



## IGT UNC 23-01 Modification Workstream Meeting

### Final Minutes

Thursday, 12<sup>th</sup> January 2023 via Teleconference

Attendee	Initial	Organisation	Notes
Anne Jackson	AJ	Gemserv	Chair
Cher Harris	CH	Indigo Pipelines	
Claire Louise Roberts	CR	Scottish Power	
Ellie Rogers	ER	Xoserve	CDSP
Jenny Rawlinson	JR	BUUK	
Michelle Brown	MB	Energy Assets	
Oorlagh Chapman	OC	Centrica	Attended for item 10
Talia Lattimore	TL	Gemserv	Code Administrator

#### 1. Welcome and Apologies for Absence

The Chair welcomed attendees to the meeting and accepted apologies received from Clare Manning (CM).

#### 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.

#### 3. Approval of the Previous Minutes 22-08

Talia Lattimore (TL) informed the Workgroup that no comments were received for the draft 22-12 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

TL informed the Workgroup that there were no outstanding actions.

#### 5. Cross Code Modification Implications Tracker

TL provided the Workgroup with the following updates:

##### Watch List

- **UNC0833 – Enabling Demand Side Response (DSR) Market Offers to be made by Non-Trading System Transactions:** TL advised that this Modification was approved. It was implemented on 9th December 2022. TL noted that the required IGT UNC DSR Modification would need to account for UNC0833 as well as UNC0822.

- **UNC0822 – Reform of Gas Demand Side Response Arrangements:** TL advised that a sponsor for this Modification has approach the Code Administrator (BUUK, Jenny Rawlinson (JR)). The Code Administrator will continue to work with the sponsor in the new year to develop nessessary changes to the IGT UNC.
- **UNC0815 – DSC Committee Quoracy:** TL advised that the Final Modification Report (FMR) is now expected to go to UNC Panel in March 2023.
- **UNC0811 – Shipper Agreed Read (SAR) exceptions process:** TL advised that this Modification is currently out for consultation with a response deadline of 17th January 2023.
- **UNC0809 – Distribution of Last Resort Supplier Payment (LRSP) claims to include IGT sites:** TL advised that this Modification was approved by the Authority and will be implemented on 1st April 2023.

#### UNC0822 / UNC0833 Discussion

Cher Harris (CH) asked whether the IGT UNC points to the sections amended in the UNC for UNC0822 and UNC0833 and if the IGT UNC Modification required will only point across to the UNC. TL advised that they could not recall the impacted section(s) or whether it was referenced. CH advised that they wanted to understand more about what the Modification is looking to achieve and wondering if we were looking to point across. They added that there is currently an area within the IGT UNC related to Interruptible Supply Points (CIII 1.1 – 1.6) and asked if this is a potential area of the Code to introduce nessessary provisions.

TL confirmed that the full impact of the legal drafting will be reviewed when the IGT UNC Modification Proposal is submitted. TL added that the Workgroup review of UNC0822 (November 2022) highlighted a potential need for a UNC Modification to facilitate the IGT UNC Modification. It was apparent when going through UNC0822 business rules that there may be additional provisions in the UNC where current legal text does not cover sites on IGT networks. However, the need for this Modification is to be confirmed. TL added that there are also obligations on National Grid under the UNC that will need to be checked and potentially expanded to cover sites on IGT networks as the IGT UNC cannot place obligations on National Grid.

The Chair advised that the IGT UNC does not point to upstream elements within the UNC but it does reference downstream elements. They added that there are actions a Shipper must take on behalf of the consumer that we need to ensure carry over to sites on IGT networks. They noted that under UNC0822, National Grid will pay the Shipper for a customer's gas and then there is an obligation on the Shipper to pass on the agreed payment to the customer. Any nessessary UNC Modification should also ensure that obligations like this are covered for IGT network customers.

JR advised IGT UNC Modification has not been looked into in detail but there have been discussions with the Code Administrator and the Chair. They felt that referencing within the Interruptible Supply Points area is an option, for example you could add in provisions that say any Shippers taking advantage of the DSR arrangements in accordance with relevant areas of the UNC, then said areas would also apply to sites on an IGT network.

