

IGT UNC Modification Panel Meeting

Draft Minutes

Friday 24th February 2023

Via teleconference

Attendee	Initials	Organisation	Representing	Notes
Anne Jackson	AJ	Gemserv	Code Administrator	Chair
Cher Harris	CH	Indigo Pipelines	Pipeline Operators	
Claire Roberts	CR	Scottish Power	Pipeline Users	
Jennifer Semple	JS	Ofgem	Authority	
Richard Pomroy	RP	Wales and West Utilities	Observer	Distribution Network (DN)
Stuart Monk	SM	MUA Group	Pipeline Operators	
Jenny Rawlinson	JR	BUUK	Pipeline Operators	
Talia Lattimore	TL	Gemserv	Code Administrator	
Isaac Moore	IM	Gemserv	Code Administrator	Secretariat

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).

There were no apologies received.

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. The Chair added item 13 – RG005 Terms of Reference Quoracy Rules and Stuart Monk (SM) added item 14 – NexA Tables.

3. Approval of the previous minutes (23-01 and 23-01 Reconvened)

Talia Lattimore (TL) invited comments on the January 2023 meeting minutes noting that no comments had been received prior to the meeting. No comments were raised during the meeting and the minutes (both standard and reconvened meetings) were approved as a true and accurate account of the meetings.

4. Outstanding Actions

The Panel were informed that there was one outstanding action:

- **23/01 - 01:** Code Administrator to talk to IGTs regarding impacts on Code following introduction of Consumer Scotland and amendments to Licences.

The Chair informed the Panel that they wrote to the Independent Networks Association (INA) to highlight the Authority’s ask and the work required to review the Code in light of the License

amendments. Jenny Rawlinson (JR) confirmed that this has been added to the agenda of the INA's Regulatory Sub-Committee and will therefore be discussed at the next meeting. The Panel agreed that this action should be closed.

Modification Business

5. [IGT163 – Code Credit Rules housekeeping updates following IGT132VV approval](#)

Summary of Modification

The Proposer (JR) gave a summary of the purpose of the Modification. They noted that the Modification seeks to amend the Legal Drafting for IGT132VV as follows:

- Introduce clarification changes that were agreed during the development of IGT132VV, making it clear that the rules would only apply to transportation charges;
- Introduce some changes recommended by Ofgem in its decision letter for IGT132VV. This included amending typos contained within the legal text.
- Replace the use of “Graydons” with “CreditSafe”.

JR emphasised that this was a straightforward Modification and were recommending it be progressed as a Self-Governance Modification Proposal with consideration by a Workgroup to ensure there are no gaps or unintended consequences.

Jennifer Semple (JS) made a comment regarding the Ofgem decision letter for IGT132VV, noting that the letter referenced the fact that under DCUSA the credit cover rules are mandated obligations and that they felt that credit cover rules under the IGT UNC should also be mandated. JS stated that Ofgem recommended including this change in a future Modification and asked that consideration be given to this and/or making an amendment to this Modification. JR noted that they interpreted the content in the decision letter as a request for IGTs to consider this. They added that IGT132 was in transition for 4 years. From their perspective the decision to mandate the credit cover rules would be based on the opinions of the involved parties. JR advised that they raised this with the Workgroup in January 2023 and were willing to raise a Modification to make this mandatory but the Workgroup determined that this was not needed due to current incentives as a result of debt being recoverable from a Shipper, and that this could be revisited should a need arise in the future. JR added that in this scenario the IGTs would have to demonstrate that they are attempting to mitigate any risk of Shipper debt in the recovery process. This would further incentivise the IGTs to adhere to the code credit rules and minimise the need to mandate those rules.

JS thanked JR for the explanation, telling them that this would be brought back to the Ofgem policy team. JR added that they would prefer to bring in any mandatory rules for credit in a new Modification noting that these rules have quite broad implementation possibilities and the two current Modifications need to be put in place in line with IGT132VV. The Proposer did not receive any additional questions.

TL took the Panel through the Modification Proposal Form.

Governance

TL informed the Panel that the Proposer recommended that this Modification be progressed as a Self-Governance Modification Proposal. This is because the Proposer feels the Modification is unlikely to have an impact on consumers or lead to any discrimination between industry parties.

