

IGT UNC Modification Panel Meeting

Final Minutes

Friday 18th December 2020

Via teleconference

Attendee	Initials	Organisation	Representing	As
Anne Jackson	AJ	Gemserv	Code Administrator	Chair
Liam King	LK	Ofgem	Authority	
Claire Roberts	CR	Scottish Power	Pipeline Users	
Cher Harris	CH	Indigo Pipelines	Pipeline Operators	
Rebecca Cailes	RC	BUUK	Pipeline Operators	
Carine Russell	CRu	Last Mile	Pipeline Operators	
Rachel Clarke	RCI	Gemserv	Code Administrator	Code Administrator
Amie Lauper-Bull	ALB	Gemserv	Code Administrator	Observer

1. Welcomes and Apologies

The Chair welcomed the Panel to the reconvened meeting. The Chair noted that following the ongoing quoracy issues the Panel faces, the Code Administrator had opened a meeting prior to this and held that open for one hour as per Code rules (Part L6.10). The Chair welcomed Amie Lauper-Bull (Gemserv) to the meeting who would be attending in an observational capacity.

2. Confirmation of Agenda

The Chair confirmed the items for discussion as outlined in the final Agenda. The Panel were invited to add any items for AOB. There were no further items of AOB added by the Panel.

3. Approval of the previous minutes (20-11 and 20-11 Reconvened)

RCI informed Panel that no comments had been received on both sets of minutes before the meeting. The Panel had no comments to add and the minutes were approved as a true reflection of both November meetings.

4. Outstanding Actions

There were no outstanding actions to update the Panel on.

Workgroup Reports

5. IGT132 - Introduction of IGT Credit Code Rules

The Chair noted that at the last Panel meeting in November, the Workgroup was asked to further define a position on Consumer Impacts following Ofgem's direction that there had been insufficient debate on these impacts for them to assess the Modification. The Panel agreed at this meeting to deploy a new draft Framework developed by Code Administrators Code of Practice (CACoP) group and the new analysis was tested at the December Workgroup meeting.

RCI presented the Workgroup Report to the Panel, noting the development carried out by the Workgroup on Consumer Impacts. RCI noted that the Workgroup observed that in the current arrangements for Code Credit rules there may be some impacts on Consumers, however, these would be indirect. RCI noted that under the proposed solution the Workgroup agreed that it would look to mitigate the risks of consumer exposure resulting from the loss of income to IGTs. The Workgroup also noted that in Business as Usual (BAU) there are likely to be no consumer impacts of this solution, however, if a party were to go out of business and there was an impact on BAU, there would likely still be knock on impacts on Consumers, as costs would be smeared across the consumer base.

LK queried a line in the Workgroup report, asking whether the Workgroup was suggesting that all Supplier of Last Resort (SOLR) costs would be recovered under this solution and stated that as drafted, the statement is incorrect. RCI noted that the assumption at the meeting is that the costs would only be those that the IGT is exposed to in a SOLR event. RCI resolved to reflect that in the wording to add clarity to this point, before issuing the Draft Modification Report to industry.

The Chair invited the Panel to vote on sending Modification out to Consultation. The Panel voted and unanimously agreed that this Modification should go out to Consultation.

RCI noted that the Workgroup had also recommended that the Modification be sent out for a longer Consultation window due to the time of year, the complexity of the Modification and the potential requirement for internal experts to conduct impact assessments on the solution. RCI suggested that the Consultation window should be extended from 15-days to 25-days meaning that the close-out date for this Modification would be 27th January 2021. This would give sufficient time following the Christmas break to allow impact assessments to be carried out.

The Panel agreed the approach and approved a 25 Business day Consultation window.

QPL042 – Removal of Code Credit Rules from QPL Network Code

As this Modification is exclusively linked to IGT132, the Panel unanimously agreed to send this out to consultation to close at the same time as IGT132.

IPL042 – Removal of Code Credit Rules from IPL Network Code

As this Modification is exclusively linked to IGT132, the Panel unanimously agreed to send this out to consultation to close at the same time as IGT132.

Update on Modification Proposals

6. IGT131 - Automatic updates to Meter Read Frequency

RCI noted that there had not yet been a further update from the Joint Office on the implementation date of UNC692S (Automatic updates to Meter Read Frequency). RCI noted that as per the update at the last meeting, upon notification of the implementation date of UNC692S we will ask the proposer of IGT131 to withdraw the Modification. RCI noted that upon issue of the UNC notice of implementation of UNC692S the Code Administrator would send out Communications to the distribution list to ensure parties are aware that the UNC solution includes IGT Supply Points.

