





Final Modification Report	At what stage is this document in the process?
<h1>IGT138:</h1> <h2>Performance Assurance Techniques and Controls</h2>	<div>01 Modification</div> <div>02 Workgroup Report</div> <div>03 Draft Modification Report</div> <div>04 Final Modification Report</div>
<p>Purpose of Modification:</p> <p>To provide an effective framework for the governance of industry performance that gives industry participants mutual assurance in the accuracy of settlement volume allocation.</p>	
	<p>Panel consideration is due on 29th October 2021</p>
	<p>High Impact: N/A</p>
	<p>Medium Impact: Shippers</p>
	<p>Low Impact: Independent Gas Transporters</p>

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Any questions?

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Timeline

Initial consideration by Workgroup	13 March 2020
Amended Modification considered by Workgroup	30 November 2020
Workgroup Report presented to Panel	23 rd April 2021
Draft Modification Report issued for consultation	23 rd April 2021
Consultation Close-out for representations	24 th May 2021
Final Modification Report available for Panel	11 th June 2021
Modification Panel decision	25 th June 2021
Modification Panel decision (2 nd)	29th October 2021

Workgroup Comments

Workgroup members noted the heavy dependency on the solution of UNC674 and agreed that it would be beneficial for industry to consider them alongside each other when returning their responses to the respective Code Administrators. The Workgroup agreed that this Modification should close at the same time as UNC674S and ideally run for the same amount of time for efficiencies in returning consultation responses.

1 Summary

This Modification is proposed by Scottish Power following discussion with and the support of the Performance Assurance Committee (PAC).

What

In operating the PAF (Performance Assurance Framework) the PAC (Performance Assurance Committee) have identified some weaknesses and limitations in the performance assurance regime which are impacting the effectiveness of the performance assurance model.

Why

The PAC have a number of examples where performance issues have been identified and have not been remedied over a prolonged period. This has resulted in settlement inaccuracy over extended periods.

PAC are keen to prevent such situations occurring (through new performance assurance principles, proportionate incentive mechanisms and a progressive series of escalating controls) and when performance issues occur, they are curtailed speedily.

How

The Proposer on behalf of PAC proposes to introduce a Performance Assurance regime to the IGT UNC, where the performance of Parties under the IGT UNC impacts settlement accuracy.

IGT UNC Parties are not currently subject to any Performance Assurance measures, although the performance of parties in respect of IGT UNC sites is included in the standard reports reviewed by the PAC on a monthly basis currently.

The Proposer intends that the performance assurance regime that is introduced is that of the UNC. The Proposer is currently proposing changes to the Performance Assurance regime in the UNC within Modification UNC0674 and it is the regime described in this Modification that the proposer wishes to be inserted into the IGT UNC.

Modification UNC0674 Performance Assurance Techniques and Controls if implemented will modify the UNC to define the following outcomes:

- I. Require UNC Parties to adhere to a basic principle that their negligence, poor performance or bad behaviours must not distort settlement even when such behaviours have not been specifically proscribed within the UNC.
- II. Determine additional tools and processes available to the PAC in its work in the provision of performance assurance within the code.
- III. Allow the Performance Assurance regime to be more agile and responsive to the information it is receiving by empowering the PAC to determine and action an appropriate response at any time.
- IV. Provide PAC and PAFA (PAF Administrator) access to any standard reports already being provided to individual UNC Parties within performance packs e.g. shipper performance packs.
- V. Allow PAFA access to such data as reasonably approved by PAC to allow PAFA and PAC to carry out performance assurance activities (e.g. risk assessment and performance monitoring).
- VI. Require UNC Parties to take action to improve their performance and remedy issues if it is identified and requested by the PAC.

- VII. Require UNC Parties to provide and adhere to any plans of action they provide.
- VIII. Ensure that where it is proposed adding to or changing UNC performance standards within the UNC and performance monitoring is required, the report requirement must be added to the Modification.

