

## IGT UNC 22-04 Modification Workstream Meeting

### Draft Minutes

Thursday 14<sup>th</sup> April 2022 via Teleconference

Attendee	Initial	Organisation	Notes
Anne Jackson	AJ	Gemserv	Chair
Jenny Rawlinson	JR	BUUK	
Heather Ward	HW	Energy Assets	Proposer (IGT160)
Michelle King	MK	Energy Assets	
Clare Manning	CM	E.ON	
Cher Harris	CH	Indigo Pipelines	
Claire Roberts	CR	Scottish Power	Proposer (IGT138)
Jaimee LeResche	JL	Xoserve	
Talia Lattimore	TL	Gemserv	Code Administrator
Sandra Fawzy	SF	Gemserv	Code Administrator

#### **1. Welcome and Apologies for Absence**

The Chair welcomed attendees to the meeting and accepted apologies received from Kundai Matiringe (BUUK), Gethyn Howard (Last Mile), Lee Greenwood (British Gas), Graeme Cunningham (British Gas) and Oorlagh chapman (British Gas). All attendees confirmed permission for the meeting to be recorded.

#### **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, which there were none. The Chair advised the Workgroup that [IGT159 – Amendments to the Must Read Process](#) has been pushed back to the May 2022 Workgroup meeting due to the Proposer being on leave.

#### **3. Approval of the Previous Minutes 22-03**

The Code Administrator (CA) informed the Workgroup that no comments were received for the draft 22-03 Modification Workstream meeting minutes prior to the meeting. The Workgroup had no comments to add to the Minutes at the meeting and they were approved as a true and accurate record of the meeting.

#### **4. Outstanding Actions**

The CA informed the Workgroup that there were seven outstanding actions:

**22-03/ 01 IGTs and Shippers Workgroup representatives are to investigate if UNC Section M 5.10.6 is utilised by their organisation and to report on the frequency and details of that process. If the process is not used to provide reasons for that. This action is to be carried over to the May 2022 Workgroup meeting as it is applicable to IGT159.**

**22-03/02 Workgroup representatives for IGTs and Shippers are to consider the definition of UNC Section M 5.10.6 and to consider any potential aspects that could be added for clarity or could make the Must Read process more efficient.** As above.

**22-03/3 ER and JL to confirm if the timeframe for the validation of Meter Reading applies to all parties in the same way with regards to submission deadlines.** As above.

**22-03/4 Workgroup representatives for IGTs and Shippers to familiarise themselves with Xoserve's Must Read training webpage.** As above.

**22-03/5 Orlagh Chapman (British Gas) to investigate why a Read is not valid after 25 days.** As above.

**22-03/6 Workgroup representatives for IGTs and Shippers are to consider which terms they should use either MEM or MAM and to give feedback at the April 2022 Workgroup meeting.** See item 9.

**22-03/7 Workgroup representatives for IGTs and Shippers to reassess the IGT RGMA Guidance V2.0 and to give feedback at the April 2022 Workgroup meeting.** See item 10.

## **5. IGT160 – Introducing the concept of a derogation into the IGT UNC for innovation projects**

The Chair notified the Workgroup that the Panel (at the March 2022 Meeting) chose to send IGT160 back to the Workgroup to address concerns regarding the automatic application of UNC Derogations under the IGT UNC and to further consider the fundamental differences between IGT154<sup>1</sup> and IGT160. The Chair added, with regards to the automatic application of UNC Derogations, that the risk of a Derogation is unknown until a said Derogation is raised.

The Proposer put forward two options to the Workgroup to address the concerns raised regarding UNC Derogations automatically applying under the IGT UNC. These were:

1. Remove the concept of a UNC Derogation automatically applying under the IGT UNC all together; or
2. Ensure that a UNC Derogation only applies automatically under the IGT UNC if the 'use case' under which it is submitted also exists within the IGT UNC.

JR asked whether the UNC Modification needed amending to allow for either of the proposed options to be taken forward. The Chair confirmed that the provisions allowing a UNC Derogation to apply under the IGT UNC sit solely in IGT160 and therefore UNC0800 does not need to be amended. The

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<sup>1</sup> [IGT154 – Introducing the concept of a derogation into the IGT UNC for Net Zero innovation project](#)

Chair added that if any Workgroup attendees have views regarding the UNC's consideration of IGT UNC sites that they make their views known in the UNC Modification process for UNC0800.

The Proposer informed the Workgroup that the Proposer of the UNC equivalent Modification (UNC0800<sup>2</sup>) did intend for the Derogations to apply in the IGT UNC and that the guidance document being provided as part of the UNC Modification was going to be updated to reflect this.

