
UNC 0570 Workgroup Minutes
Obligation on Shippers to provide at least one valid meter reading
per meter point into settlement once per annum
Thursday 23 February 2017
at Elexon, 350 Euston Road, London NW1 3AW

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Andy Clasper	(AC)	National Grid Gas Distribution
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
David Addison	(DA)	Xoserve
David Mitchell	(DM)	Scotia Gas Networks
David Tennant*	(DT)	Dentons
Fraser Mathieson	(FM)	Scotia Gas Networks
John Burke	(JB)	National Grid Gas Distribution
Jon Dixon	(JD)	Ofgem
John Welch	(JW)	npower
Kathryn Turner	(KT)	Good Energy
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Rachel Hinsley	(RH)	Xoserve
Sabrina Salazar	(SS)	National Grid Gas Distribution
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/0570/230217>

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 (26 January 2017)

The minutes of the previous meeting were approved.

2.0 Consideration of Amended Modification

During an onscreen review of the most recent amendments to the modification proposal, AC outlined National Grid Gas Distribution Ltd's (NGGDLs) concerns around the 1year/2year submission aspects for valid meter read obligations, which they perceive to be a retrograde step, especially when bearing in mind the potential impact upon contract changes undertaken prior to the end of the first year mark (i.e. opening read estimate impacts etc.).

Whilst acknowledging that this may well mirror the electricity industry, AC is convinced that such a step does not align with what the Competition Markets Authority (CMA) Order is/was trying to achieve.

AC remains of the view that where Suppliers change within the year 1 mark, there is a potential for duplicate reads, and as written, the proposals may invoke Transporters procuring meter reads at year 2 with any associated costs being passed on accordingly. Alternatively, for a frequent switcher, Suppliers may never need to get a valid read until a Must Read is triggered.

CB pointed out that recent Performance Assurance Committee (PAC) discussions involving A Miller from Xoserve suggest that the modification solution could potentially result in complicated reporting implications and that the Modification 0520 reports would not be suitable.

When asked whether or not the modification (as currently written) could potentially impact upon the 'Must Read' provisions, CW advised that this would not be the case as Transporters would continue to invoke Must Reads at year 2, however, SSPs would remain out of scope of the Must Read process and this would present a risk should this modification be implemented.

BF suggested, and parties agreed that it would be better if the modification was reworded in order to avoid diluting current Code obligations around the 70% - 90% year 1 aspects. However, it was noted that removing the potential conflict within the modification as written and discussed could potentially dilute current provisions, so care is needed.

When asked about potential Product Class 3 related impacts of this modification, DA reminded those present that whilst must reads apply across all classes, this modification solution can only apply to Class 4's.

CW reminded everyone that currently provisions/proposals are unable to cater for SSPs (i.e. annual must read provisions aspects) as these would require a change to CMS which cannot be undertaken in the run up to Project Nexus delivery.

It was also suggested that the current wording under the Solution section, does not appear to reflect CMA Order requirements.

JD acknowledged that there are clearly tensions between the inflexible CMA Order and the more flexible solution aspects of the modification, but went on to suggest that the industry requires settlement reads regardless of switching supplier aspects and impacts. He also suggested that the Distribution Networks (DNs) should not be relied on to provide estimate reads in future, on the grounds that the onus would be on the suppliers to provide actual reads.

JD went on to suggest that it might be beneficial to consider adding a notification clause for obtaining reads at the time a consumer switches. He observed that should Transporters start to charge a fee for obtaining reads, as they once did, the industry might be moved to adopting beneficial practices. However, JD also noted that this is really only a 3 year transitional issue prior to SMART meters coming on stream in full.

When AL indicated that she would be more than willing to look to amend the modification inline with the discussion points, BF suggested that she contacts Xoserve and Ofgem offline to discuss and consider suitable transitional solution aspects.

When RH enquired whether or not it might be beneficial to include 0520A style reporting requirements within the modification, AL pointed out that these had been included in an earlier iteration of the modification and withdrawn following Workgroup discussions. However, she will consider reinstating these in the next version of the modification. DA also suggested that in comparing the 0520A reporting aspects it might be prudent to tweak the 0570 text.

When JW enquired whether or not there are any potential MPRN level reporting aspects that should be considered, DA provided a brief explanation behind how the post Nexus UO6 reads would flow (i.e. D-2 aspects etc.).

New Action 0201: Reference post Nexus UO6 reads – Xoserve (DA) to ascertain whether these are actual or estimated reads.

Concluding discussions, AL highlighted the poor teleconference facilities at the meeting at which point BF agreed to discuss with Elexon personnel in due course.

3.0 Development of Workgroup Report

In light of discussions undertaken under item 2.0 above, it was agreed to seek a three month extension to the Workgroup (*and legal text on the grounds that a solution is not clearly fixed at this time.*) reporting dates, from February to May 2017, with the aim of presenting the completed Workgroup Report at the 18 May 2017 Panel meeting.

4.0 Review of Actions Outstanding

No outstanding actions to consider.

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 continuing development of 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 initial 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 March 2017	Consort House, 6 Homer Road, Solihull B91 3QQ	Standard agenda plus <ul style="list-style-type: none"> • Consideration of amended modification • Development of Workgroup Report

Action Table (as at 23 February 2017)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0201	23/02/17	2.0	Reference post Nexus UO6 reads – Xoserve (DA) to ascertain whether these are actual or estimated reads.	Xoserve (DA)	Pending