

**IGT UNC Modification Panel Meeting**

**Final Minutes**

**Friday June 26<sup>th</sup> 2020**

Via teleconference

<b>Attendee</b>		<b>Organisation</b>	<b>Representing</b>	<b>As</b>
Anne Jackson	AJ	Gemserv	Code Administrator	Chair
Kirsty Dudley	KD	E.ON	Pipeline Users	
Claire Roberts	CR	Scottish Power	Pipeline Users	
Jenny Rawlinson	JR	BUUK	Pipeline Operators	
Cher Harris	CH	Indigo Pipelines	Pipeline Operators	
Carine Russell	CRu	Last Mile Gas	Pipeline Operators	
Steve Mulinganie*	SM	Gazprom	Draft Modification Proposer	
Rachel Clarke	RC	Gemserv	Code Administrator	
Kemi Fontaine	KF	Gemserv	Code Administrator	Secretariat

*\*SM present for agenda items (7) Cross Code discussion and (10) AOB UNC draft Modification - COVID-19 Capacity Retention Process*

**1. Alternates, observers, and apologies**

The Chair welcomed attendees to the Modification Panel meeting, noting that apologies had been received by Liam King, Ofgem. The Chair welcomed Carine Russell (Last Mile Gas) to the Panel as the new Pipeline Operator representative. The Chair noted that CRus term would be two years and invited other Panel members to share knowledge and experiences with CRu to ensure a smooth onboarding.

**2. Confirmation of Agenda**

The Chair confirmed the items for discussions as outlined in the final agenda. The Panel where invited to add any items for AOB. KD noted that Steve Mulinganie (Gazprom) had attended the UNC Distribution Workgroup yesterday and presented a draft Modification Proposal which is to be raised and considered under Urgent status. KD noted that SM would be available to dial into the meeting to discuss this with the Panel. The Panel agreed to add this to the agenda as AOB.

**3. Approval of the Previous Minutes**

KF confirmed that no comments had been received prior to the meeting and the minutes were approved as an accurate record of the meeting.

**4. Outstanding actions**

Outstanding actions were reviewed by the Panel and determined that the following actions were to be closed:

- 20/05-01: This item is now closed as cross-code discussions has been added as an agenda item to this meeting.
- 20/05-02: This item can now be closed as the Code Administrator has published the completed timeline on the IGT UNC website on the RG005 page as well as the May Panel meeting page.

Please see Appendix 1 for a record of the outstanding and new actions.

## 5. Final Modification Reports

### IGT134 – Introducing ‘Research Body’ as a new user type to the Data Matrix and IGT UNC

RC presented the Panel with the Final Modification Report for IGT134 and summarised that two consultation responses had been received. RC confirmed both responses were in support of the Modification’s proposed governance, legal text, proposed Relevant Objectives and acknowledge the Modification’s dependency on the equivalent UNC Modification UNC0702S (Introducing ‘Research Body’ as a new User type to the Data Permissions Matrix and UNC TPD Section V5) and, therefore, supported the implementation dates aligning across the two Modifications.

The Panel reflected on the points outlined in the response and unanimously agreed that the Modification should proceed as Self-Governance. The Panel unanimously agreed that this met the criteria of Relevant Objective F – Promotion of Efficiency in the implementation and administration of the Code. The Panel voted on implementation and unanimously agreed that this Modification should be implemented. The Panel did not set a date for the implementation and noted that this should be aligned with UNC0702S and be published in the next release, subject to a 15-day appeal window.

Further details regarding the consultation results and determinations can be found in the post Panel Final Modification Report linked above.

**The Panel unanimously agreed that this Modification should be implemented, and a notice of implementation is to be sent out.**

### IGT137 – Alignment of the IGT UNC to the UNC in advance of Faster Switching

RC presented the Panel with the Final Modification Report and summarised that four consultation responses were received, three were Pipeline Operators and one a Pipeline User. RC confirmed all consultation responses supported the Modification and believed it reflected the intent.

