



IGT UNC 21-05 Modification Workstream Meeting

Final Minutes

13th May 2021 via Teleconference

Attendee	Initial	Organisation	Role
Anne Jackson	AJ	Gemserv	Chair
Brandon Rodrigues	BR	ESPUG	
Heather Ward	HW	Energy Assets	
Alex Travell	AT	BUUK	
Claire Roberts	CR	Scottish Power	
Cher Harris	CH	Indigo Pipelines	
Ellie Rogers	ER	Xoserve	
Jordan Clarke	JC	Gemserv	Code Administrator
Amie Lauper-Bull	ALB	Gemserv	Code Administrator

1. Welcome and Apologies for Absence

The Chair welcomed attendees to the meeting and advised that apologies had been received from Kirsty Dudley at E.On and Rebecca Cailles at BUUK.

2. Confirmation of Agenda

The Chair confirmed the items for discussion as outlined in the Final Agenda and asked attendees for 'Any Other Business' (AOB) items. CH stated that they had one item of AOB to raise regarding the late payment of Shipper invoices.

3. Approval of the Previous Minutes

21-04

The Workgroup heard that no comments had been received on the minutes prior to the meeting. The Workgroup had no further comments on the previous minutes, they were approved as a true and accurate record of the meeting, and the Chair closed the agenda item.

4. Outstanding Actions

ALB informed the Workgroup that no actions had been recorded in the previous meeting and all prior actions had been closed.

Modification Workgroups

5. [IGT145 – Transfer of Sites with Low Valid Meter Reading Submission Performance from Classes 2 and 3 into Class 4](#)

The Chair informed the Workgroup that IGT145 had an equivalent Modification that was progressing through the UNC, as there had been an issue with Shippers with multiple Suppliers and the conditions had been changed to acknowledge that. Another issue had been raised about NExA sites as they could not be moved between Classes 2 and 4. AJ noted that further work was needed on the UNC Modification, however the proposer had stated that they did not think the issue would take long to resolve. The Changes in the UNC would be reflected in the IGT UNC and once finished, a final legal text review check would be carried out and next steps would be determined. If there is any impact on the IGT modification the Proposer plans to attend the next IGT Workgroup.

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

HW advised that the UNC equivalent Modification had been discussed at length at the UNC Governance Workstream, with Shippers strongly suggesting that the concept of derogations should be introduced in a general sense and not just specifically relating to 'Net Zero' and the ability for people to raise specific subjects for which they believe derogations would be appropriate. HW stated that it was intended to be about derogations for innovation and trialling new things. BR stated that there could be a lot of innovation projects, so more guidance was needed on what could be raised as a derogation. HW confirmed that each innovation would require a code mod to be raised to introduce that type of innovation and that it would ultimately require authority approval.

AT advised that the concept of a sandbox was in other Codes, however this Modification seemed to achieve the same result from a different process and agreed that taking out the reference to 'Net Zero' was the right thing to do. AT noted that Ofgem has a sandbox team which help to facilitate the relevant Codes' ideas. The Chair asked if the proposer was planning on overriding the self-governance decision so that derogations would always go to Ofgem. HW confirmed that the Modification was not proposing that the derogation decision goes to Ofgem for approval, that would ultimately be Panel's decision, but the creation of a new subject matter for a derogation to be allowed would go to Ofgem. BR questioned whether this would be a pragmatic approach and whether Ofgem would have visibility of the sufficient documentation for decision as it would otherwise do.

HW stated that the need for Authority Decision on IGT154 had not changed. A few amendments had been made to the business rules in the solution and one of the things that had been debated at the UNC Workgroup was what decision the Panel would be making. HW stated that the first item for Panel consideration would be if the derogation would be suitable to be sent for consultation. The second item would be the consideration of consultation responses received. BR stated that there would be a fine line between good governance and innovation, and one point to note was that the Modification would be mirrored in the UNC. BR advised that the Proposer would have to conduct due diligence as any derogation from the UNC is not always tested for IGT UNC impacts, so it might not capture the full impacts on IGTs. HW stated that they were trying to not make the process too onerous and a discussion had been held with the UNC Proposer to see how they could make sure

affected IGTs would be notified of the project. HW advised that there would be something written into the UNC's documentation to ensure it would happen.

HW advised that point 18 had been discussed at the UNC Governance Workgroup. If a derogation is granted for three months, but required an extra month to complete the work, the current approach suggests that the Panel can grant an extension. HW stated that it did suggest that only one extension could be granted for each derogation to prevent a continuous derogation state. BR suggested that this could potentially incentivise the extension request to be excessively long and therefore suggested that a rule could be put in place stating that any extension could not be longer than original derogation period. HW agreed with this approach but advised they would think it through to find the right balance. AJ asked what sort of duration a normal length of time would be and how the Panel would make an appropriate judgment. AT advised that hydrogen derogations usually lasted several years and it could be up to proposer to ensure sufficient information in submission. HW stated that they would conduct some research and find out what approach the UNC proposer was taking, but it may be set by the matter proposed for derogation.