The Proposer reminded Workgroup attendees that all derogations have to go to Ofgem for approval, so it will not be a bias decision and that they will be present at the UNC Panel meeting on Thursday 21<sup>st</sup> April 2022 to represent the IGT UNC position with regards to UNC0800.

### Solution & Proposed Changes

The Proposer and TL took the Workgroup through the proposed changes to the Modification for the options set out above.

The Chair asked the Workgroup whether Derogation parties will have the necessary information available to them to determine the extent of impacts downstream. They added that Distribution Networks (DNs) will be able to see information pertaining to their own network area. JL informed the Workgroup they will investigate what information is available to a derogation party from Xoserve and what information is available on third parties that may be affected by the derogation. The Proposer highlighted that it may result in the derogation applicant communicating directly with those third parties.

The CA advised that third parties may include parties other than Distribution Networks (DNs), Shippers and IGTs (for example, Suppliers). The Workgroup recognised that while consideration of downstream impacts resulting from a UNC Derogation does not directly affect IGT160, it is something that should be considered under UNC0800. The Workgroup suggested that the level of consideration by the UNC depends on the type of the derogation and the information that is needed. The Chair questioned how likely it was for an IGT to have impacts downstream as a result of a Derogation. JR advised that there will be many cases where there won't be an impact downstream and that it depends on the derrogations itself. JR noted that it is possible to have nested IGTs but that the IGT as Derogation Applicant should know who is nested on their network and will be able to communicate the derogation and identify potential impacts.

The Workgroup considered whose responsibility it should be to communicate derrogations. It was suggested by the CA that when a party is informed of a derrogation it should look downstream at potential impacts and pass on information of said Derogation where it is required so that the message can filter down.

### Legal Drafting

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<sup>2</sup> [UNC0800 - Introducing the concept of a derogation framework into Uniform Network Code \(UNC\) \(Authority Direction\)](#)

The Workgroup considered changes to the legal drafting which enabled Option 2 noted above. JR suggested a change in approach to the drafting and rather than including a bulleted point that the provision should be added to the end of **2.3.1** to say "...where it relates to an IGT UNC derogation Use Case in accordance with paragraph 2.5". All other members agreed with this change.

Having considered the options put forward by the proposer, and the changes to the solution and the legal drafting, the Workgroup unanimously agreed that Option 2<sup>3</sup> put forward by the proposer was a sensible approach and should be taken forward.

#### Differences between IGT154 and IGT160

The Proposer reminded the Workgroup of the differences between IGT154 and IGT160, providing additional context on the following areas:

- **Derogation Party (BR3)**
  - Changed to ensure that where an IGT has requested a derogation, said derogation will also apply to impacted parties (e.g. Shippers who are shipping to the effected network). This means that multiple derogations will not have to be raised and allow for efficiencies.
- **Circulation of Information (BR5)**
  - Changed to further clarify the parties that Derogation requests should be circulated to so that all interested parties receive the information.
- **Panel Considerations at Initial meeting (BR7)**
  - **Health and Safety:** Ofgem want to ensure that the Health and Safety Executive (HSE) has seen evidence that a Derogation party has considered the implications of their derogations on the factors set out under BR7. As Panel are not qualified to assess health and safety considerations the Modification and drafting has been worded in such a way as to ensure the Panel are not required to assess what has been provided. The provisions for health and safety have been worded in such a way so that it does not require the HSE to approve evidence provided by a Derogation Party as they do not "approve". The content included in BR7 has been based on wording provided from the HSE.
  - **Inclusion of hydrogen:** "Gas as defined in the Gas Act" has been added in to ensure the inclusion of hydrogen.
  - **Multiple Derogations:** Changed to ensure that a Derogation party provides evidence with regards to other required derogations (i.e. that they have been applied for and not rejected).

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<sup>3</sup> Ensures a UNC Derogation can only automatically apply under the IGT UNC where 'use case' under which it was submitted also exists within the IGT UNC.

- **Amendments after rejection:** Changed to clarify that where a Derogation is materially different from a previous request that was rejected and its been amended, that it has been amended to address said rejection.
- **Authority Send Back (BR11)**
  - Change allows the Authority to send a request back to an applicant, directly or via the Panel.
- **Backstop Date (BR14)**
  - Change allows Ofgem to impose a backstop date that may be different to the date requested by the applicant.
- **Multiple Derogations (BR17)**
  - Ensures that an approved Derogation will only be valid once all relevant Derogations have been approved. Also ensures that health and safety related matters are satisfactorily concluded before Panel make a recommendation to the Authority.