The Panel reflected on the points outlined in the responses and unanimously agreed that the Modification should proceed as Self-Governance and that there were no implications in regard to the current Ofgem Significant Code Reviews (SCRs) (Faster Switching and Retail Code Consolidation). The Panel also unanimously agreed the Modification met the criteria set out in Relevant Objective F - Promotion of Efficiency in the implementation and administration of the Code.

The Panel did discuss that due to the timetable of these changes and the dependency of this on the UNC change, there was not sufficient time available to thoroughly review the whole text. Therefore, this modification proceeds with a risk that there might have been some impact to the meaning of the IGT UNC and that this risk should be acknowledged and noted. The Panel agreed to mitigate this risk by adding a review of the legal text implemented over the coming months at a future Workgroup meeting to ensure that it has imbedded and there have been no issues found.

The Panel voted on the Modifications implementation and unanimously agreed that this Modification should be implemented and included in an Extraordinary release, subject to agreeing date to align with the UNC release and after the IGT UNC 15-day appeal window.

KD queried whether there will a notice period to allow parties to prepare for the Extraordinary release and the Chair confirmed that once the Code Administrator had agreed a date with the UNC, parties will be given as much advanced notice as possible.

Further details regarding the consultation results and determinations can be found in the post Panel Final Modification Report linked above.

**20/06-01 - Code Administrator to add IGT137 post implementation discussion onto a future Workgroup agenda (Q4 2020/2021).**

**6. Switching Programme**

The Chair presented an update on the progress of RG005 and noted that Andrew Wallace (Ofgem) has moved to RECCo (Retail Energy Code Company) and that Harriet Higgins has replaced him in this role. The Chair indicated that a new timetable for the SCR work was to be established along with the current expectations to aid in implementation of the SCR work following a meeting with Harriet Higgins.

The Chair highlighted that the Workgroup had discussed Strand two concerning data items. The Chair outlined what work was still outstanding in respect to the RG005. These are the legal text drafting for the Retail Code Consolidation (RCC) SCR, the data analysis for Strand two and the revising of the Faster Switching SCR work following the reordering of the Code introduced by IGT137. KD queried how parties would be informed of the newly proposed timeline following the meeting with Harriet Higgins. The Chair confirmed that the timetable would be published as there was an outstanding action to provide this information to industry parties. KD noted that some IGT UNC Modifications are likely to be required as a result of the RG005 and queried whether any indicative dates had been agreed.

The Chair confirmed that Modifications were likely to be needed following the conclusion of RG005, however, these would not be under the IGT UNC control in the same way as other modifications. This is due to the Modifications being raised by Ofgem using the legal texts provided to them for the consultation.

The Chair noted that a specific area of importance within the IGT UNC would be metering arrangements for IGT sites, as this will be moved into the REC. JR noted that for these discussions Subject Matter Experts will be required and therefore as much advanced notice of these discussions would be beneficial to all.

KD noted that an outlined plan may be beneficial to parties going forward to ensure that the right people are attending the right meetings, noting the metering example. The Chair confirmed once a clear plan has been communicated from Ofgem a timetable e can be provided to the IGT UNC Workgroup.

**7. Cross-Code discussion**

The Chair noted that this agenda item was requested by the Panel last month in order to discuss cross-code working. The Chair updated the Panel on discussions concerning UNC Modification 691 (CDSP to convert Class 2, 3 or 4 Supply Meter Points to Class 1 when G1.6.15 criteria are met). The Chair confirmed that after reviewing the initial Modification, raised by British Gas, it was expected that an equivalent IGT UNC Modification would not be needed, and that the proposer had reflected that when raising the modification. The Chair confirmed that this was the initial indication.

As the modification progressed and once the legal drafting was made available, a review was conducted, and feedback provided to the UNC Workgroup for consideration at their next meeting. The Chair explained that the review had identified that the legal drafting proposes to add new sub-clauses to an existing UNC clause that is already referenced in the IGT UNC. However, it is proposed that the new sub-clauses be inserted between the existing sub-clauses which will result in some of the existing sub-clauses being renumbered and the IGT UNC references one of these sub-clauses.