The Chair noted that the Withdrawal notification would tie in with this and that the Code Administrator will ensure that there is clarity in the messaging as to not confuse parties.

The Panel noted the update.

7. IGT145 - Transfer of Sites with Low Valid Meter Reading Submission Performance from Classes 2 and 3 into Class 4

RCI noted that the Proposer of IGT145 had provided an update for the Panel. RCI noted that there had been a very good discussion on the latest draft version of UNC 0664VV at a meeting last week. RCI noted that the Proposer intends to amend UNC664VV further. RCI added that UNC664VV is going for further discussion at next month's UNC Distribution Workgroup and the Proposer is hoping it can be finalised at the February Distribution Workgroup. RCI noted that the UNC Panel have extended the report back for UNC664VV to the April 2021 UNC Panel. RCI concluded that if is the intention of the Proposer to leave IGT145 until the solution and legal text for 0664VV are firmed, IGT145 may not come back to the Panel until March 2021 at the earliest.

The Panel noted the update.

Operational Issues

8. UNC676R Report – Cross-code Working

RCI presented the drafted report to the Panel, noting that the report was a summary of discussions at the November Workstream meeting. RCI noted some of the positive areas of Code interaction and some areas to improve.

RC queried why the legal text would be required earlier by the IGT UNC Code Administrator as it was not clear from the report and wished to understand whether it was the final legal text that was needed to assess cross-code impacts.

The Chair noted a recent example of the situation which arose during the development of UNC691S (CDSP to convert Class 2, 3 or 4 Supply Meter Points to Class 1 when G1.6.15 criteria are met) whereby legal text changes were made to clauses which then inadvertently impacted the IGT UNC. The Chair noted that a simple revision to the legal text would have ensured that this did not happen, however, it was not until very late in the development of the Modification that the legal text provider acknowledged the issue and amended the text to ensure the Codes would not be misaligned. The Chair added that if the information was provided more proactively, these situations may not arise. The Chair noted that recently there have been more changes raised where no legal text change is needed in the IGT UNC as all obligations are developed and implemented in the UNC with this being captured by existing IGT UNC Code. The Chair added that this was effective, however, requires a level of cross-code work to ensure all parties are aware of the change.

The Chair also cited another example of UNC730S (COVID-19 Capacity Retention Process) where a late change to the business rules of this Modification is likely to require an IGT UNC Modification. This, however, depends on whether IGT sites are included in the capacity relief, which is a question, and, although the question has been addressed to the UNC Workgroup, remains unanswered or debated at a Distribution Workgroup.

RC suggested that this be drawn out more in the report as more detail was needed.

RCI noted the close relationship of the Codes, highlighting the greater dependency of the Codes compared to others. The Chair noted that although all Codes should be considered for impact, special consideration should be afforded to the impacts on the IGT UNC. Feedback from the Joint Office indicated that the IGT UNC should not be treated differently from other Codes.

LK noted that the report does not acknowledge the RG004 (Review of IGT Governance and administration arrangements) review group which investigated the governance arrangements for the IGT UNC. LK noted that it would be beneficial to include the conclusions and recommendations of that review group to assess whether the changes were made and how effective they have been in the time.

The Chair noted that in separate IGT UNC Workstream discussions it has been highlighted that Digitisation may bridge the current governance gap and may mean that amalgamation of the Codes is not necessary, as having the two Codes digitised would mean sufficient efficiencies were gained. The Chair queried asked the Panel whether this should be included in this report.

CR noted that it would be helpful to include this as it would ensure that all aspects had been covered.

RCI resolved to take the suggested amendments to the report and bring it back to the February 2021 Panel for further discussion.

ACTION: 20/12-01 – CA to look at the recommendations of the RG004 (Review of IGT Governance and administration arrangements) Workgroup Report, as well as the discussed elements of Digitisation and add these into the draft UNC676R report. The draft report will be brought back to the February 2021 Panel meeting.

9. Consumer Benefit Analysis Guidance – Feedback from Workstream 20-12

RCI noted the feedback given by the IGT132 Workgroup on how they found the Consumer Benefit Analysis during their discussion. RCI noted that Workgroup found a 'Neutral' option should be added to the table to ensure that this option can be available in the instance where there is neither a positive nor negative impact, but it is recognised there may still be an impact that would be 'neutral' overall. RCI noted that the Workgroup agreed a more robust analysis was good and the right thing to do, and also noted that in some Codes there will not be direct consumer impacts. RCI noted, for example, that in the IGT UNC, unless the Modification is looking at retail focussed elements, such as Metering / Meter Reading, the impacts on consumers will likely always be indirect or an instance where there may be no Consumer impact of the Modification.