HW drew the Workgroup's attention to the Ancillary guidance document that had been published with IGT154 and stated that the purpose of the Ancillary Document was to provide guidance on how to apply for a derogation and Panel considerations on the derogation. HW noted that a few amendments had been made to the document since the last Workgroup meeting, but these amendments were similar to those made in the Modification.

HW asked the Workgroup if they thought an administration charge should be applied to the person applying for the derogation, adding that the intention of the UNC was to not charge, but their funding was different to the IGT UNC and derogations under the IGT UNC may be more commercial. AT agreed that there was a logic to allowing for administration costs but stated that it could act as a barrier to innovation and this might make Ofgem reluctant to agree the costs. BR asked if there was an expectation on how much the administration costs would be from the Code Administrator. The Chair advised that they would need to look at the legal drafting in terms of the derogation. HW suggested that the Code Administrator would be responsible for the management of the consultation process and tracking when the innovation end date would be. The Chair advised that if derogations were raised frequently then it could become onerous for the Code Administrator as tracking the derogation would be a new concept. The Chair suggested that the Code Administrator could propose a potential cost upfront for each derogation as it was raised. CH advised that the admin cost for processing those requests would need to be split up, and anyone applying for a derogation would need to hold workshops with the Code Administrator to determine which bits of Code they would be avoiding. HW advised that they would discuss the matter further with Ofgem before it was finalised.

HW advised that derogations would start from an agreed start date and not the date that the derogation was granted, although the date may not be fully known at the date the derogation is approved. HW confirmed that the current approach states that if another party were to take over the innovation project, they would be required to reapply for the derogation. BR stated that they thought

that starting from scratch could be restrictive, although this would require further consideration. The Chair stated that it would be quite a significant change for the gas world and that the two Codes looking at it discretely does not feel like the right approach. The Chair stated that Cross-Code Modifications had not been particularly successful in the past, but this would be a prime example for a Cross-Code Working Group and close collaboration. AT agreed that two separate issues should not be raised as this could create difficulties for parties, especially small companies that may be new entrants to the market.

HW raised the possibility that if you are derogated from the UNC, then you would potentially be automatically derogated from the IGT UNC, although there would be difficulties in terms of the differences between the two Codes and how smooth the transition would be. The Chair raised the issue of who would potentially pay for a joint working group, stating that if the issue could be forced by putting it in both modifications, then Code Administrators would be forced to make it work behind the scenes, which could potentially be the best approach in terms of making a joint working group possible.

All meeting participants agreed that the Modification required a lot of debate and would need further consideration regarding the process and a further review to ensure it would be doing what it was intended to do.

HW presented a template for consultation responses and advised that it had been created as the standard template for consultation responses did not have relevant questions for derogations. The Chair suggested that the template should be sent to Ofgem for review and stated that they would send the relevant contact details to the proposer.

WS 21-05/01: CA to share Ofgem contact details with the proposer of IGT154.

The Workgroup were informed that the next UNC Governance Workstream meeting would be held on 2nd June 2021.

Standing Items

7. [Cross-Code Modification Implications Tracker](#)

ALB presented the cross-code modification implications tracker and provided the following updates:

UNC0762 - Adding the Retail Energy Code Performance Assurance Code Manager as a new User type to the Data Permissions Matrix – The equivalent IGT UNC Modification IGT155 has been published. There is no legal text required and therefore no Code update.

UNC764 - UNC TPD Section Y (Part A-I) amendments to K to align to RIIO2 Licence – A full walkthrough was completed at the May 2021 workgroup. The FMR could be ready for the July panel at short notice if necessary.

UNC743S – Revisions to User Termination Provisions – The equivalent IGT UNC Modification is IGT151 and the FMR and implementation notice have both now been published.

UNC0674 – Performance Assurance Techniques and Controls - The equivalent IGT UNC Modification is IGT138, which is out for consultation closing on 24th May 2021.

UNC0710 - CDSP provision of Class 1 read service - The equivalent IGT UNC Modification is IGT148, which is out for consultation closing on 17th May 2021.

The Workgroup acknowledged the update and had no further comments.

8. [IGT UNC Known Issues Register](#)

ALB advised that there had been no new additions to the Known Issues Register prior to the meeting.

HW stated that they wanted to add an item to the Register in relation to the request for an AQ Review and NExA table update. HW advised that the associated ancillary document refers to 'Pipeline Operation Agency', which is a defined term in the IGT UNC and this referred to section N1.1.

However what was defined there was the CDSP, so the reference was not accurate. HW advised that this would be a housekeeping update to be added to the Register and would need to be addressed by the Code Administrator.