The Chair confirmed in the feedback to the UNC Workgroup that due to this an IGT UNC Modification would be required to correct the referencing issue. However, the issue could also be remedied if the sub-clauses were inserted beneath the existing sub-clauses instead of in the middle, thereby ensuring the IGT UNC still referenced the existing clauses correctly.

The Chair indicated that it was difficult to determine what had happened at the meeting from the minutes, but the proposer had confirmed that the proposed UNC legal drafting would not be altered and an IGT UNC Modification will be required.

KD confirmed her attendance at the UNC Workgroup and that the IGT UNC comments with regards to the legal drafting were raised and discussed. KD confirmed the original proposer of the Modification was in attendance and it had been indicated that there was no desire to raise an IGT UNC Modification. Following initial resistance, it was resolved that if the legal text could be reviewed and possibly amended the requirement of an IGT UNC Modification this would be utilised. KD indicated that it was agreed to take it offline and depending on the outcome, the legal drafting would go through in the Final Modification report that would be presented at Panel. KD confirmed that following the confirmation that the legal text had not be amended, KD had approached the legal text provider and queried why this was not done. KD concluded that cross-code working had not been successful in this instance despite the IGT UNC's best efforts and expressed disappointment in the outcome. This was concurred by JR.

The Chair stated that it was understandable that the legal drafters for the UNC should not have to consider the IGT UNC when developing the drafting for their own code. However, the Chair indicated that it had been possible for the Workgroup and the Proposer to present their reflections, considerations or suggested amendments to the legal drafter with the query on how or whether the intent of the legal drafting has been materially impacted and it was unclear why this had not been done.

JR agreed that the UNC did not have to consider the IGT UNC when drafting the legal text for their modification, however, highlighted that the purpose of cross-code working was to be collaborative and to consider the impacts on other codes and that this action contradicts this.

JR further expressed disappointment in how the cross-code working had manifested itself in this instance as the solution was an easy remedy. The Chair noted that it would need to be considered whether any IGT UNC Modification raised for this issue could be considered to be housekeeping and whether it would be suitable for the Fast Track process.

KD highlighted that it was an unnecessary effort required of industry and the parties who attend the Workgroups to raise such a Modification.

JR suggested that the IGT UNC Panel should raise concerns with how cross-code working had been conducted throughout UNC691 in a written communication with the UNC Panel Chair and Ofgem should also be informed as this did not reflect the collaboration of the IGT UNC and UNC.

KD suggested there were a number of ways of approaching this situation:

- Send a note to the UNC Panel Chair and the Panel to coincide with the arrival of the mod's Workgroup report. One potential option to the UNC Panel would be to send it back to Workgroup and revise the legal text; and
- Include the concerns and implications within a consultation response to UNC691 from the IGT UNC Panel, when the modification is sent out to consultation, likely to be post the July UNC Panel.

KD noted that there was an IGT representative on the Panel and that could represent the concerns of fellow IGTs affected by the amendments to the Code. JR confirmed that a discussion would take place with the UNC Panel representative offline to highlight these concerns and ensure they were made aware ahead of the UNC Panel.

JR stated that should a communication letter to be drafted that it should include the lengths and efforts that the IGT UNC Code Administrator went to ensure cross-code implications would be minimised.

The Chair noted that some Large Transporter representatives highlight at UNC Panel meeting that they are not parties to the IGT UNC, so are unable to understand or raise mods when considering implications for the IGT UNC.

KD indicated that it was due to this perception, that the issues of ineffective cross-code working were becoming a trend. UNC parties are not considering the view of the IGT UNC as this has been demonstrated through previously raised Modifications. JR queried with CH whether the issue should be highlighted to the Independent Networks Association (INA) Regulation Group for discussion. It was agreed that it would be worthwhile to highlight this issue.

SM indicated that this topic could be discussed under the Governance Workgroup under UNC 0676R (Review of Gas Transporter Joint Office Arrangements), which is not currently sitting at the moment. He suggested the discussion would be facilitated with a document which focused on the difficulties of cross code working between the IGT UNC and UNC and an outline of potential remedies.

