

**IGT UNC Modification Panel Meeting**

**Draft Minutes**

**Wednesday 26<sup>th</sup> April 2023**

**Via teleconference**

<b>Attendee</b>	<b>Initials</b>	<b>Organisation</b>	<b>Representing</b>	<b>Notes</b>
Paul Rocke	PR	Gemserv	Code Administrator	Chair
Cher Harris	CH	Indigo Pipelines	Pipeline Operators	
Claire Louise Roberts	CR	Scottish Power	Pipeline Users	
Isaac Moore	IM	Gemserv	Code Administrator	Secretariat
Jennifer Semple	JS	Ofgem	Authority	
Jenny Rawlinson	JR	BUUK	Pipeline Operators	
Puja Vadgama	PV	Ofgem	Authority	Present for item 8
Stuart Monk	SM	MUA Group	Pipeline Operators	
Talia Lattimore	TL	Gemserv	Code Administrator	

**1. Welcomes and Apologies**

The Chair welcomed the Panel to the reconvened meeting. The Chair noted that following the ongoing quoracy issues the Panel faces, the Code Administrator (CA) had opened a meeting prior to this and held that open for one hour as per Code rules (Part L6.10). There were apologies from Anne Jackson (AJ, Gemserv) and Richard Pomroy (RP, Wales & West Utilities).

**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; Talia Lattimore (TL) added item 11 – TL Maternity Leave.

**3. Approval of the previous minutes (23-03 and 23-03 Reconvened)**

The Chair invited comments on the March 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 were no outstanding actions.

## **Modification Business**

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

#### Summary

TL took the Panel through the Final Modification Report (FMR) for IGT163. They noted that this Modification sought to introduce housekeeping changes to the IGT132VV – Introduction of Code Credit Rules Legal Drafting. TL invited the Proposer to provide final views, to which they had no further comments.

#### Consultation Responses

TL reminded the Panel of the process, noting that they would be reviewing consultation responses to determine if there were any new issues or additional views that needed to be taken into account before they moved forward. Claire Louise Roberts (CR) informed the Panel that their organisation had planned to respond to the consultation but had not submitted a response. They noted support for the implementation of the Modification. TL informed the Panel that three responses were received; two were from IGTs and one was from a Shipper. They added that all respondents:

- supported the implementation of the Modification;
- agreed there was a positive impact on Relevant Objective F – Promotion of efficiency in the implementation and administration of the Code;
- supported the implementation approach; and
- agreed that the legal drafting delivered the intention of the Modification.

TL noted that the two respondents (IGTs) agreed that the Modification was Self-Governance with one respondent disagreeing (Shipper). The respondent who disagreed believed that it should be sent to the Authority instead. The respondent considered that the changes proposed by IGT163 were not limited to housekeeping changes, and had the potential to affect the Code Credit Rules mechanism. CR informed the Panel that, separately, a Shipper had indicated their position that as Ofgem had requested the amendments in IGT163, it should be the Authority who ratified those changes.

The Chair asked Jennifer Semple (JS) if Ofgem had an opinion on the Self-Governance status. JS advised that the policy team were aware of the Modification and had not raised any concerns with regards to its progression under Self-Governance. The Chair added that there is a mechanism for Ofgem to interrupt the Self-Governance process if they believe it is necessary to do so. Jenny Rawlinson (JR) considered that there was not enough evidence to change the status, noting that Ofgem had already made the decision to implement Code changes that align with this Modification.

The Chair asked if the Panel agreed to retain the Self-Governance status for this Modification. No objections were raised. The Panel agreed by majority position that IGT163 continued to meet the

criteria for Self-Governance, but noted the considerations raised within the Consultation. No further comments were raised on the Consultation responses, or any other area of the FMR.

The Panel unanimously agreed:

- that IGT163 will not have an impact on any Significant Code Reviews (SCRs);
- that IGT163 should be treated as a Self-Governance Modification Proposal;
- that the solution delivers the intent of the Modification;
- that the impacts highlighted within the Modification are a complete and accurate reflection;
- the Modification will have a positive impact on Relevant Objective F;
- with the proposed implementation approach and the Modification being implemented on the same day as IGT132VV;
- that the Legal Drafting delivers the intent of the IGT163 solution;
- that no further work is required on this Modification; and
- that IGT163 should be implemented.

## 6. [IGT164 – Alignment with DCP349 and Provision of Unsecured Credit](#)

### Summary

TL presented the FMR to the Panel, and reminded Panel that this Modification was to ensure that IGT132VV Legal Drafting was realigned with DCUSA credit cover rules following the implementation of DCP349. IGT132VV was originally based on a DCUSA mechanism; however, during the development of IGT132VV, DCP349 was approved and implemented, and there was now a need to update the IGT132VV Legal Drafting to reflect the new DCUSA credit cover rules.

### Summary of Responses

TL advised the Panel that they received three Consultation responses: two from IGTs and one from a Shipper. They added that all respondents:

- supported the implementation of the Modification;
- agreed there was a positive impact on Relevant Objective F – Promotion of efficiency in the implementation and administration of the Code;
- supported the implementation approach; and
- agreed that the legal drafting delivered the intention of the Modification.

TL told the Panel that one respondent disagreed with the view that this Modification should be Self-Governance, providing the same response detailed above for IGT163. Cher Harris (CH) considered that this Modification goes beyond a housekeeping change, but maintained that they believed the impacts were not significant enough to warrant Authority decision. JR agreed and added that DCP349

was a successful Modification which received Ofgem approval. JS indicated that the Ofgem policy team had not raised any concerns with the Self-Governance path proposed for IGT164.