The Chair noted that it would be interesting to see how a proposer would tackle the analysis and whether at the Workgroup there would be as much robust debate as in the IGT132 discussions.

LK queried what the Workgroup meant by direct and indirect impacts. The Chair noted that the Shipper adds a level of complexity to the gas industry whereby costs can be spread and are not directly visible. The Chair noted that a Shipper can only derive or surmise what a Supplier will do with additional costs, particularly where the Shipper and Supplier are different entities and they do not have jurisdiction over how a Supplier operates their charging onto the Consumer.

The Chair noted that following the introduction of the Retail Energy Code (REC) it has become apparent that there will be more direct touchpoints between the Customer and the Transporter through settlement and that this should be proactively acknowledged.

RC noted that the template provided scrutiny where it had not before to actively discuss the Consumer impacts in a Workgroup. RC added that the proforma helped to focus the thought process and aided discussions effectively.

RCI thanked the Panel for their thoughts and noted that these would be passed onto the CACoP chair to aid their six-month review of the document.

10. Panel Member Vacancy

The Chair confirmed that the two positions had still not been filled, however, noted that further communications had been sent out to the industry to advertise the vacancies. The Chair noted that additional steps were being considered by the Code Administrator to ensure as many parties are being notified of the vacancies as possible.

11. Workgroup Summary

RC presented the Workgroup Summary to the Panel. The Panel had no further queries about the presented Workgroup Summary.

Please find the link to the Workgroup Summary [here](#)

12. Authority updates

IGT140 – Changes to Panel rules

LK noted that Ofgem was still considering IGT140 and hoped to return a decision in early January 2021.

Christmas Moratorium

LK noted that the Christmas Moratorium runs from 18th December 2020 – 4th January 2021. LK noted that there may be exceptions to this to publish important information on the website, however, this would be assessed on a case-by-case basis.

Energy White Paper on Code Reform

LK noted that the energy white paper had been published on the Ofgem website on Code reform. LK noted that this included important information on the challenges identified, the rational and summary on consultation responses on this area. LK noted that Code reform remains a priority for Ofgem going into 2021 and that Ofgem intends to consult on this again next year.

Retail Energy Code (REC) v2 Consultation

LK noted that the REC v2 consultation is live on the Ofgem website and closes out on 23rd February 2021.

Switching Programme and Retail Code Consolidation: Proposed licence modifications

LK noted that the proposed licence changes under the Switching programme and Retail Code Consolidation have been published and the consultation on these will close out on 15th January 2021.

Revenues = Incentives + Innovation + Outputs (RIOO)-2 Consultation

LK noted that the RIOO-2 consultation is currently live and noted that this is again a priority for Ofgem going into the new year. LK noted that following on from previous conversations on digitisation, there is a movement to introduce this as one of the desirable outcomes from RIOO and that it would be introduced as a network licence condition, under the current RIOO-2 consultation. LK noted that this does not have a direct impact on IGTs (or their licence), however noted that this policy thinking will be introduced to the whole transportation market in the fullness of time through varying means.

End of the Transition Period Consultation

RCI added that there is currently a consultation live on licence changes in preparation of the end of the EU exit Transition Period which closes out before Christmas.

13. AOB

IGT120F - Aligning the IGT UNC with licence changes following the UK leaving the EU with a 'No deal'

The Chair noted that the Code Administrator intends to bring back IGT120F to the January Panel meeting as it will then be clear whether the UK has left the EU with or without a deal. The Chair noted that if the UK had left without a deal, as per that provisioned in IGT120F, the intention would be to incorporate the Modification into the scheduled February 2021 release. RCI noted that an assessment was made during the development of IGT120F and confirmed that the IGT UNC will be fully operable come 1st January 2021 and will remain so. RCI noted that due to this assessment there would be no need to create an extraordinary release to implement the Modification. The Panel did not raise any concerns with IGT120F or the suggested position of the Code Administrator. The Chair resolved to bring the discussion back to the January 2021 Panel meeting.

No further items of business.

The next IGT UNC Panel is scheduled for 22nd January 2021.

Appendix 1 – Actions Table

Reference	Date	Action	Owner	Status

20/12-01	18/12/2020	CA to look at the recommendations of the RG004 (Review of IGT Governance and administration arrangements) Workgroup Report, as well as the discussed elements of Digitisation and add these into the draft UNC676R report. The draft report will be brought back to the February 2021 Panel meeting.	CA	New
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