**20-06-02: Code Administrator to draft a one-page document from output developed at Workgroup to be sent to the Proposer of UNC676R governance workgroup to improve cross-code working.**

The Chair summarised the plan of action the Panel wished take in respect of UNC 0691 (CDSP to convert Class 2, 3 or 4 Supply Meter Points to Class 1 when G1.6.15 criteria are met) and the issue of cross-code working.

The Panel indicated that it would aim for the UNC Panel to revert UNC0691 back to the Workgroup to revise the legal drafting. However, if it was sent out to consultation the Panel asked that their concerns be articulated in a consultation response to the modification.

KD also highlighted the discussion of 0725 (Urgent) - Ability to Reflect the Correct Customer Network Use and System Offtake Quantity (SOQ) During COVID-19) and its challenges with the legal text to outline that the repeated instances where the IGT UNC are not considered.

KD stated having reviewed the Modifications that have been raised since 2017, 25 were identified of approximately 50 Modifications that are linked to the UNC showing that half have them been raised without the timing marrying up with the UNC.

The Chair highlighted positive actions taken under UNC 0691, noting that the Proposer had clearly outlined their intent in respect of the IGT UNC when raising mod as it clarified that an IGT UNC Modification was not required as the intent of the mod would be facilitated in the IGT UNC through existing references to the UNC code.

The Chair confirmed a communication will be sent to UNC Panel with regards to UNC 0691 for the July meeting, with a request that the UNC Panel take action to get the legal drafting revised and submit a consultation response, subject to the UNC Panel's actions.

The Chair queried whether the Panel wished to review these communications before they were sent to the UNC Panel. The Panel agreed that this could be circulated after it had been sent.

**20/06-03: Code Administrator to draft communication to the UNC Panel concerning cross code working and UNC0691.**

**20/06-04: Code Administrator to draft a consultation response to UNC0691 on behalf of the IGT UNC Modification Panel if the legal drafting issue is still outstanding at the time.**

## **8. Workgroup Summary**

The Code Administrator explained to the new Panel member that the intention of the Workgroup summary was to provide information on the current discussions on live Modifications and the next steps planned.

RC briefly provided the update which is outlined here.

## **9. Authority updates**

The Chair provided an update on the authority decisions in respect of IGT141 Urgent (Pipeline User submitted AQ Corrections during COVID-19) and IGT144 Urgent (Ability to Reflect the Correct Customer Network Use and System Off take Quantity (SOQ) During COVID-19) and confirmed that the Authority are minded to reject these modifications. Written confirmation will be provided in due course, dependent on Ofgem's current commitments.

The Chair had received a query from the Authority to the Panel regarding Ofgem's annual code survey. Ofgem asked if the Panel would like to start the preparations for the survey now and if not when would be better time.

The Panel all agreed that this survey should be delayed due to lower staffing levels and conflicting priorities. The Panel asked that this question be posed to Panels again in three months' time for consideration.

## **10. AOB**

RC highlighted that the new IGT UNC release (June 2020) has been published and confirmed no comments were received concerning it. RC clarified that this version is 13.2. RC reminded Panel members that passwords for the provision of information sharing between Shippers and IGTs over email should be updated with every new release and this will be added as a reminder to the agenda at the next Workgroup meeting.

The Chair highlighted the amended Workgroup and Panel meeting timings as discussed at the June Workgroup meeting. The Chair noted that both meetings will now start at 10.00am. The Workgroup meeting will run from

10.00am – 3.30pm (this may need to be extended from time to time and parties will be notified of this prior to that meeting) and the Panel will run from 10.00am – 1.00pm.

**UNC draft Modification - COVID-19 Capacity Retention Process**

The Chair welcomed SM to the Panel meeting. SM outlined the draft of a new urgent UNC modification which comes following the rejection of UNC 0721 and UNC 0726. SM noted that he had aimed for this to be published earlier, however, the Networks have asked for a Pricing index to be included in this drafting and so it has delayed the process. SM stated this had not been applied to the previously Urgent Modifications raised to combat the effects of Covid, and they were still deliberating on whether it was necessary to include. SM confirmed that this could be circulated to the Panel with the caveat that this is subject to amendments.

