

**UNC Distribution Workgroup 0896 Minutes**  
**Reducing the current Code Cut-Off Date (Line in the Sand) from 3 to 4 years to 2 to 3 years**  
**Monday 16 December 2024**  
**via Microsoft Teams**

<b>Attendees</b>		
Dan Simons (Chair)	(DS)	Joint Office
Aaliya Khan (Secretary)	(AK)	Joint Office
Katie McGuinness (Secretary)	(KM)	Joint Office
Andrew Green	(AG)	Waters Wye
Andy Clasper	(AC)	Cadent Gas
Andy Knowles	(AKn)	PAFA
Catriona Ballard	(CB)	Brookgreen Supply
Charlotte Gilbert	(CG)	BU-UK
Dave Addison	(DA)	CDSP
David Mitchell	(DMi)	Southern Gas Networks
Fiona Cottam	(FC)	CDSP
Josie Lewis	(JL)	CDSP
Kathryn Adeseye	(KA)	CDSP
Lee Greenwood	(LG)	Centrica
Linda Hannaby-Doyle	(LHD)	Scottish Power
Louise Hellyer	(LH)	Total Energies
Mark Jones	(MJ)	SSE
Michelle Niits	(MN)	NESO
Natasha Perry	(NP)	BUUK
Philipa Burton	(PB)	Scottish Power
Steve Mulinganie	(SM)	SEFE Energy Limited
Tracey Saunders	(TSa)	Northern Gas Networks
Tom Stuart	(TSu)	Wales & West Utilities
<p><i>This Workgroup meeting will be considered quorate provided at least two Transporter and two Shipper User representatives are present.</i></p> <p><i>Please note these minutes do not replicate 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: <a href="https://www.gasgovernance.co.uk/0896/161224">https://www.gasgovernance.co.uk/0896/161224</a>.</i></p>		

**1. Introduction and Status Review**

Dan Simons (DS) welcomed everyone to the meeting.

The Proposer of this Modification, Steve Mulinganie (SM), provided some background for the Workgroup participants. SM reminded participants that in the last meeting, feedback was requested on the potential Modification implementation date options. Based on this feedback, SM has decided to amend the Modification to allow for April 2026 as the proposed implementation date, rather than April 2025 or July 2025.

Lee Greenwood (LG) asked if the other Line in the Sand Modification (0886) and this Modification were going to be implemented at the same time which may present sequencing

issues. Mark Jones (MJ) advised it would make sense to keep them separate as it gives Ofgem options when making any approval decision. SM agreed that it made sense to keep them separate noting that this Modification is not an alternate of 0886.

### 1.1 Approval of Minutes (28 November 2024)

The minutes from the previous meeting were approved.

### 1.2 Approval of Late Papers

The Workgroup acknowledged one Late Paper for item 2.0 which was the ROM.

### 1.3 Review of Outstanding Actions

**1101:** All Workgroup Participants to provide feedback in relation to the implementation of 0896 to the proposer.

**Update:** The implementation date has now been moved to April 2026. **Closed**

**1102:** CDSP (JL) to consider the impact of the 3 different implementation options for 0896 and complete a preliminary assessment to identify any potential hazards.

**Update:** The implementation date has now been moved to April 2026. **Closed**

**1103:** JO (DS) to request JO to request a Workgroup extension at the December 2024 Panel meeting.

**Update:** DS advised this request will go to the December Panel meeting and that an update would be provided at the next meeting. **Carried Forward.**

## 2. Modification Assessment

Josie Lewis (JL) presented the [ROM](#). It can be found on the Joint Office website under Modification 0896.

JL highlighted that the ROM still includes all of the implementation scenarios as it was produced prior to SM's decision to amend the Modification to an April 2026 implementation. After some discussion in relation to 'greying out' option one and option two to show that they have now been discounted, it was decided by the Workgroup participants that it would be less confusing if these were removed from the ROM altogether. JL noted that they will be retained in the first version in any case as it has been published.

JL explained that with option three, similar to option two, there would be a risk of a significant increase in the volumes of RFA submissions due to the need to get two years' worth of data into the CDSP before the LiS changes. In terms of exceptions, there is an expectation that there will also be an increase in line with increased RFA submissions from Shippers.

