

UNC 0570 Workgroup Minutes
Obligation on Shippers to provide at least one valid meter reading
per meter point into settlement once per annum
Thursday 26 January 2017
at Consort House, 6 Homer Road, Solihull B91 3QQ

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Andrew Margan*	(AM)	British Gas
Angela Love*	(AL)	ScottishPower
Carl Whitehouse*	(CWa)	first utility
Chris Warner	(CW)	National Grid Gas Distribution
Colette Baldwin	(CB)	E.ON Energy
Gavin Anderson*	(GA)	EDF Energy
Hilary Chapman	(HC)	Scotia Gas Networks
Jon Dixon*	(JD)	Ofgem
John Welch	(JW)	npower
Kathryn Turner*	(KT)	Good Energy
Kishan Nundloll*	(KN)	ES Pipelines
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Rachel Hinsley	(RH)	Xoserve
Rebecca Hailes	(RHa)	Joint Office
Richard Pomroy*	(RP)	Wales & West Utilities
Shanna Key	(SK)	Northern Gas Networks
Steve Mulinganie	(SM)	Gazprom
Steven Britton*	(SB)	Cornwall Energy

* via teleconference

Copies of all UNC meeting papers are available at: <http://www.gasgovernance.co.uk/0570/221216>

The UNC Workgroup Report is due to be presented at the UNC Modification Panel by 16 February 2017.

1.0 Introduction and Status Review**1.1. Approval of Minutes (22 December 2016)**

The minutes of the previous meeting were approved.

2.0 Consideration of Amended Modification

Whilst BF displayed a change marked copy of the Draft Workgroup Report on screen, AL provided an overview of the recent raft of changes confirming that the modification had once again been updated following further discussions with Ofgem (JD) and now includes two additional points of clarification.

JD pointed out that in his opinion the CMA Order had been ambiguous on certain matters, especially around SMART meters, and thereafter went on to confirm that PPM (supply points)

would be included – AL advised that she would take this additional aspect into account and provide an updated modification in due course.

When asked, CW advised that Denton's had already been engaged to consider providing legal text but warned that this had been based on the current published version of the modification (v4.0, dated 07 December 2016), and not the changes being discussed which would be material to the modification, he now expects will again be amended following the meeting.

Attention then focused on 'Section 5 – Solution', whereupon AL outlined her proposed amendments to this section. When it was pointed out that some of the solution would sit better in the 'Why Change' section, as it was background information, AL agreed to make the necessary changes.

When it was suggested that it had previously been suggested that the modification could contain a set of instructions for amending reports outside of the Performance Assurance Committee (PAC) framework, some parties voiced their concerns and pointed out that the whole reason for PAC is to ensure that suitable controls are in place to manage reporting aspects.

AL then went on to explain the changes to the settlement statement, which some parties disagreed with and challenged from a validation and read submission perspective. At this point RH reminded everyone that Xoserve had requested clarity around this matter at previous meetings. Seeking clarity, CW pointed attention to UNC TPD Section M, paragraph 3.4 provisions (Cyclic reading: Monthly Read Meters) and advised that it simply refers to a valid meter reading.

When AL confirmed that the SMART meter statement had been extracted from the CMA Order, JD quoted the actual order statement, highlighting that it refers to one (1) read per annum from everybody and more where SMART meters are present. In the end, AL agreed to remove the statement.

When asked, AL advised that according to the CMA statement, the yearly read obligation would commence within 1 year of the CMA Order. JD explained that as the CMA order came in to effect in December 2016, any reports that PAC considers now could not take any actions until December 2017 as there would be Nexus system impacts to consider.

During a discussion around potential 'triggers' for the 12 month lead, it was suggested that perhaps all that is really needed is additional clarity around the change of ownership and inheritance of sites aspects. JD reminded everyone that the principle aim is to achieve yearly reads (i.e. regular read provisions). When some parties questioned what actually constitutes the 'trigger' point (i.e. *'date of registration'* and/or *'last valid read date'*), JD suggested that perhaps there is value in considering what constitutes an appropriate trigger and indicated that he would liaise with AL to refine the matter further (perhaps basing a proposed solution around *'last inspection'* aspects). JD added that perhaps the Workgroup should also consider both adopting a reasonableness test and how a party would be expected to know what is a *'last accepted read'*. It was also noted that should a consumer switch supplier frequently, a must read would eventually be triggered.

Concluding, AL agreed to consider the points/comments raised and look to provide an amended modification in due course. She also agreed to keep CW updated in order that legal text can be produced at the earliest opportunity.

3.0 Development of Workgroup Report

In light of discussions undertaken under item 2.0 above, it was agreed to seek a one month extension to the reporting date, from February to March 2017, with the aim of presenting the completed Workgroup Report at the 16 March 2017 Panel meeting.

4.0 Review of Actions Outstanding

1201: Ofgem (JD) to consider providing suitable clarification on the 'reasonable endeavours' provision relating to user capability aspects etc. for SMART meters (i.e. where customers do not give consent for installation of aerials etc.).

Update: JD explained that whilst not specifically related to 0570, the Ofgem Policy Team had considered this matter and provided a caveated statement within which it clarifies that where an organisation's rollout strategy contains a certain type of technology that a customer may not be happy to support, then a potential risk exists. He went on to add that due to the fact that the SMSO resourcing aspects had not been considered by the CMA either, this also presents a potential grey area around separate aspects, which would/could be considered on a case-by-case basis.

When asked who could be contacted within Ofgem to get more information, JD suggested that he would be happy to be the initial point of contact, although he did ask parties to note that any approach would need to demonstrate that from an economical perspective, contracts are not viable. **Closed**

5.0 AOB

None.

6.0 Next Steps

BF proposed that at the next meeting the Workgroup would consider any amendments made to the modification with a view to completing the Workgroup Report.

It was noted that National Grid Gas Distribution were unlikely to be able to provide legal text until the modification amendment had been provided and that it wouldn't be possible to provide text within the timescales of the Panel request.

7.0 Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/Diary

Workgroup meetings will take place as follows:

Time/Date	Venue	Workgroup Programme
10:30 Thursday 23 February 2017	Elxon, 350 Euston Road, London NW1 3AW	Standard agenda plus <ul style="list-style-type: none"> • Consideration of amended modification • Completion of Workgroup Report

Action Table (as at 26 January 2017)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1201	22/12/16	2.0	To consider providing suitable clarification on the 'reasonable endeavours' provision relating to user capability aspects etc. for SMART meters (i.e. where customers do not give consent for installation of aerials etc.).	Ofgem (JD)	Update provided. Closed