The Workgroup considered the differences between IGT154 and IGT160, with some members advising that the changes seemed sensible. No further comments were raised, and the Workgroup agreed that no further work was required on the Modification and that the solution delivers the intent of the Modification.

#### Impacts

The Workgroup re-considered the impacts taking the agreed changes to the solution and legal text into account. The Workgroup agree that a potential impact on the REC should be highlighted as it is possible for derogations to be raised under the REC and an IGT UNC derogation may result in a REC derogation being required in the future. The Workgroup also agreed that the consideration of IGT impacts under UNC Derogations should be highlighted more clearly.

The Workgroup unanimously agreed that no further work was required on IGT160.

#### Objectives

The Workgroup reconsidered the objectives, taking into account the changes agreed in the meeting and agreed that the Modification sill has a positive impact on Relevant Objectives (B) and (F).

#### Next Steps

The Workgroup unanimously agreed that the solution delivers the intent of the Modification (subject to changes agreed in the meeting being made) and that IGT160 should proceed to a 2.5 week consultation in order to align it to the schedule of UNC0800.

The Workgroup agreed that IGT160 should be implemented in the next IGT UNC Release rather than on the same day as UNC0800, recognising the small risk of a Derogation being raised under the UNC that has an impact on the IGT UNC before the provisions are implemented.

## **6. IGT138 – Performance Assurance Techniques and Controls**

The Chair notified the Workgroup that IGT138 was being returned to Workgroup following further progress being made with equivalent UNC Modification UNC0674<sup>4</sup>. They advised that IGT138 will introduce Performance Assurance into the IGT UNC, which currently exists in the UNC only. In effort to keep UNC0674 and IGT138 in parallel, IGT138 has been brought back to Workgroup at this meeting with the Proposer and TL having already worked through the changes and updated IGT138.

The Proposer asked whether any further cross references needed to be made based on the latest updates. TL advised that they used the latest version of the drafting available on the UNC website and worked through that alongside the variation request and the changes in the drafting match up to the changes in the variation request. The only area of the legal drafting that required amendments was for Part L with regards to PAC powers to raise modifications being removed and content for inclusion in a Modification Proposal being added in with regards to whether the PAC support a Modification that is related to performance assurance.

### **Solution**

TL took the Workgroup through the changes made to the UNC0674 solution, noting that the Workgroup should be clear on what they are referencing and accepting into the IGT UNC<sup>5</sup>. They added that the only change required to the IGT138 solution was the removal of PAC's ability to raise performance assurance related Modifications.

As part of the run through of the UNC674 solution changes the following in particular was highlighted and/or discussed (please see Appendix 1 of the IGT138 Workgroup Report for more detail on the UNC Modification solution changes:

**6.(c)** – TL highlighted a shift from the use of PAT to PAFT. The Chair elaborated and advised that PAFD is the acronym for Performance Assurance Framework Document, it is a large document and has not been amended over the last 12 months. PAT is the acronym for Performance Assurance Techniques. The PATs are within the PAFD and therefore they are one in the same.

**6.(d)** – TL Highlighted a shift to setting out specific circumstances for appealing decisions. The Chair added that the PAT is entitled to appeal the PAC's decision initially to PAC and then to UNCC, rather than the UNCC appeal stage being optional. The Chair informed the Workgroup that the PAC is made up of nine elected Shippers, three Distributors and sixteen elected UNC parties.

**8.(a) i** – Instead of PAC being able to raise Modification, a change has been made to ensure that PAC (on a majority vote) may endorse a Modification being raised, particularly if the Modification was in the interests of the industry. The Chair informed the Workgroup that other votes are

<sup>4</sup> [UNC0674 - Performance Assurance Techniques and Controls](#)

<sup>5</sup> Changes to the UNC0674 solution have been highlighted in Appendix 1 of the IGT138 Workgroup Report, [here](#).

usually via constituency and not majority. TL noted that Modification would require a sponsor and that Workgroup could use the CDSP or PAFA to support in drafting and raising PAC endorsed Modifications. The Chair advised that the PAFA contract was renewed in July 2021, in that renewal the ability to raise Modifications and support Modifications was removed out of the contract.

The Workgroup agreed that the IGT138 solution, having considered and agreed to the proposed changes, still supports the intention of the Modification.