SM noted that an April 2026 implementation would allow for a longer period to prepare and should soften the impacts on resources for both Shippers and the CDSP. SM added that there is a lot more that can be done to avoid congestion with a 2026 implementation. JL added that communications would reflect this 2-year jump, which would allow for a steady flow of submissions. SM added that the stakeholder communication piece is to make people aware of this change and allow for Shipper activity to be phased over a longer period.

Dave Addison (DA) added that any kind of action that can be taken to avoid people raising 2 years' worth of adjustments just before the deadline needs to be taken. SM highlighted that the slides presented by Kathryn Adeseye (KA) for Modification 0886 earlier showed this influx very well. SM added that communications would need to be carefully managed to start letting people know what will happen and noted that there could be resource implications for the CDSP. The CDSP may scale up with resources, but others may also do this to ensure they submit on time. There needs to be rules in place and people need to be aware of them. There is time to discuss this, but it needs to be done as soon as possible, to allow time for it to be communicated to parties. JL added that risks have been communicated with Shippers, but there is still a need to indicate to Shippers as soon as possible if they need to submit two years' worth of RFAs and

other applicable transactions or prepare them that year.

Costs are expected to be between £0 and £50,000, with no ongoing costs expected.

JL noted that the Service Area which this Modification falls under is Service Area 4 Meter Read/Asset processing. It is currently 33% Shipper funded and 67% DNO funded. However, JL noted that a new Service Line would likely need to be created for this Modification as this is not a fair split between Shippers and DNOs and suggested that it should be 100% shipper-funded. SM noted that it is not a material amount but asked if participants were happy with this instead of the split that is already there. Linda Hannaby-Doyle (LHD) agreed that they were happy with this. There were no objections raised.

SM added that they will hold off until after Christmas to send the updated Modification in.

### 3. Panel Questions

DS put an action forward for SM and the CDSP to draft answers to the Panel questions for discussion at the next Workgroup meeting. SM stated that they will also discuss these with MJ, and MJ stated that they do not think it affects their 0886 Modification.

<b>New Action 1201:</b> SEFE Energy (SM) and the CDSP to draft answers to the Panel questions for discussion at the January 2025 Workgroup Meeting.
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#### 3.1. Issues and Questions from Panel

**3.1.1. Please review interactions with 0886 - is this Modification 0896 an alternative to 0886?**

**3.1.2. For both Modifications (0886 and 0896) - Can the workgroup check that the phrase "Code cut off" does not have unintended consequences on Transmission-related parts of the UNC e.g. neutrality?**

**3.1.3. By adjusting the line in the sand from 3-4 years to 2-3 years, are there any unintended consequences relating to exclusion of equitable and legitimate adjustments that would take place between year 3 and 4?**

**3.1.4. Historically, how important has the last year (3-4) been?**

#### 3.2. Initial Representations

**3.3. Terms of Reference ([www.gasgovernance.co.uk/0896](http://www.gasgovernance.co.uk/0896))**

### 4. Next Steps

- Look at the changes made to the modification via ROM version 2.
- Answer the Panel Questions.

DS asked David Mitchell (DMi) for his thoughts on whether the Modification was sufficiently developed to request draft Legal Text. DMi noted that he would prefer to see the amended Modification and ROM first and that the February Workgroup meeting would likely be more realistic for a discussion on the draft Legal Text.

SM thanked everyone who had provided feedback to allow for the Modification to move forward.

### 5. Any Other Business

None

### 6. Diary Planning

0896 Meetings are listed at: <https://www.gasgovernance.co.uk/0896>

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Time / Date	Paper Publication Deadline	Venue	Workgroup Programme
10:00 Thursday 23 January 2025	10:00 Thursday 09 January 2025	Microsoft Teams	<ul style="list-style-type: none"> <li>Standard Agenda</li> </ul>

0896 Workgroup Action Table						
Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
1101	28/11/24	2.0	All Workgroup Participants to provide feedback in relation to the implementation of 0896 to the proposer.	December 2024	All	Closed
1102	28/11/24	2.0	CDSP (JL) to consider the impact of the 3 different implementation options for 0896 and complete a preliminary assessment to identify any potential hazards.	December 2024	CDSP (JL)	Closed
1103	28/11/24	4.0	JO (DS) to request JO to request a Workgroup extension at the December 2024 Panel meeting.	December 2024	JO (DS)	Carried Forward
1201	16/12/24	3.0	SEFE Energy (SM) and CDSP to answer Panel questions at the January 2025 Meeting.	January 2025	SM and CDSP	Pending