The CDSP will be required to provide a ROM (rough order of magnitude) for the production of the monitoring reports needed for that proposal, for the Modification workgroup to determine if the cost of a report is not deemed prohibitive.

- IX. Specify the tools available to the PAC to incentivise, drive and require performance behaviours and to document these in a new ancillary document under PAC (UNC sub-Committee) governance.
- X. Suitably empower the PAC, as an elected, independent body, to make decisions for and on behalf of the UNC Parties in respect of Performance Assurance matters.
- XI. Ensure that the PAC budget does not act to constrain the duties and requirements of the PAC.
- XII. Provide clarity that UNC parties (Gas Transporters (GTs), Independent GTs (IGTs), Shippers etc.) and CDSP fall under the remit of the PAC and performance assurance measures to be applied.

The Proposer would like parties to the IGT UNC to be subject the Performance Assurance regime changes in the same way that UNC parties would be subject to these changes. The implementation of this Modification is therefore dependent on the implementation of the UNC Modification 0674.

2 Governance

Justification for Urgency, Self-Governance or Fast Track Self-Governance

The Modification will introduce a performance assurance regime into the IGT UNC, which ultimately seeks to have a positive material impact on parties and therefore competition between them. It also seeks to increase the authority of the PAC (formed and governed under the UNC) to specifically manage the IGT UNC Performance Assurance regime in respect of IGT UNC obligations impacting settlement and to allow it more decision-making powers which is likely to materially impact specific parties.

The Modification:

- i. is likely to have a material effect on:
 - a. competition in the shipping, transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes; and
 - b. the IGT UNC governance procedures and the IGT UNC Modification procedures;
- ii. is likely to discriminate between different classes of parties to the IGT UNC code/relevant gas transporters and / or gas shippers depending on their individual performance.
- iii. Is likely to impact consumers through competition in tariffs, due to the implications of a settlement process that is not fair and equitable across parties.

Requested Next Steps

This Modification should:

- be considered a material change and not subject to self-governance
- be assessed by a Workgroup

The detailed business rules in this Modification should be reviewed by a workgroup to ensure there are no unintended consequences or loopholes in the governance requirements that would thwart the performance assurance intent of this Modification and the review of these rules should be within the UNC0674 workgroup. Additionally, the Modification should act as an incentive to meet the required IGT UNC performance levels and a disincentive to make commercial decisions that detrimentally impact competing parties.

This Modification Proposal, should be read in conjunction with [UNC 0674 Performance Assurance Techniques and Controls](#) and will require stakeholder engagement. The contractual requirements of the PAFA (Performance Assurance Framework Administrator) may also be impacted. UNC ancillary documents will also contain governance or guidance relevant to the IGT UNC and therefore should be considered by IGT UNC Parties through the development of UNC0674.

Workgroup Comments

November Meeting (12th November 2021)

The Workgroup discussed the Governance proposals in the Modification and noted that the additions carve out that the existing Performance Assurance regimes are being added into the Code as well as UNC0674 changes being layered over the top. The Workgroup agreed with the proposer's suggestion that it should be an Authority decision on this basis, as well as adding the ability for PAC members to raise changes to the IGT UNC, which differs from today's processes.

March Meeting (11th March 2021)

The Workgroup noted that their agreed approach on governance had not changed and that this should still proceed to the Authority for a decision on the basis this is a material change to the Code.

3 Why Change?

The electricity performance assurance regime in the Balancing and Settlement Code (BSC) costs approximately £3m to provide the regime.¹ This Modification does not advocate this level of expenditure nor the more prescriptive style of this regime, but it does advocate that the Code supports some additional investment to deliver a 'harder-hitting' assurance that parties anecdotally indicate they require and which will deliver better returns from improved performance and less settlement uncertainty.