#### Legal Text

TL advised that changes to the UNC0674 solution and legal text (as of February 2022) have been reviewed alongside IGT138 and that there is only one change to the solution, which removes powers of the PAC to raised performance assurance related Modifications. They added that due to the cross-referencing approach taken with the Legal Drafting for IGT138, there are only changes required to the Part L text to:

- remove the ability for the PAC to raise performance assurance related Modifications which had been added to 10.1.1; and

add in new provisions to 10.2.1 (Content of Modification Proposals) which allows a Proposer to state, in relation to a Modification Proposal which relates to the performance assurance requirements in TPD Section V16 of the UNC, whether or not the Modification Proposal is supported by the PAC. TL advised the Workgroup that in previous versions the drafting marked up the removal of paragraph 23.9 of Part K and the provisions being replaced with the words "CLAUSE NOT USED". It was noted that at some point in the development of the Modification the original text seemed to be deleted and all that remained was CLAUSE NOT USED. The Workgroup were asked if they felt the legal text should be amended to show what was being removed. JR asked for clarification as to why this has been removed. The Chair advised that this was likely due to the provisions being moved elsewhere and included in an area already cross-referenced. However, they would look to investigate further and confirm this outside of the meeting.

#### Governance

The Workgroup considered the decision route for IGT138 and whether the decision path should remain aligned to UNC0674. It was noted by JR that if the UNC Modification is going to the Authority, it seemed fitting for IGT138 to go as well. Other members agree with this view and was noted further that should the UNC Modification be the only one to go to the Authority, it would mean that Ofgem could not consider both together.

The IGT UNC Workgroup agreed that due to the nature of the changes to the solution, as well as the relationship between IGT138 and UNC0674, that IGT138 should be issued to the Authority for decision.

#### Consultation

The Workgroup considered the length and approach for the IGT138 consultation. It was anticipated that UNC0674 may be issued for consultation again, though it was noted that the UNC Workgroup have recommended to UNC Panel that it not be issued for a second consultation as the issues identified had been addressed through changes and these changes had been considered by the Workgroup. The Workgroup agreed to recommend that IGT138 should proceed to consultation for 2.5 weeks, regardless of what happens with UNC0674 as there has been a significant amount of time that has passed since the industry have seen the Modification and changes to the solution that have not yet been considered.

#### Impacts and Objectives

The Workgroup revisited the impacts and objectives talking into consideration the proposed changes to the solution. The Workgroup agreed that IGT138 will still have a positive impact on Relevant Objectives (D) and (F) and that no further work was required on the Modification.

#### Implementation

The Workgroup considered the impact of implementation dates for IGT138 and UNC0674 not being aligned. It was noted that, in the case of UNC0674 being implemented first, the PAC could start using new powers without the IGT UNC Modification being in place. This means that, if an IGT UNC Party were to be approached by the PAC, said party could choose not to cooperate for IGT UNC sites. It was also highlighted that if the IGT UNC Modification was implemented first, it would be pointing to UNC provisions that were not yet in place. Therefore, the Workgroup agreed that it was prudent to have IGT138 and UNC0674 implemented on the same day.

The Workgroup also reconsidered previous views regarding a potential transition period. They agreed that the previous view of a transition period not being needed still stood.

It was also agreed that IGT138 should not be implemented should UNC0674 be rejected. The Workgroup recognised that aligning the implementation of this Modification with UNC0674 may result in an extraordinary release being required.

#### Next Steps

The Workgroup were advised that the changes put forward and considered in the meeting would be presented to Panel on 29<sup>th</sup> April as a variation request. This request would sit alongside the completed Workgroup report and the updated legal drafting. The Panel would then decide on both the variation and next steps for the Modification.

#### **7. Cross-Code Modification Implications Tracker**

TL took the workgroup through the Cross-Code Modification Tracker and the following Modifications were highlighted:

[0734S - Reporting Valid Confirmed Theft of Gas into Central Systems and Reporting Suspected Theft to Suppliers](#) – This Modification was approved by Panel in February in 2022 and is due to be

implemented around October 2022 alongside the release of the Content Management System (CMS) rebuild. It was advised that the interim solution originally planned with this Modification had been scrapped as it was costly and the enduring solution was sufficient. TL advised that they have been looking for a sponsor for an IGT UNC equivalent Modification and have found a likely sponsor. They expect a modification to be raised following confirmation from Xoserve on what the IGT Settlement process will be.

[0799 - UNC arrangements for the H100 Fife project \(100% hydrogen\)](#) – The Workgroup Report is due to be taken to the UNC Panel on 21<sup>st</sup> April 2022. The associated XRN 5298 is due for release in February 2023.

[0784S - Transition to the Central Switching Service and the Retail Energy Code v3.0](#) – The March UNC Panel agreed that this Modification should be implemented. Implementation for the IGT UNC equivalent Modification, IGT158, should take place on 27<sup>th</sup> April 2022 following the closure of the appeal window.