No issues were raised by the Panel and they unanimously agreed that this Modification should be progressed as a Self-Governance Modification Proposal.

Solution

TL provided a summary of the Solution to the Panel, noting that the Modification seeks to amend the IGT132VV Legal Drafting to specify that it applied to transportation charges only, correct typos as set out in the Ofgem decision letter for IGT132VV and remove reference to “Graydons”.

No questions or comments were raised by the Panel.

Impacts

TL took the Panel through the impacts section of the Modification. The Panel considered the impacts and unanimously agreed that:

- There is no impact on a Significant Code Review (SCR) or other projects in the industry change in relation to this Modification expected; and
- There was no direct impact on the consumer experience to be expected.

TL noted that there are no direct impacts to other industry Codes other than the alignments of this Code with the credit rules of other gas and electricity Codes, as set out in the Proposal form. JR advised that a correction in the Cross-Code impacts section was needed, noting that the “other” category should be removed. TL advised that they reflect this in the draft Workgroup Report that will be used at the March Workgroup meeting for consideration. The Panel agreed unanimously with this approach.

Relevant objectives

TL advised the Panel that the Proposer cited positive impacts to Relevant Objective (F) “Promotion of efficiency in the implementation and administration of the code”. No additional comments were raised by the Panel with regards to the Relevant Objectives.

Implementation

TL presented the recommendation that the Modification be implemented at the same time as IGT132VV. TL reminded the Panel that whilst a specific date has not been cited, the approach taken in the form is standard and would avoid the need for further amendments to a specific date in the related Modification Reports. No additional comments were made by the Panel.

Legal Drafting

TL informed Panel of the approach taken to the Legal Drafting, noting that the black text in the drafting document uses the approved IGT132VV Legal Drafting as the baseline text for this Modification. The amendments being made to the IGT132VV drafting are tracked in red. No questions were raised by the Panel.

Final Recommendations

TL asked the Panel to consider the recommendations set out by the Proposer. The Panel unanimously agreed the following:

- The Modification be assessed by a Workgroup (noting that this would take place in March, with the Workgroup Report being considered in March as well); and
- The Modification will progress as a Self-Governance Modification Proposal.

6. IGT164 – Alignment with DCP349 and Provision of Unsecured Credit

Summary of Modification

The Proposer (JR) presented this Modification Proposal to the Panel, noting that that it seeks to introduce further alignment of the IGT UNC credit rules with the Distribution Connection Use of System Agreement (DCUSA) credit rules following the approval of [DCP349](#). They added that DCP349 reduces the credit period to 3 years and referenced the prior ability under DCUSA to build 'good credit' rules for 5 years. However, the measurement for this was lacking depth. The Proposer explained how further aligning with DCUSA would improve the credit rules for IGTs. They noted their recommendation that this Modification be progressed as a Self-Governance Modification Proposal and that it be considered by a Workgroup for 1-2 meetings.

There were no questions raised by the Panel with regards to the purpose of the Modification.

Progression Timetable

TL noted that should the Modification require 2 meetings rather than 1, this Modification would not be implemented at the same time as IGT132VV but shortly after. JR confirmed that this is not an issue as credit arrangements by IGTs do not need to be in place for a period of 24 months.

The Chair asked if this Modification was wholly aligning the IGT UNC with DCP349 or if there were only certain elements being brought in. The Proposer clarified that it is a whole alignment with DCP349.

Governance

TL took the Panel through the governance for this Modification, noting the rationale provided by the Proposer with regards to Self-Governance. A member agreed that the Modification does meet the criteria. The Panel unanimously agreed that this Modification should be progressed as a Self-Governance Modification Proposal.

Impacts

The Panel considered the impacts section and unanimously agreed the following:

- There is no impact on a Significant Code Review (SCR) or other industry projects; and
- No impacts expected on consumers.

JR informed Panel that this Modification has an impact on the DCUSA code. There were no questions from the Panel regarding the impacts.

Relevant objectives

TL highlighted that the Proposer felt that this Modification has a positive impact on Relevant Objective (F) "Promotion of efficiency in the promotion and implementation of the code". No questions were asked by Panel.