The existing Performance Assurance Reports do not provide context and the potential impact of performance behaviours on settlement accuracy. The PAC has an annual budget of £50k for additional support and / or reports from the CDSP (Central Data Services Provider). To put this in context – the PAC explored amending one of the existing PARR reports and the CDSP indicated that one option for doing so

¹Page 42 [Annual BSC Report 2017/18](#)

would use £45k of the annual budget (Ref: [PAC minutes 20 November 2018 ROM](#)). Such a budget limitation can constrain the PAC's ability to identify, assess and bring to account poor behaviour.

Since the implementation of Project Nexus on 01 June 2017, a number of issues have impacted settlement allocations. These and the length of time issues have been endured have had a direct effect on the financial and commercial health of market participants and ultimately customers. The absence of a stronger PAF, is likely to have prolonged settlement distortion and therefore, in part, high and volatile UIG.

To date performance remedies are limited to PAC instructing the CDSP to engage with the failing participant proactively and asking the PAFA to write a formal letter requesting the issue be resolved.

This is having limited effect in some instances but is simply ignored in others.

To cite 3 examples:

- There have been significant issues with the reconciliation of mandatory DM (daily metered) sites since the implementation of Nexus in June 2017. As at November 2018, there were still 32 sites that have not had a retrospective consumption adjustment since June 2017. Actions taken to remedy this situation have included direct engagement by the CDSP (Xoserve) and a letter from Ofgem to involved parties. It took nearly a year to resolve the root causes for 177 DM meters.
- Product Class 3 read performance, despite Xoserve's engagement with the involved Shippers, is still well below the performance target.
- All shippers have access to shipper information packs and dashboards that highlight performance in many other areas. Where processes are failing and the shipper has the management information indicating that, there are no consequences of Shippers failing to act on these reports and no controls that PAC can employ to support Shippers in improving their performance.

Ofgem, the PAC and the industry have discussed the benefits of incentives to improve settlement accuracy and reduce risk. For example, in the level of reads accepted into settlement.

Ofgem has on a number of occasions advised that they want to see improvements to the performance assurance scheme developed in the gas market – including in their determination on Modifications 0473/A and 0506V.

Additionally, Ofgem, in their decision letters on Modifications 0619/A/B, requested that industry parties increase “the frequency and quality of meter read data being submitted to the Central Data Services Provider” and in their decision letter on Urgent Modifications 0642/0642A/0643 they requested that “To the extent that Xoserve depends on data provided by third parties, including the provision of frequent and accurate meter readings, it is expected to work with those parties and the PAC to ensure that these requirements are identified and being met.” There is currently no effective mechanism for meeting these challenges, aside from relying on Shippers best intentions, which is not currently delivering adequate read performance or settlement certainty.

Despite introducing a risk-based PAF, the PAF is currently limited to monitoring performance reports and writing letters to the Market Participants displaying poor performance.

Neither the UNC or IGT UNC obligations provide consequences for failing to meet obligations or target measures, where they exist, and no incentives to meet them. There is no mechanism to hold to account the performance of failing parties; and target measures provide no indication of how they might impact settlement quality nor is there evidence that impact on settlement is considered in making decisions to modify UNC obligations.

For the efficiency of the Code and to align the IGT UNC with the current Performance Assurance regime in the UNC, this change looks to introduce the foundations of that regime into Code. IGT Supply Points

contribute to settlement accuracy and current reporting to the PAC include IGT Supply Point data in the monthly Performance Assurance Reports Register (PARR) (as per Part K23.9 of the IGT UNC).

To ensure that the changes being introduced by UNC0674 are reflected in the IGT UNC, it is necessary to ensure that correct defined terms and areas of the UNC applicable are captured in this solution.

4 Code Specific Matters

Reference Documents

Performance Assurance Framework

UNC TPD Section V

UNC General Terms B

UNC - Modification Rules (section 6.1.1)

Knowledge/Skills

Knowledge of settlement risk or other performance regimes would be an advantage.

5 Solution

The UNC performance assurance regime in respect of settlement accuracy as envisaged post implementation of UNC Modification 0674 is to be introduced in its entirety to the IGT UNC.

