out of its scope. PR agreed a supporting document describing criteria, processes, and outcomes would be useful.

The Chair asked if the document would include specifications for the tendering process. RP responded that he hadn't envisaged it doing so but had written notes on this already and was happy to include them if it was thought beneficial. ER drew comparisons with the AUGE and PAFA procurement mechanisms, though thought it would most closely align with the Daily Metered (DM) read service. Within that process, she noted there was no framework, with it instead featuring a stakeholder evaluation panel of industry participants to assist with finding the optimal procurement methodology.

PR noted that the volumes of reads being provided in this Must Read service would be far greater than the DM read service, which ER acknowledged and called attention to the divergent nature of the two processes, where one is intended to fulfil a clear obligation in providing Product Class 1 meter reads, whereas the other is about acting where an obligation has not been met.

RP shared his view that such a Panel would be made up of Shippers, with Xoserve, as CDSP, procuring the service under the DSC Contract Management Committee oversight. Charges could be set based upon several factors, including reads obtained, but he felt that such considerations would probably be best left for the DSC Contract Management Committee

determination to avoid tying the CDSP's hands early in the procurement process. This would enable the retention of the flexibility required to adjust to tendering party feedback to enable the realisation of the best value to the industry.

The Chair noted that this could all be detailed in a subsequent Modification, which RP agreed was clearly a viable route forward and asked for feedback and commentary from Shippers to help shape the development of such a Modification. RP repeated his concern that he was not convinced that PAC had indeed firmly reached the opinion that Option 3 (a) or (b) was the best way forward.

ER raised a concern regarding the rights to access, noting that DNOs had this right, and whilst the DM service was being provided by the CDSP without it, she observed that Product Class 1 sites had a very formal process already established, complete with site owner expectations regarding meter reading collection which by a large is remotely collected. Whilst, in comparison, site access under the Must-Read process would be unscheduled, likely unexpected by site occupants and triggered on an exception basis. She expressed the view that this would need to be addressed within any solution with the objective of ensuring the process is as successful as possible. She stated that the CDSP would deliver the service if the industry voted for them to do so but would appreciate industry involvement in ascertaining the best way to deliver it.

PR agreed that this would not be a silver bullet solution in addressing all the current challenges for Must Reads, including access to sites, but at least with CDSP being the central entity in industry processes they would be better placed to have oversight of these.

RP advised that as a DNO representative, his organisation had never used their rights of access, or applied for a warrant, to obtain a Must Read, citing that to do so could not be justified as a safety issue. Clare Manning (CM) agreed that, in her view, this approach was entirely correct. ER acknowledged this commentary as an example of the type of insight required before considering any measure of future CDSP performance with Must Read provision should the CDSP take the service on. She felt it was important to recognise those aspects outside of accepted control before judgments by parties such as PAC were made of service delivery. PR acknowledged this was particularly true of issues that were likely to need Shipper action to resolve, such as where asset details require updating on the UK Link.

ER felt that whilst a 'lift and shift' of the current obligations would be easy, it may better to seize the opportunity to get a good understanding of the challenges to either address them or at least ensure all parties are aware of them. RP expressed his desire to do the right thing in any subsequent Modification, not just the easiest option, and voiced his suspicion that Option 3 may prove to be the latter. He again asked for Shipper feedback on the discussion points visited in the Workgroup.

While noting such was outside the UNC's scope, the Chair asked why this was not more of a supplier issue. RP agreed that this was a fair question and that it was his assumption that the relationship between Shippers and Suppliers was a central facet of the process but noted that the UNC is unable to place obligations on suppliers, he acknowledged that this meant Shippers were in the middle somewhat.

RP summarised that 3(a) appeared the best solution in his eyes, especially in comparison to the expectation that 3(b) would prove too expensive, it was the only feasible one but emphasised that he is not a Shipper. As such he was keen to receive Shipper views on their preferences between Options 1, 2 and 3 as originally presented. ER agreed with the statement that 3(a) was the only option of the choices available under 3 and reiterated the need for Shipper views on Options 1, 2 and 3.

### **Action Closed**

**Action 0302:** Joint Office (RH) to update the Workgroup Report where the PAC response was considered, and Workgroup briefly discussed that Option 3 is the only viable option to take forward.

The response was discussed under the previous action, with the proposer sharing his perception that the feedback given was not a true reflection of the discussions held within PAC in that a consensus had not been reached.

## 2.0 Update on PAC considerations

It was noted that following the discussions for action 0301 above, further views were required from Shippers to identify a preferred solution to take the Modification forward. This could then be provided to PAC for their views.

## 3.0 Development of Workgroup Report

This will commence at a future Workgroup meeting.

## 4.0 Next Steps

Shippers to consider providing their views on the options discussed to date.

Proposer (RP) to further develop the solution on feedback provided by the industry in Workgroup.

## 5.0 Any Other Business

None.

## 6.0 Diary Planning

Workgroup meetings will take place as follows:

Time / Date	Paper Publication Deadline	Venue	Programme
Thursday 09:30 25 May 2023	5 pm 17 May 2023	Microsoft Teams	<ul style="list-style-type: none"> <li>Consider Shipper feedback on Options presented</li> <li>Review solution development</li> </ul>

**Action Table (as of 03 May 2023)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
<b>0301</b>	23/03/23	1.3	Proposer (RP) to provide a possible solution for Option 3.	Proposer (RP)	<b>Closed</b>
<b>0302</b>	23/03/23	1.3	Joint Office (RH) to update the Workgroup Report where the PAC response was considered, and Workgroup briefly discussed that Option 3 is the only viable option to take forward.	Joint Office (RH)	<b>Pending</b>