Legal Drafting

TL noted that this Modification uses the IGT132VV Legal Drafting as the baseline text, with recommended changes from IGT164 tracked in red. No questions were asked by Panel.

Final Recommendations

TL asked the Panel to consider the recommendations set out by the Proposer. The Panel unanimously agreed the following:

- The Modification be assessed by a Workgroup; and
- The Modification will progress as a Self-Governance Modification Proposal.

7. [QPL042 – Removal of Code Credit Rules from QPL Network](#)

Summary

TL gave a brief overview of QPL042, noting that the intention was the same as IPL042 and that it was raised in 2019 to remove credit rules from the Quadrant Pipeline Limited's (QPL) Network Code as a

result of IGT132 being raised. TL advised that the Modification, like IPL042, was also paused by the Panel until there was a decision on IGT132.

The Panel agreed that the Modification discussions for the IPL042, which was discussed first, were relevant, exactly the same and could be applied to QPL042.

Panel Determinations

The Panel agreed unanimously that:

- This Modification does not have an impact on any SCRs;
- This Modification is a Self-Governance Modification;
- The impacts were accurate and appropriate, and they had nothing new to add;
- This Modification will have a positive impact on Objective (F), with the proposed implementation approach;
- This solution delivers the intent of the Modification; and
- The Legal Drafting delivers the intention of the solution.

8. IPL – Removal of Code Credit Rules from IPL Network Code

Summary of Modification

TL gave a brief overview of IPL042, noting that the Modification was raised in 2019 and seeks to remove credit rules from the Independent Pipeline Limited's (IPL) Network Code as a result of IGT132 being raised. TL advised that the Modification had progressed all the way to the Final Modification Report stage but the Panel decided to pause the progression at that point until an outcome was reached on IGT132. TL advised the Panel that IGT132 went through a lot of development, was sent back by Ofgem and has now become IGT132VV. The Final Modification Report being consider had been updated to reflect the path of the Modification since the pause and note its development.

A Panel member suggested that further reference be made with regards to IGT132VV, highlighting that the development of that Modification had no bearing on the need for IPL042. The Panel agreed that further context should be added to the Final Modification Report to that effect. The Panel also agreed that the Modification did not need to be sent back to the Workgroup for further deliberation.

Governance

TL informed the Panel that it was previously agreed that this Modification was subject to Self-Governance procedures. TL asked the Panel to consider this again. The Panel unanimously agreed that this Modification should remain a Self-Governance Modification.

Impacts

TL highlighted to the Workgroup that the impacts section in this Final Modification Report was slightly different to the current template that they might be used to seeing. They added that the template had

come some way since this Modification was raised and last considered by the Panel. They confirmed that no adverse impacts were cited by the Workgroup at the time that they considered the Modification. TL advised that they did not amend the Final Modification Report to bring the section in line with the current document template they felt the Modification should be considered in a way that is consistent with the time of development. As no adverse impacts had been cited, they recommended that the Panel consider progressing without re-visiting if there was not a need. The Panel agreed with this approach.

SM raised a question regarding the use of the terms of 'None' and N/A. TL clarified that N/A tends to be used to mean "Not Applicable" and "None" is used to indicate no impact. They advised that "N/A" was used in this document as the network code change impacts were not applicable to consumers etc.

The Panel considered the impact areas and agreed unanimously that there is no impact on an SCR, consumers, other industry codes or the environment and that the impacts in the report were reflective as is.

Objectives

TL informed the Panel that the Proposer and the Workgroup felt that this Modification would have a positive impact on Relevant Objective (F) "Promotion of efficiency in the implementation and administration of code". The Panel considered the rationale provided by the Proposer and the Workgroup and agreed unanimously.

Implementation

TL noted that the need for the Modification at the time was considered conditional on the implementation of IGT132. TL recommended that an amendment be made to this section to indicate that this Modification should be implemented on the same date as IGT132VV.

SM raised a question about the notation of IGT132 against IGT132VV. The references in the Modification are currently for IGT132, without the VV. TL responded that the Modification (IGT132) was technically, by Code standards, withdrawn and replaced by IGT132V and subsequently IGT132VV. TL told Panel that further context could be added to the Final Modification Report to make the development clear.