The requirements of Modification 0674 will be incorporated into the UNC directly and into the IGT UNC, either through direct reference to the UNC from the IGT UNC or through insertion into the IGT UNC, so that IGT UNC parties will also be subject to the UNC Performance Assurance regime in all respects.

For clarity this will include:

1. Parties being required to meet the Performance Assurance Objective;
2. Parties coming under the authority of the UNC's Performance Assurance Committee for actions or omissions that impact the Performance Assurance Objective;
3. Parties being able to Appeal PAC decisions through the UNC Appeals process;
4. Parties being subject to the Performance Assurance Framework Document (PAFD) including Performance Assurance Techniques and decisions of the PAC;
5. Provide information and data to the Performance Assurance Framework Administrator (PAFA) over and above what is already provided through Part K of the IGT UNC; and
6. PAC being able to raise Modifications in the IGT UNC as in the UNC and for the same reasons.

The intent is to ensure that the PAC has authority over both IGT UNC and UNC parties as they contribute to settlement accuracy and that the PAC may take action to improve accuracy where the actions of those parties impact settlement.

Changes will also be made to the Performance Assurance Framework in the UNC which will also be relevant to IGT UNC Parties.

Please see Appendix 1 for full details of the changes being made by UNC0674, which this solution seeks to mandate in the IGT UNC.

Workgroup Comments

November Meeting (12th November 2020)

The Workgroup worked through the solutions business rules and compared these to the drafted legal text to ensure there were no gaps in the drafting. The Workgroup noted that the amended solution makes it clear what is being added into the IGT UNC. The Workgroup noted that Performance Assurance Techniques (PAT) had not been carved out in the current Legal text drafting. The Chair noted that the PATs were included in the Performance Assurance Framework Document (PAFD) and noted that these have not been specifically called out in the legal text drafting. The Workgroup suggested amalgamating points four and five which would mitigate potential issues of PATs being amended within PAFD (which can be carried out without going through the change process) and these not being implemented into the IGT UNC.

The Workgroup agreed that the solution, subject to the suggested amendments above, supports the intention of the Modification.

March Meeting (11th March 2021)

The Workgroup had no further comments on the proposed Solution from that of November 2020. The Code Administrator noted that this solution was a direct result of reviewing v15 of UNC674S.

6 Impacts & Other Considerations

Does this Modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

None identified.

Consumer Impacts

No direct impacts identified.

What is the current consumer experience?

The current provisions focus on Settlement accuracy and fair settlement across the industry, which is good for shipper and supplier competition, which is ultimately good for consumers. A Consumer's charge is a fair representation of their usage through meter readings. The accuracy of settlement is benefited by actual meter readings instead of estimates. There is, in some areas, a disjoint between obtaining the readings and ensuring the readings are sent into settlement.

What would the new consumer experience be?

More readings available for consumer billing means a greater accuracy for Consumer billing and less use of estimated reads.

There is the potential for seeing less Shipper parties exit the market due to a more timely and accurate settlement process. The cost/benefit of this can be speculated on as there are varying approaches by Shippers who may use in house read services or third-party services.

A stable market with accurate settlement, ensures reduced volatility into the market which will ensure efficiency of the market. This will ultimately work better for Consumers.

Other benefits of the Modification which could lead to improved consumer experiences are: League tables being introduced by UNC674 giving a level of transparency that the industry have not seen before, better practices encouraged by the regime, and the presence of the regime incentivising parties to improve settlement accuracy. The introduction of better information will facilitate forecasting in the industry.

Impact of the change on Consumer Benefit Areas

Area	Identified Impact
Improved safety and reliability	None
Lower bills than would otherwise be the case Accurate billing through forecasting, greater efficiency should lead to cost/benefits.	<i>Potential</i> Positive
Reduced environmental damage	None
Improved quality of service Potential for less use of estimated readings therefore more accuracy.	Positive
Benefits for society as a whole	None

Cross-Code Impacts

This Modification is designed to install a Performance Assurance regime into the IGT UNC and support the implementation of UNC Mod 0674 to ensure that UNC Performance Assurance measures in respect of settlement risk are applicable to Parties to the IGT UNC as well as the Parties to the UNC.