JR noted that provided IGT164 meets a Self-Governance rationale and given that this Modification aligns with another Modification that has already been approved (DCP349), they believed that IGT164 should stay as Self-Governance. CR asked how a view from them would impact the progression TL confirmed that a decision on Self-Governance needed a majority not a unanimous view. The Chair added that the Ofgem could have intervened in the Self-Governance progression at any point but they had not taken any action on IGT164. They confirmed that the majority view and the views of the Shippers would be referenced in the FMR.

Stuart Monk (SM) added that all respondents were supportive of Relevant Objective F – Promotion of efficiency in the implementation and administration of the Code, which reinforced the belief that this Modification was appropriate to continue under Self-Governance. TL asked if there any other points to discuss; none were raised. The Chair asked if there were any challenges to the impacts, relevant objectives, and legal text; none were raised.

The Panel unanimously agreed:

- that IGT164 will not have an impact on any SCRs;
- that the solution delivers the intent of the Modification;
- that the impacts highlighted within the Modification are an accurate reflection and had nothing more to add;
- the Modification will have a positive impact on Relevant Objective F;
- with the proposed implementation approach and the Modification being implemented on the same day as IGT132VV;
- that the Legal Drafting delivers the intent of the IGT164 solution;
- that no further work is required on this Modification; and
- that IGT164 should be implemented.

The Panel considered the governance path and agreed by majority that it should remain Self-Governance.

### **Review Groups**

#### **7. [RG005 – IGTUNC Review of impacts resulting from Faster Switching Programme arrangements](#)**

##### Summary

TL provided the Panel with an overview of the progression of this Review Group, noting that under normal circumstances a Review Group report would be recommending a Modification or no Modification. However, as a result of the nature of the Faster Switching programme, the Review was used to workshop the development of changes needed to deliver the program which meant that all the work had already been completed and delivered under a number of Modifications. They added that all necessary actions and work that has come from the Review Group have been delivered. The Panel had previously agreed to keep the Review Group open until all the changes were delivered, and awaited the formal Programme closure before closing the Review Group. Ofgem had now formally closed the Faster Switching Programme.

The RG005 report was discussed at the April 2023 Workgroup, and it was agreed that the Code Administrator should update the report with identified impacts and issue it for industry review for a period of two weeks. One party issued a comment regarding a typographical error, which has been updated in the report, and two parties believed that the Review Report was a complete and accurate record.

TL advised that the recommendation is for this review to now be closed as work is now complete for Faster Switching. The Chair asked if any Panel members wished to discuss any matters within the Report, to which no requests were raised.

The Panel unanimously agreed to close RG005.

#### **8. Request for information on current Code Governance Matter**

Puja Vadgama (PV) presented slides on an upcoming Request for Information (RFI) in support of the Ofgem Code Governance Reform activities.

In September 2021, Ofgem and BEIS issued a joint consultation on code governance reform. Since then, Ofgem have worked with the Department for Energy Security and Net Zero to develop the reforms in the Energy Security Bill, specifically with respect to the appointment of licensed Code Managers and an annual strategic Code direction. Ofgem is developing policy on implementing Code Governance reform, which would include possible merging of Codes.

The RFI is being issued to gather information relating to current Code arrangements. The Bill will give Ofgem a time-limited power to request information on a mandatory basis; however, Ofgem will be seeking information on a voluntary basis until the Bill is formally passed.

They presented the types of information that will be requested:

1. Current contractual arrangements (Code Administration Services, third party service providers);
2. Breakdown of Code Administration costs (for the Code consolidation process); and
3. Additional information on current Code Governance arrangements (to support transition planning and stakeholder engagement).

Ofgem is engaging with the other Code Panels, and with the Code Administration Code of Practice (CACoP) Group. The RFI is expected to be issued in May 2023, with a four-week window for completion.

JR thanked PV for the presentation. They asked if there were any thoughts on how the results of the RFI will be distributed back to parties. PV said that they will check on this matter. SM pointed out that if Ofgem were to keep their results confidential, they would likely receive fewer responses to the RFI.

The Chair asked PV who will be mandated to provide the information through the Energy Security Bill. They added that under other Codes, there are organisations like RECCo and BSCCo who could be engaged directly; however, there was no such single entity under the IGT UNC. PV agreed to raise the question internally and provide feedback.

PV asked if the RFI should be addressed to AJ as the Chair of the IGT UNC. TL confirmed that AJ should be addressed, but the Mail Box ([IGTUNC@gemserv.com](mailto:IGTUNC@gemserv.com)) should be copied in.

PV said that Ofgem will be holding stakeholder workshops on the Code Manager selection and the future Code Modification process, and would appreciate participation. PV agreed to share their slides with the Code Administrator for distribution to the Panel.

**23/04 – 01: PV to provide feedback to the Panel regarding the party responsible for communicating information through the Energy Security Bill on behalf of the IGTUNC.**

#### Authority Updates

##### **9. Authority Update**

There was no Authority update for the Panel.

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

The Panel were directed to Ofgem's latest Expected Decision Dates which were published on 25<sup>th</sup> April 2023. The table stipulated that no Modifications in the decision list concern the IGTUNC.

#### AOB

##### **11. TL on Maternity Leave**

TL informed the Panel that they would be leaving after the May 2023 Panel meeting because they are going on maternity leave. The Panel congratulated them. The Chair told Panel that the process to replace TL while they are on maternity is ongoing.

**The next IGT UNC Panel meeting is scheduled for 26<sup>th</sup> May 2023.**

**Annex 1 – Actions Table**

Reference	Action	Owner	Status
23/04 – 01	PV to provide feedback to the Panel regarding the party responsible for communicating information through the Energy Security Bill on behalf of the IGTUNC.	Authority	Open

DRAFT