

IGT UNC Modification Panel Meeting

Final Minutes

Friday 26th March 2021

Via teleconference

Attendee	Initials	Organisation	Representing	As
Anne Jackson	AJ	Gemserv	Code Administrator	Chair
Claire Roberts	CR	Scottish Power	Pipeline Users	
Cher Harris	CH	Indigo Pipelines	Pipeline Operators	
Rebecca Cailes	RC	BUUK	Pipeline Operators	Alternate for Jenny Rawlinson (BUUK)
Heather Ward	HW	Energy Assets	Pipeline Operators	Joined for Agenda Item 7.
Rachel Clarke	RCI	Gemserv	Code Administrator	
Amie Lauper-Bull	ALB	Gemserv	Code Administrator	

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 noted that apologies were also received prior to the meeting from Carine Russell (Last Mile Gas) and Scott McPhillimy (Ofgem) and noted that Rebecca Cailes (BUUK) was attending the meeting as Alternate for Jenny Rawlinson (BUUK).

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. RCI noted that the Code Administrator would be raising two items of AOB following the late papers that were released: CACoP Website Business Case and the Retail Energy Code (REC) Cross Code Steering Group (CCSG).

There were no further items of AOB added by the Panel.

3. Approval of the previous minutes (21-02 and 21-02 Reconvened)

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

4. Outstanding Actions

21/02_01: The Panel were informed that this action was still in progress and the Code Administrator was aiming to send Cross-Code Working Report to the Uniform Network Code (UNC) Panel Independent Chair in the next week before the next UNC Panel meeting. The Panel were advised that the UNC Panel Independent Chair had not yet finalised the annual report.

New Modification Reports

5. IGT151 – Revisions to User Terminations Provisions

CH advised that IGT151 was a mirror modification to UNC743S (Revisions to User Terminations Provisions) and they were looking to add a signpost in the User Terminations section of the IGT UNC regarding the insolvency regulations. It was noted that UNC743S had already been approved for implementation.

The Chair asked if the proposer wanted IGT151 to be assessed by the Workgroup. CH advised that it would be straightforward so would only need to be discussed at one Workgroup meeting, or it could be sent straight out for consultation. CR suggested that, as UNC743S had already been implemented, it could be sent to consultation straight away. RC agreed with this approach.

The Panel unanimously agreed that IGT151 should be sent out for consultation, closing on 20th April 2021. RCI noted that the Final Modification Report would be issued as a late paper to the April IGT UNC Modification Panel meeting. The Panel acknowledged this and noted that the late paper would be accepted by the Panel next month.

6. IGT153 – Aligning the IGT UNC with Licence Changes Following the UK leaving the EU

RC introduced the Modification to the Panel and advised that IGT153 would be self-governance. RC noted that a few minor amendments had been made to the drafting which was largely taken from IGT120F (Aligning the IGT UNC with licence changes following the UK leaving the EU with a 'No deal'), including changing the text to present tense and adding in comments to suggest bringing in the new concept for 'Retained in European Union (EU) law'. RC added that new definitions had been added into Part M of the IGT UNC. RCI noted that both the Proposer and the Code Administrator had investigated the regulations and licence changes that Ofgem had proposed to put through due to new legislation. RCI also advised that they had investigated the 'Third package' Ofgem initiative and were comfortable that both of these areas would not have implications on the IGT UNC text.

The Chair asked if IGT153 would be sent to one workgroup for discussion. RC agreed with this approach to allow time to review and understand the new definitions. RCI stated that the draft legal text was broad enough to accommodate any unknown entities which may arise from any subsequent agreements as the detail was not currently known on the future relationship with the EU.

The Panel unanimously agreed that IGT153 should be self-governance, that there were no implications on the Significant Code Review (SCR) or other codes and it should be sent to one Workgroup.

7. IGT154 – Introducing the concept of a derogation into the IGT UNC for Net Zero innovation projects

HW advised that this modification had been raised as a result of Northern Gas Networks raising a modification to the UNC (UNC760 -Introducing the concept of derogation for Net Zero innovation into the UNC). HW advised that the way the Modification had been structured was if a derogation were approved to the UNC then it would automatically apply to the IGT UNC. It was noted that the UNC had proposed that in order for a derogation to be approved, it must be approved by a unanimous vote in the UNC Panel, therefore if there was an IGT UNC representative in that meeting then they would have the chance to reject it if it adversely effected an IGT network.

HW noted that the other element of the Modification was to introduce a similar derogation process into the IGT UNC for the purpose of IGTs innovating on their own networks.