AOB

Shipper Invoice Payment Delays

CH explained that Indigo had seen an increase in Shippers paying invoices late, as they had been unable to open encrypted files to validate backing data. The Workgroup heard that there had been no change in how the process works from an Indigo perspective, so it was strange to see an increase in delays to invoice payments that has become more frequent over the past year. CH asked whether other parties are experiencing similar delays. All parties indicated that this was not something they were aware of, but that they would check internally to determine if it was occurring.

WS 21-05/02– All parties to investigate whether they have experience of the encryption / late invoice payment issue by Shippers in recent months.

IGT RGMA Guidance Document

The Chair advised that the IGT RGMA Guidance Document currently residing on the IGT UNC website, but it was not covered by IGT UNC Governance. The Chair noted that it may need to be reviewed and updated, however they were not sure which governance it would fall under. CH agreed that the document would need to be reviewed and suggested that it may need to match the MAMCoP

version changes. The Chair speculated whether the MAMCoP document would sit under the governance of the Retail Energy Code from September 2021 and where the governance of the document would sit in relation to that. AT advised that there was currently a period of transition as REC Version 2 had been approved the week before and an emergency change had been made to SPAA to align implementation dates. CH advised that ownership of the IGT RGMA document belonged to IGTs who had their names on the document, however it was a non-binding agreement. The Chair stated that if not all IGTs had signed the document then it would not be owned by IGTs overall.

The Chair stated that as the document was now out of date, the owners of the document should provide the Code Administrator with an updated version that reflects the current situation for example in respect to the Meter Asset Provider (MAP) requirements. The Chair highlighted that they would be happy to discuss the matter further offline if the owner(s) would like the Code Administrator's involvement.

Delay to UNC 0710 CDSP provision of Class 1 read service.

The Chair stated that they had been informed that the implementation date for UNC0710 had previously been June 2021, but it had been moved to August 2021 at the earliest. The Chair advised that this would be good news as the IGT Modification equivalent would be implemented in time for August 2021 and any time related risk had been eliminated due to this change. The Chair stated that Panel would determine if an extraordinary release would be required.

Sale of Fulcrum Pipelines Ltd gas assets to ES Pipelines Ltd.

The Chair confirmed that this cycle of asset sales was in progress and was scheduled for 1st June 2021 and that the IGT's who were involved would be available for questions. The Chair advised that they would forward any information to Parties as that they receive it, and they were unable to confirm the date that the MPRN ranges would be made available, but would process them once received. The Workgroup heard that the details of MPRNs involved should become available through Fulcrum Pipelines Ltd or ESP Pipelines Ltd.

BR confirmed that the end date for asset transfers between Fulcrum Pipelines Ltd and ESP Pipelines Ltd would be December 2024.

RG005 – IGT UNC Review of Impacts resulting from the Faster Switching Programme arrangements.

The Chair advised that the RG005 review group was currently dormant but would become live again soon, noting that the review group contains the work for the REC, Faster Switching and the Retail

Code Consolidation SCRs. The Chair stated that the Retail Code Consolidation SCR was due to be implemented and would be discussed at the May 2021 Panel meeting. The Chair advised that the changes that had been identified were published by Ofgem and they would put the legal drafting in to a Modification, arriving at Panel in May. It was highlighted that Ofgem were expecting it to go out for further consultation for a shorter period of 10 Working Days, as they had already consulted on this through their consultation. The Workgroup heard that the Modification would then return to Panel for decision and afterwards it would be forwarded to Ofgem. The Chair advised that this process should be completed by July, at which point Ofgem would formally make a decision for implementation, with an expected date of 1st September 2021, to align with the designation of REC Version 2.

The Chair also advised that work had been carried out for the faster switching SCR ready for the implementation of the Central Switching Service (CSS) in 2022 and Ofgem would want to consult on the drafting. The Chair stated that a discussion would need to be held with the UNC to ensure that the version they had provided of the same had not changed and this would be completed in the next few weeks. It was noted that the drafting would be provided to Ofgem and brought back to the Workgroup if there was sufficient time. This would provide the detail for the second Significant Code Review (SCR) Modification.

REC Committee Nominations

The Chair advised that the REC Committee nominations process had commenced, with positions available to all parties to the REC. The Workgroup were advised that all nominations should be sent to the REC Manager by 28th May 2021 and further information was available on the REC website.

No further AOB was raised by the Workgroup. The Chair thanked attendees for their input and closed the meeting.

The next Workgroup meeting is scheduled for Thursday, 10th June 2021.

Annex A – Action Log

Action reference	Action Description	Owner	Status
WS 21-05/01	CA to share Ofgem contact details with the proposer of IGT154.	CA	NEW
WS 21-05/02	All parties to investigate whether they have experience of the encryption / late invoice payment issue by Shippers in recent months.	All	NEW