JR believed that this Modification is still relevant and that the development of IGT 132VV has no bearing on the need for the Modification. Removing the credit rules in the individual Network Codes is still required to avoid a contradiction with the IGT UNC. The rest of the Panel agreed with this view and determined that the development should be acknowledged and that there was no need to send the Modification back to Workgroup.

Legal text

TL explained to the Panel that the Legal Drafting for this Modification had simply removed all reference to credit rules from the IPL Network Code. TL invited the Panel to comment on the drafting and reminded them that due to this Modification being decided on at this meeting, the Panel would be approving the Legal Drafting as final. There were no comments made.

Consultation

TL told Panel that there were no comments received on the consultation when it was sent out in January 2021. TL advised that at the time the Workgroup did not see this as an issue as comments referencing IGT132 were relevant to this Modification.

JR advised that IGT132VV was consulted on as well and suggested that reference be made to this consultation in the minutes. Other Panel members agreed with this view. There were no further comments made and the Panel agreed that no further consultation was required.

Panel Determinations

The Panel agreed unanimously that:

- This Modification does not have an impact on any SCRs;
- This Modification is a Self-Governance Modification;
- The impacts were accurate and appropriate, and they had nothing new to add;
- This Modification will have a positive impact on Objective (F);
- with the proposed implementation approach;
- The solution delivers the intent of the Modification; and
- The Legal Drafting delivers the intention of the solution.

Authority Updates

9. Authority Updates

There was no update provided by the Authority.

10. [Ofgem's Expected Decision Dates](#)

JS informed the Panel that Ofgem has published a new decision dates table. The Chair acknowledged that there were no expected decision dates for the IGT UNC at this time.

AOB

11. June 2023 Release Date

TL reminded the Panel of their decision last month regarding a change to the February 2023 release date. They added that there was another misalignment with the June release dates. The UNC and Central Data Services Provider (CDSP) releases were originally scheduled for Thursday 29th June 2023. The CDSP and the UNC have since changed their dates to Saturday 24th June 2023.

TL noted that the June IGT UNC Release only included IGT132VV, IPL042 and QPL042 (and potentially in future IGT163 and IGT164). There are no system dependencies or mirror of UNC changes for this release. TL asked if the Panel if they would like to keep the current IGT UNC Release Date or align with the amended CDSP and UNC Release Date. All Panel members agreed to keep the original date. Claire Louise Roberts (CR) also informed the Panel that Xoserve have just one change included in their release scheduled for June.

12. [Gemserv Acquisition](#)

The Chair informed the Panel members that Gemserv had been acquired by Talan, a French consulting company. They added that the previous shareholders were parties in the UK energy industry. Those shares are now wholly owned by Talan Group. SM asked if this would mean that Gemserv will change their name. The Chair responded that the company would keep the same functions and keep its name. The non-executive Board Members of Gemserv have been replaced with members of Talan Group. There will be no other changes to the company following the acquisition.

13. **RG005 Terms of Reference Quoracy Rules**

The Chair highlighted the terms of reference for the [RG005](#) Review Group and that there is a requirement for quoracy of 2 Shippers and 2 IGT representatives be present in the meetings. The Chair raised concerns regarding meeting quoracy rule as there is usually only 1 or 2 regular Shipper attendees and neither have confirmed attendance for the March Workgroup meeting.

The Chair confirmed that the Panel can make a change to the quoracy rules in the terms of reference and an amendment to the Review Request might be required and considered, so that just one shipper can be present for the Review group to progress.

Richard Pomroy (RP) asked what the RG005 is considering. The Chair advised that RG005 was the Review Group used to develop changes and assess impacts associated with the Faster Switching Programme and Retail Energy Code implementation and developed the legal drafting for the associated SCR Modifications.

There were no further comments by the Panel.

14. NeXA Tables

SM informed Panel that the new values for the NeXA tables have been published. The Panel had no comments with regards to this matter.

The Chair closed the meeting.

The next IGT UNC Panel meeting is scheduled for 24th March 2023.

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Annex 1 – Actions Table

Reference	Date	Action	Owner	Status
23/01 – 01	27/01/2023	CA to talk to IGTs regarding impacts on Code following introduction of Consumer Scotland and amendments to licences.	Code Administrator	Closed

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