HW proposed that IGT154 be sent to Workgroup for development and then sent to the Authority for decision, following a similar timeline to the UNC Modification. The Chair enquired as to what would happen to IGT154 if the equivalent UNC Modification evolved and was further developed. HW advised that they had no strong opinion on whether IGT154 should be kept the same or amended in line with the equivalent UNC Modification and suggested continuing that discussion with the Workgroup, adding that they would not be drafting a mirror Modification as IGT154 has an additional element of a standalone IGT derogation process. The Chair noted that at the last UNC Panel, Panel members discussed whether ringfencing derogations to Net Zero was too narrow and advised that this would be a discussion point in the UNC, therefore that Modification could change. RC advised that they had interpreted the UNC Panel's comments to mean that there was a criticism of blanket derogations as it was too broad, and it was not clear if Ofgem would approve of this. The Chair added that Ofgem were supportive of innovation and this Modification would support specific innovations.

The Panel unanimously agreed that IGT154 should follow the process for an Authority decision, that there were no implications on the SCR and no further cross-code implications other than UNC760. The Panel unanimously agreed that IGT154 should be sent to the Workgroup for development over four months.

Workgroup Report/Variant Modification

8. IGT132V – Introduction of IGT UNC Code Credit Rules

RCI advised that during the last Panel meeting a couple of comments had been raised through consultation which were deemed new issues and that required further discussion by the Workgroup. The two points had been discussed at the workgroup, the first regarding a specific set amount of time between a request for Credit Cover being obtained between a Shipper and a transporter and that arrangement going live, as it had not been defined clearly in the legal text. The other question raised was regarding multiple entity organisations and whether cover would be at a licence level or group level. The Workgroup report was finalised after the meeting and amended to reflect the discussions held. It was noted that the proposer was understanding of the points raised and open to incorporating changes to the legal text.

RCI advised the Panel about the discussion that had taken place at Workgroup. There was an understanding that the term 'reasonable endeavours' would be applied and then the interpretation of that came into question as it was not a defined term in the code. It had been suggested that this could potentially lead to different approaches being taken by transporters and new entrants. The proposer noted that with regard to advance notice, it had not been defined in the Distribution Connection and Use of System Agreement (DCUSA) or the UNC, they would be uncomfortable in putting in a timeframe without the views of others. The other transporters in the meeting discussed what the timeframe might be together. One workgroup member had suggested a bilateral agreement could be implemented to avoid different interpretation of reasonable endeavours. With regards to the Shippers with multiple entities, it was the proposer's view that under current drafting it would be applicable to each short code. RCI added that this was also supported by a transporter who has multiple licences.

RCI advised that the revised legal text had been issued following the meeting with a couple of minor changes. It was noted that the proposer had agreed to make changes to the legal text to:

- Incorporate a timescale for initial requests of credit cover;
- Added that agreements should be made bilaterally between Pipeline Operators and Pipeline Users;
- Cover can be obtained at a company or Group of Companies level as well as licence level; and
- Limit the frequency that Pipeline Operators can request cover from a Pipeline User in an Annual period.

RCI advised that there were two comments raised that needed attention. ESPUG raised a comment about bullet four and had stated that they were in support of the principle, however they did not think that the text reflected the intention of the solution. They suggested that the amended text only referred to Annual Transportation Revenue and not the other components of cover, such as Value at Risk (VaR). This would mean that there would still be a possibility for an Operator to request additional cover more than twice a year because the VaR aspect could be updated more frequently. ESPUG suggested that the amended text should be at a broader level for cover as a whole and included in Section 21.1.1.

RCI informed the Panel of another comment that had been received from E.ON regarding all additions to the legal text. E.ON had stated that as it is a variant modification and there have been changes which were more than housekeeping amendments, it would be prudent to send the modification for consultation again.

The Chair asked the Panel if they believed the Modification Variation was material. CH noted that they did not agree that this was a material change to the Modification. RC agreed with this, however CR did believe there had been a material change to the Modification. The Panel discussed whether the change would need to be further discussed at a Workgroup to cover this point. RCI advised that ESPUG supported the Modification Variation being discussed by Panel and not at a subsequent Workgroup. CR asked the Panel for their views on sending the Modification Variation out for consultation again. The Chair advised that it could be sent for a standard 15 Working Day consultation, which would mean it would return before the next Panel meeting, however, it would be a late paper. RC suggested that all answers that might impact decisions should be addressed and, therefore, it should be sent for consultation again. RC added that if the Authority took a long time to reach a decision, this could cause issues if there were still questions that were unanswered. The Chair advised that the comments made post the workgroup were not in the public domain as they were not obtained through a formal consultation, and the Panel should determine whether there was some materiality that needed to be addressed. CR stated that the Modification Variation should be sent for consultation again to give parties the opportunity to address the materiality.