There may be an impact on the DSC and the contract between the PAFA and CDSP.

Central Systems Impacts

Some development to support new reporting and invoicing processes.

Workgroup Impact Assessment

November Meeting (12th November 2020)

The Workgroup agreed with what the proposer has suggested. The Workgroup discussed that the Performance Assurance Framework Document (PAFD) has the ability to be changed by the PAC without the need to be put through the current change processes. The Workgroup highlighted that there is an area of risk that changes made to that document will not have industry wide visibility and therefore there may be occasions where there are IGT UNC consequences that are not identified. The Workgroup discussed how this could be mitigated and suggested to the Proposer that a checklist or mechanism should be put into the PAFD to ensure that all implications for change are considered before being implemented. The proposer resolved to take this away and liaise with the proposer of UNC674.

April Meeting (8th April 2021)

The Workgroup discussed how the UNC change had considered UNC674 would impact Consumers and there was a general agreement that IGT138 took a slightly different approach. The Workgroup carried out the thorough Consumer Benefit analysis table, as referenced above. The Workgroup agreed that consumer benefits had been adequately discussed for this Modification and positive impacts had been drawn out through discussions.

7 Relevant Objectives

Impact of the Modification on the Relevant Objectives:

Relevant Objective	Identified impact
(A) Efficient and economic operation of the pipe-line system	None
(B) Co-ordinated, efficient and economic operation of (i) the combined pipe-line system; and/or (ii) the pipe-line system of one or more other relevant gas transporters	None
(C) Efficient discharge of the licensee's obligations	None
(D) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation agreements with other relevant gas transporters) and relevant shippers	Positive
(E) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers	None
(F) Promotion of efficiency in the implementation and administration of the Code	Positive
(G) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators	None

d) It is believed that these proposals will reduce settlement costs by reducing volume uncertainty at nomination and allocation, thereby reducing the likelihood of Shippers building in risk premiums into budgets and customer contracts. It should also level the playing field between shippers in the costs of meeting UNC obligations and ensure that one party's commercial decisions do not adversely impact other parties. Together these will improve competition between Shippers (and potentially Suppliers) and reduce a potential barrier to entry for new Shippers.

f) It is believed that these proposals will improve the effectiveness of PAF and ensure that the Framework is applicable across both the UNC and IGT UNC, therefore promoting more efficient application,

implementation and administration of the Code and preventing the requirement for separate and exclusive reporting for the sites under the IGT UNC.

Workgroup Comments

November Meeting (12th November 2020)

The Workgroup discussed the Relevant Objectives. The Workgroup discussed whether Relevant Objective D is applicable to the IGT UNC Modification, or whether this is more suited to the Solution in UNC674. The Chair noted that Performance Assurance looks at the accuracy of Settlement in Gas. The Chair noted that the information sent for the IGT sites helps in accuracy of the DN element of Settlement in the UNC. That therefore impacts consumers and effective Competition through that process as data cannot be distinguished between the GT and IGT sites. The Proposer noted that opinions on this could be drawn out through consultation.

The Workgroup unanimously agreed that this Modification positively impacted Relevant Objective F.

March Meeting (11th March 2021)

The Workgroup agreed that this was still the stance held by them on the Relevant Objectives cited by the Proposer for IGT138.

8 Implementation

No implementation timescales are proposed.

This Proposal could be implemented as soon as an authority direction is received and subject to DSC Change Management Procedures for any consequential system changes.

This Modification is dependent on the implementation of UNC0674 and ideally the Modification should be implemented on the same date as UNC Mod 0674.