[0804 - Consequential UNC changes for Switching SCR \(REC 3.0\)](#) – The consultation has closed and the Modification is due to be taken to the UNC Panel on 21<sup>st</sup> April 2022. The IGT UNC equivalent Modification [IGT161 – Consequential IGT UNC changes for Switching SCR \(REC 3.0\)](#) is running slightly behind and is currently out for consultation (due to close on 5<sup>th</sup> May 2022). The Chair took the Workgroup through a list of the existing, updated and new defined terms put together by Xoserve and invited Workgroup attendees to use it if needs be during the consultation process.

[0754R - Investigate Advanced Analytic Options to improve NDM Demand Modelling](#) - The most recent meeting of the Workgroup took place on 22<sup>nd</sup> March 2022. The aim of this meeting included completing work on Area 1.

## **8. IGT UNC Known Issues Register**

TL took the Workgroup through the Known Issues Register noting that the IGT UNC Panel continues to face ongoing quoracy issues, Shippers remain underrepresented at Panel. The CA will continue to advertise the vacancies every quarter, the last trawl for nominations took place in February 2022. The CA have also been in communication with Shippers on an individual basis and they may consider communication with a Shipper association to drum up interest and engagement.

TL advised the Workgroup that a housekeeping Modification has been added to the list that is related to [IGT132VV – Introduction of IGT Code Credit Rules](#). They added that the Modification looks to make it explicit within Code that credit cover provisions introduced by IGT132VV apply to transportation charges only. This housekeeping change will only be required should IGT132VV be approved.

TL advised they are looking to do a review of the list of housekeeping changes with the aim of putting a Modification together to implement some of these. They would ideally like to have a Modification

raised in time for the June 2022 Release.

## **AOB**

### **9. Definition for MAM or MEM**

TL advised the Workgroup that the use of different terms is not a problem in the legal sense as the UNC uses MAM and the REC use of MEM makes direct reference to MAM for Gas. It was noted that all of the data items where MEM/MAM was needed used MAM and a change to MEM would potentially need to change under Xoserve, which could be more complicated than originally anticipated. The Workgroup agreed that there was no change required to the IGT UNC at this time but that it could be revisited should there be an issue in the future.

### **10. IGT RGMA Guidance Document V2.1**

CH notified the Workgroup that minor updates have been made to the IGT UNC Review of Gas Metering Agreement (RGMA) Guidance Document following the receipt of comments. The Workgroup had no further comments to make and it was agreed that the IGT RGMA Guidance Document V2.1 should be uploaded on the IGT UNC website and that an email notification for this should be sent out.

### **11. Government response to the consultation on Energy Code Reform**

The Chair alerted the Workgroup to the Government (Ofgem and BEIS) [response to the consultation on the Energy Code Reform](#) has been published alongside their response to the [Future System Operator \(FSO\) consultation](#). There will also be a webinar on 26<sup>th</sup> April 2022, it is viable on [Eventbrite](#).

**The next Workgroup meeting is scheduled for Thursday 12<sup>th</sup> May 2022.**

## Annex A – Action Log

Action reference	Action Description	Owner	Status
WS 22-03/6	Workgroup representatives for IGTs and Shippers are to consider which terms they should use either MEM or MAM and to give feedback at the April 2022 Workgroup meeting.	IGTs and Shippers	Closed
WS 22-03/7	Workgroup representatives for IGTs and Shippers to reassess the IGT RGMA Guidance V2.0 and to give feedback at the April 2022 Workgroup meeting.	IGTs and Shippers	Closed
WS 22-03/01	Workgroup representatives for IGTs and Shippers are to investigate if UNC Section M 5.10.6 is utilised by their organisation and to report on the frequency and details of that process. If the process is not used to provide reasons for that.	IGTs and Shippers	Carried forward – May 2022 update
WS 22-03/02	Workgroup representatives for IGTs and Shippers are to consider the definition of UNC Section M 5.10.6 and to consider any potential aspects that could be added for clarity or could make the Must Read process more efficient.	IGTs and Shippers	Carried forward – May 2022 update
WS 22-03/3	ER and JL to confirm if the timeframe for the validation of Meter Reading applies to all parties in the same way with regards to submission deadlines.	ER and JL	Carried forward – May 2022 update
WS 22-03/4	Workgroup representatives for IGTs and Shippers to familiarise themselves with Xoserve's Must Read training webpage.	IGTs and Shippers	Carried forward – May 2022 update
WS 22-03/5	OC to investigate why a Read is not valid after 25 days.	OC	Carried forward – May 2022 update