The Chair stated that this paper would not be ready in time for the next Panel paper day, so it would need to be discussed at the May 2021 Panel meeting. RCI suggested shortening the consultation period as the changes were only made to one area of the text. The Panel agreed with this approach.

The Chair advised that the Variation would be sent for consultation, with the Code Administrator providing a change-marked version for clarity. RCI agreed to highlight the amended sections to draw parties' attention to the legal text and invite them to raise their comments.

The Panel voted on the Variation to the mod, whether to send the mod for a further consultation, how long to send the Variation out for consultation and agreed to a condensed Consultation period of two weeks, which taking into account the Bank Holidays would close on 13th April 2021 prior to the Panel meeting on 23rd April 2021.

The Panel unanimously agreed on the Modification Variation, did not agree that the changes were material and that it should be sent for a 10 Working Day consultation period.

Update on Workgroups

9. Workgroup Summary

There were no additional comments or questions from the Panel.

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

10. Authority Updates

No update was provided.

11. AOB

IGT148 - Provision of Class 1 meter read service on IGT networks by the CDSP

RCI noted that the Code Administrator had taken an action from the March Workgroup regarding the timetable for IGT148. There had been a short discussion at the Workgroup regarding concerns that the proposed implementation date for the Modification would fall beyond the 1st June target date for the XRN5128 change and therefore there would be misalignment with the regulatory element of the change and the system change. RCI advised that the workgroup report for IGT148 should be completed in the April 2021 Workstream meeting, ready for a Panel decision in April 2021 on Consultation. RCI noted that due to the 15 Working Day consultation and appeal windows, as per Self-Governance Processes, the Modification would miss a target date of 1st June 2021. It was noted that, as the earliest date that this Modification could be implemented would be 21st June 2021, there may need to be an extraordinary release considered by the Panel. RCI advised that there were two options for the Panel to consider: either there could be a condensed consultation period or an extraordinary committee meeting to decide how it should progress. It was noted that the proposer of the XRN modification had been vocal about not wanting IGT148 to hold up the XRNs implementation. RCI advised that the final IGT UNC Panel decision on implementation would be held on 28th May 2021, two days before the XRN Modification would be due and advised that the Workgroup's comments on implementation timescales would be added to the Workgroup Report in the next Workstream meeting for their consideration.

CACoP Website Business Case

RCI advised that a central Code Administrator's Code of Practice (CACoP) website business case had been put forward and included as a late paper prior to the meeting. RCI noted that the CACoP Chair had requested that all Code Administrators circulate this paper to their Committees/Panels and seek endorsement for a central CACoP website. Several Code Panels had suggested that there needed to be more visibility, efficiency and consideration of industry when CACoP circulate their documentation and a centralised platform had been suggested. The matter had been discussed thoroughly in CACoP meetings with regards to funding and responsibility. RCI noted that the CACoP Chair undertook a tender process for development of the website and was given a quote of £27,000 which, it is proposed, would be spread across all codes with an annual maintenance cost of £4,000. RCI advised that the IGT UNC would be required to pay a share of £2,454 as a one-off fee. It was noted that the majority of other codes had endorsed the project as it would provide transparency and be a central portal for CACoP business.

RCI invited Panel members to share their views on whether they would endorse the development of the CACoP website and provide a recommendation to the INA Regulatory Subgroup that IGTs contribute to the funding of the website.

CH raised a concern that acceptance of the fee would increase the chance of CACoP requesting further funds from IGTs in future. RCI advised that whilst they could not comment on this matter, the question should be discussed among IGTs offline.

RC asked how it would be possible to determine the value of the website. The Chair suggested that the value would be determined by whether IGTs would think the idea would be beneficial to the industry. CH stated that it would not be possible to state in advance how much the website would be used and asked whether the setup would be a basic package that could be enhanced in future. RC added to this that further costs could be incurred if there were features that other codes deemed important to add. The Chair stated that they would provide feedback to CACoP that IGTs believe an assessment of usage would be expected on a recurring basis.

RCI stated that the paper requested endorsement from IGTs and asked the Panel if they agreed on endorsement. RC stated that it would be useful as a single place for information, however they were cautious about the further cost implications. CR agreed.

The Panel agreed on endorsement of the website on the basis that there would be a review carried out post-implementation to ensure the value suggested was being achieved. RCI suggested that the recommendation to the Independent Networks Association (INA) would not be reached during the meeting, due to the Panel disagreeing regarding the payment. RCI advised that the next steps would be to write to the INA Chair prior to the next INA meeting on 26th April 2021 regarding the IGTs decision. RCI agreed to draft a response letter for inclusion in the agenda of the next INA meeting.