Workgroup Comments

November Meeting (11th November 2020)

The Workgroup discussed the implementation suggestions made by the Proposer. The Workgroup noted that there may need to be more details added to this section to include some transition rules around implementation. The Workgroup discussed that there needs to be more information given re how the transition is to be managed and that clear indications for dates should be made available. The Workgroup noted that in September 2020, a request was made in a UNC674 workgroup that a target delivery date (considering release strategies), release plan, communications piece to understand the movement of one regime to an updated one are all provided for clarity. The proposer resolved to take this away and liaise with the proposer of UNC674.

March Meeting (11th March 2021)

The Workgroup discussed the earlier comments made in November 2020 with regards to a transition period needed on both Modifications. The Workgroup are now of the opinion that the same transition periods are not needed for both Modifications as the arrangements being introduced into the IGT UNC are new and therefore are not being changed from a BAU situation.

9 Legal Text

Text

[Legal text drafting v3](#)

Workgroup Comments

November Meeting (11th November 2020)

The Workgroup reviewed the drafted legal text and carried out a comparison with the proposed Solution to ensure any gaps could be identified. The following observations were made;

- Definition of Performance Assurance Party should be added to ensure all definitions are complete. The Workgroup noted that the definition in the UNC is hidden within the Performance Assurance Objective in TPD V16.1.1.
- PAC should be included in the definition of Performance Assurance Committee in Part M
- 'Decisions of PAC' is made explicit in the legal text drafting
- Performance Assurance Techniques should have its own definition (PAT)

The Workgroup acknowledged that as this point the legal text was still in motion as a further version of UNC674 would be published in December 2020.

April Meeting (8th April 2021)

The Workgroup reviewed the final drafting of the legal text (v0.2) as presented by the Chair. The Workgroup queried whether Modifications raised to the IGT UNC by the PAC would go through a process to assess the benefits of raising such a Modification. The Chair noted that the Modification would go through the current change process as all Modifications proceed through. The Code Administrator also noted that part of the 'Critical Friend' role would be to ensure Modifications meet a threshold for adequate information included in a change.

The Workgroup also discussed whether there could be anything added to the IGT UNC to ensure that if a Modification or change to the Framework document in the UNC is replicated in the IGT UNC. The Chair noted that it is not possible to obligate the PAC in the IGT UNC, however, an addition to the PAFD would be the most appropriate place to accommodate this rule. The group agreed that this would now have to be a post implementation change in the UNC to the PAFD document (which is at the gift of the PAC). The Workgroup resolved to add this to the IGT UNC Known Issues Register to ensure this risk is captured and visible to parties.

The Workgroup agreed that the current legal text drafting adequately supports the intention of the Solution and were comfortable that it had been sufficiently developed.

10 Consultation

Panel invited representations from interested parties on 23rd April 2021. The summaries in the following table are provided for reference on a reasonable endeavours basis only. We recommend that all representations are read in full when considering this Report. Representations are published alongside this Final Modification Report.

Representations were received from the following parties:

Organisation	Response	Relevant Objectives	Key Points
E.On	Support	D - positive F - positive	<ul style="list-style-type: none"> E.On are supportive of the Modification and its proposed evolution of the performance processes, including the introduction of clearer techniques aligned with the UNC. Unlike the UNC which is evolving the performance process, this Modification is introducing a new but equivalent process. E.On have raised some points of consideration in relation to the PAFD drafting as part of their UNC response and believe the comments made are relevant to and cover both UNC and IGT UNC, including but not limited to, the need for the PAC/PAFA to raise Modifications in both codes where required. E.On agree this Modification does require Authority decision. Although the Modification is pointing to the design of the UNC there are no current assurance provisions in the IGT UNC so this, in their view, needs to be approved by Ofgem to introduce them into code. With regards to the relevant objectives, E.On support the rationale provided by the sponsor. The Modification mainly supports the settlement process and encourages parties to ensure parties deliver to the targets outlined in the PARR. Costs are mainly operational delivery costs. E.On are unable to provide detailed quantification on this but estimate them to be small – medium. E.On support an implementation which sees UNC/IGT/XRN changes all delivered at a single point of time. The IGT UNC operates on a release basis, unlike the UNC which is more adhoc, and because of this E.On would recommend a date no earlier than the November release to allow time for the Authority to decide on the proposal and to ensure there is adequate time to deliver training and engagement events as outlined in PAFD. E.On recognise that a 6-week window has been written into PAFD so would see that trigger from the November implementation date. Where a decision is not made in time for the November release, E.On would then seek the February 2022 release date for implementation.