SM presented the Modification and outlined three key elements:

- Application of a 50% discount to capacity charges, which allows the sharing of capacity risk between the consumer and the transporter;
- The Capacity discount would be applied to both non-daily metered (NDM) and daily metered (DM) sites and would be agnostic to either status; and
- The Capacity discount would also be applied retrospectively.

SM noted that the effect of COVID-19 legislations were varying as the markets return to being back online. SM further highlighted that the value of this modification was to provide relief to elements of the market affected by COVID-19 and noted that although the industry had failed to provide this relief sooner, a back log of business failures were anticipated as businesses return to normal practises and, therefore, relief was still very much needed.

SM noted that this Modification is linked to UNC723 as the isolation definition would be consistent with the intention of this Modification, which would allow validation of its necessity within the code.

SM indicated that it was his intention that similar relief should be available on IGT sites and he is considering raising an IGT UNC mod. The IGTs expressed a lack of understanding on how this Modification would impact them either in practical terms or in terms of billing.

SM clarified that that this would be applicable to sites that are in scope of these business rules and it is subject to the capacity of that site and compared its application to the Urgent Modification IGT143 (Use of the Isolation Flag to identify sites with abnormal load reduction during COVID-19 period) as this would be applied in a similar manner. The Panel discussed the intention of the modification in relation to IGT sites and in terms of whether this relief would be a discount or paid delayed relief as IGTs do not have capacity based charges. SM clarified the mods intention was to provide a 50% discount on capacity charges on all sites.

The Chair indicated that IGT sites have a portion of charges applied by the large transporter and a portion by the IGT that delivers to them. She asked a question in relation to the impact of the modification on the portion of charges from the large transporter for IGT sites. Will these charges be included in the UNC modification and if not how do they get included and if they are included, what support is needed form the IGT UNC, perhaps in respect of notifications to the CDSP etc., to ensure that the CDSP have the warrants, information etc in order to effect the mod and provide the relief, required via large transporter invoicing as required by the modification solution.

**20-06-05: Code Administrator to send the Chair's question on large transporter charging for IGT sites to Steve Mulinganie in writing.**

JR queried who would be the best person to clarify the detail and the intent of the modification should Panel members have any subsequent questions. She reiterated that IGTs do not have capacity charges but have a bundled charge, so the modification might not be relevant to them.

SM noted that Gareth Evans (Waters Wye) would be best placed to address concerns as well as himself.

**The Chair declared that there was no further business to discuss and brought the Panel meeting to a close.**

## Appendix 1 – Actions Table

Reference	Date	Action	Owner	Status
20/06-01	26 <sup>th</sup> June 2020	Code Administrator to add IGT137 post implementation discussion onto a future Workgroup agenda (Q4 2020/2021).	CA	New
20/06-02	26 <sup>th</sup> June 2020	Code Administrator to draft a one-page document from output developed at Workgroup to be sent to the Proposer of UNC676R governance workgroup to improve cross-code working.	CA / Workgroup	New
20/06-03	26 <sup>th</sup> June 2020	Code Administrator to draft communication to the UNC Panel concerning cross code working and UNC0691.	CA	New
20/06-04	26 <sup>th</sup> June 2020	Code Administrator to draft a consultation response to UNC0691 on behalf of the IGT UNC Modification Panel if the legal drafting issue is still outstanding at the time.	CA	New
20/06-05	26 <sup>th</sup> June 2020	Code Administrator to send the Chair's question on large transporter charging for IGT sites to Steve Mulinganie in writing.	CA	New
20/05-03	29 <sup>th</sup> May 2020	The Authority to provide the updated timeline for the SCR consultation.	LK	Open
20/03-01	27 <sup>th</sup> March 2020	Code administrator to provide a revised timeline for the progression of the work on switching programme and circulate this to Panel members for consideration and approval.	CA	Open
20/05-01	29 <sup>th</sup> May 2020	The Code Administrator to add the item of Cross-Code discussion between the IGT UNC and UNC onto the June Panel agenda.	CA	Closed
20/05-0	29 <sup>th</sup> May 2020	The Code Administrator to publish Switching Program's illustrated narrative and timeline.	CA	Closed

The next Modification Panel meeting will take place on 24<sup>th</sup> July 2020.