21/03 - 01: CA to draft a response letter to the CACoP website business case for inclusion in the agenda for the next INA meeting to inform of IGTs endorsement and abstinence from making a recommendation regarding funding.

[Cross-Code Steering Group \(CCSG\)](#)

The Chair advised that they had been in attendance with other codes at the first meeting of the CCSG, which had been held on 24th March 2021. The Chair noted that the paper provided prior to the meeting set out the objectives

of the CCSG, indicating that there were currently some issues with cross-code working which would need to be formally managed. It was noted that whilst the CCSG was not being run by the Retail Energy Code (REC) Code Manager, they were currently leading on it and chairmanship had not yet been appointed.

It was noted that the REC change process would be different to how change processes are currently handled and the Code Manager would have greater responsibilities with regards to change evolution and solution development. The REC manager would determine what the solution would be to solve issues. The Chair added that there would be a REC Lead Analyst who would investigate cross-code impacts and report to the CCSG. The CCSG would then make a decision on whether they agree with the Analyst's view of cross-code implications. It was noted that if there would be implications, then a Lead Code would be identified and this would be the code that would be impacted in the greatest way. The Lead Code would then lead on the changes needed across all codes and make decisions on whether they think that the modifications in other codes should be implemented. The Chair advised that if this process was properly implemented then it would require changes to the IGT UNC to account for the change in governance and that would need Authority approval.

The Chair advised that physical CCSG meetings may not be necessary as they require decisions to be reached within five Working Days. If a change was more complex, then a meeting would be called and held remotely, and a decision would be made following that meeting.

CR enquired as to how the five Working Day timescale would work in conjunction with the other meetings that codes already hold. The Chair suggested that each code could raise a change at any time and that the change would need to be submitted to the CCSG within the normal time of the Critical Friend process.

The Chair advised that the CCSG invited codes to provide their comments prior to the next meeting and asked the Panel to provide their comments via email after the meeting.

RC suggested that timescales suggested by a Lead Code may not be considerate of all other codes and asked how this would be managed. The Chair stated that they would have to be considerate and there would be no point in implementing changes if they would leave issues for other codes. RC enquired as to how the CCSG would ensure the Lead Code had the correct knowledge to deal with the specific change that they were assigned to. The Chair stated that CCSG members would have to flag to the group if it was not in their area of expertise.

The Chair advised that a representative from the REC would be providing a presentation to the UNC Panel meeting on 15th April 2021 and invited Panel members to attend that meeting as observers to find out further information. The Chair added that they would send out an email asking for IGT UNC Panel member's views following the UNC Panel meeting and if they felt that further discussion was needed then this could be facilitated. The Chair suggested that Panel members consider the process in the context of the IGT UNC.

Panel vacancy

RCI advised that they had received an email from Carine Russell informing that they would be leaving the IGT UNC Panel due to a change in circumstances. RCI had suggested that they inform the INA Regulatory sub-group Chair in order for IGTs to elect a new Pipeline Operator onto the IGT UNC Panel. RC advised that they had attended the INA committee meeting in the week prior to the Panel meeting and they were still holding discussions on who would take over. RC stated that they would send an email to the Chair of the INA sub-group and enquire to see if a decision had been reached about who would be taking over.

UNC Panel – March 2021

The Chair informed the Panel that two mods were introduced at the March 2021 UNC Panel where implications for the IGT UNC had been highlighted. The first was UNC0760 - Introducing the concept of derogation for Net Zero innovation into Uniform Network Code (UNC) for which a mirror mod had already been raised and had been presented earlier in the meeting and the second was UNC 0762 - Adding the Retail Energy Code Performance Assurance Code Manager as a new User type to the Data Permissions Matrix(DPM). Changes to the DPM in the UNC would also impact the IGT UNC but as it was felt transparency is important, it was likely that Xoserve would be seeking a sponsor for the same change in the IGT UNC and that the Panel could expect to see a mirror mod in the future.

The next IGT UNC Panel is scheduled for 23rd April 2021.

Appendix 1 – Actions Table

Reference	Date	Action	Owner	Status
21/03 - 01	26/03/2021	CA to draft a response letter to the CACoP website business case for inclusion in the agenda for the next INA meeting to inform of IGTs endorsement and abstinence from making a recommendation regarding funding.	CA	New
21/02 - 01	26/02/2021	CA to amend the UNC676R Cross-Code Working Report and send to the UNC Panel Independent Chair prior to the next UNC Panel meeting.	CA	Ongoing