ScottishPower	Support	D – positive F - positive	<ul style="list-style-type: none"> ScottishPower is in support of implementation of IGT138, this change seeks to introduce a Performance Assurance regime into IGT UNC to align with the changes being introduced as part of UNC 0674 to address Settlement inaccuracies. Accuracy of Rolling AQs, Full Year AQs and therefore cash-out and transportation charges, reducing uncertainty and therefore lowering bills is potentially improved by the more reads entering Settlement. ScottishPower agree this Modification should be considered by the Authority in line with UNC Modification 0674. ScottishPower's view is implementation of this Modification would have a positive impact on both relevant objective (d) & (f). Development and ongoing costs would be minimal and only to comply UNC Implementation of IGT138 has a dependency on UNC Modification 0674 being implemented. ScottishPower would support an implementation date that aligns both IGT UNC & UNC being delivered at the same time. IGT UNC have worked hard to keep this Modification in line with the UNC modification timetable so they could be considered together. The next scheduled industry release date is November 2021, if a decision has not been reached by the Authority to achieve this date, it would be ScottishPower's recommendation for implementation to be the next available release date which would be February 2022. ScottishPower are satisfied the legal text will deliver the intent of the Modification.
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Summary

Two responses were received for the consultation for IGT138 and both were suppliers.

Both respondents offered full support for the Modification and agreed that Authority Consent is required.

Both respondents agreed that this Modification met Objective D (Securing of effective competition) and F (Promotion of efficiency in the implementation and administration of the Code).

Both respondents agreed that Implementation of IGT138 has a dependency on UNC Modification UNC0674, one respondent supports an implementation which sees UNC, IGT UNC and XRN changes all delivered at a single point of time and the other respondent supports a UNC and IGT UNC alignment only.

Both respondents agreed that if the Authority decision has been made in time for the November 2021 release then the Modification should be released then, if not it should be scheduled into the next available release date which would be February 2022.

11 Panel Discussions

Discussion

June Meeting (25th June 2021)

There was a discussion regarding UNC0674 being returned to the UNC Workgroup for a further six months following issues that had been identified through the consultation process and highlighted in the last UNC Panel meeting. The Joint Office had undertaken to write a plan with the proposer so that parties would know what would be discussed in each of the future meetings.

The Panel unanimously agreed that IGT138 could not be implemented without UNC0674 drafting being stable and static and therefore the Panel did not wish to decide on the Modification at this stage. It was agreed that the decision should be deferred.

The progress of Modification UNC0674 should be monitored and if anything is to be altered in the UNC Modification, the work of IGT138 would need to be returned to the IGT UNC Workgroup and the implications would need to be discussed again.

October Meeting (29th June 2021)

The Panel acknowledged that Modification UNC0674 is to be varied by the Proposer and that any variation would likely impact IGT138 and that IGT 138 should be returned to the workgroup in order to consider the impact.

Determinations

June Meeting (25th June 2021)

The Panel unanimously agreed that decision on IGT138 should be deferred for three months or less depending on the progression of UNC0674.

October Meeting (29th June 2021)

The Panel unanimously agreed that IGT138 should be sent back to the IGT UNC Workgroup, when the details of the Variation to UNC0674 become known.

12 Recommendations

Panel Determination

Members agreed:

- that Modification 138 should [not] be implemented

Panel Recommendation [to Authority]

Members recommended:

- that Modification 138 should [not] be implemented