### UNC0831 Discussion

Ellie Rogers (ER) advised that they discussed UNC0831 with Mark Jones (SSE, UNC0831 Proposer) and they were advised that the Proposer has started to look at whether there is going to be a Cross Code impact. The Proposer didn't think that there would be but ER advised them that they would highlight that at the Workgroup meeting. There has only been one Workgroup meeting. The Chair asked if the solution was to be applied on throughput going to IGT sites, noting that the calculation of settlement is in the UNC not in IGT UNC. However, there may be implications that will be applied to IGT Supply Points which need to be noted. There may not be an IGT Code impacts but there could be an IGT party impact. The Chair advised that unless there is an action or change required at an IGT Supply Point level there is no IGT UNC Code impact anticipated.

JR added that there have been a lot of UNC Modifications raised with regards to the Allocation of Unidentified Gas Expert (AUGE) and we have not raised any IGT UNC Modifications for those. TL advised that when the mod was raised there was no obvious impact and that this was fed back to the UNC Panel at the time.

### **IGT UNC Equivalent Modifications**

TL advised that there were no updates on IGT UNC Equivalent Modifications.

### **Review Groups**

- **UNC0828R – Introduction of an Independent Shrinkage Expert:** TL advised that this Review Group was raised in October and seeks to lower greenhouse gas emissions, increase the robustness of RIIO-GD2 incentivisation, and reduce end-consumer costs. Panel is requested to investigate the introduction of a new role to the UNC: the Independent Shrinkage Expert (ISE).

### UNC0828 Discussion

TL advised that this Modification was added as there was a question as to how far the remit would go for the Shrinkage Expert Role being introduced. They added that shrinkage is mentioned in the IGT UNC and is currently set to zero. TL confirmed that when the Modification was raised it was highlighted to the UNC Panel that the Code Administrator would monitor the progression and determine potential impacts once more is understood about the solution and the legal drafting.

ER advised that there has only been one Workgroup meeting for UNC0828. TL added that it is not meant to go back to UNC Panel until June 2023. ER confirmed that the Workgroup are keen to get an Ofgem view on whether it's possible to make changes in certain areas of shrinkage as Shippers have had pushback in the past regarding changes to shrinkage. JR suggested that this Modification continue to be watched.

The Chair suggested that shrinkage might be included in the Distribution Network's price control. They asked if any Workgroup members knew what the current position is within the current price

control cycle. An IGT noted that while RIIO does not apply to IGTs there have been experts looking at shrinkage and there is suspicion that the current shrinkage model applied to settlement may not be entirely fit for purpose.

## 6. IGT UNC Known Issues Register

TL provided the Workgroup with an overview of 1 new issue added to the Issues Register as follows:

- Issue 11- Difficulty finding IGT UNC Parties to raise required IGT UNC Modifications: TL advised that during 2022 there were multiple Urgent Modification Proposals raised under the UNC that required equivalent Modifications under the IGT UNC. The Code Administrator made multiple attempts to find a sponsor for required Modifications where necessary. As a result of there not being a sponsor when required the necessary IGT UNC Modifications were raised later than was ideal.

## AOB

### 7. [IGT UNC Modification - UNC0822 - Reform of Gas Demand Side Response Arrangements](#)

The Chair advised the Workgroup that the window for DSR this winter has opened and closed, which means that the urgency surrounding the IGT UNC Modification had passed. The DSR window can open again from August 2023 so the IGT UNC Modification will need to be in before the start of this window. They added that JR (BUUK) has agreed to sponsor the equivalent IGT UNC Modification for DSR.

JR advised that they have written to the Joint Office regarding the IGT UNC Modification. They noted that the [Independent Gas Transporters Arrangements Document Sub Committee](#) (IGTAD) meeting is due to take place on 23<sup>rd</sup> January 2023 and they have asked that UNC0822 and UNC0833 be added to the agenda for discussion. JR advised that they will discuss the IGT UNC Modification with Phil Hobbins (National Grid) and they are hoping he will agree to attend the IGTAD meeting and give an update on what the UNC Modifications do within Code and if they intend this to work operationally for IGT sites and whether it would work in respect of process. If the operational solution is not going to work for IGTs then some further work may be required. For example, the DSR portal website may require changes to facilitate the use of DSR for IGT Supply Points. They added that they have spoken to Stuart Monk (SM) and CH (IGT UNC Panel members) who are in support of their approach.

The Chair added that they had spoken to Phil Hobbins, National Grid and proposer of both the UNC Modifications. Phil Hobbins had advised that the feedback from a consumer level was that consumers taking part in DSR needed more than a one-day notice period. National Grid is now considering another UNC Modification to include, for example, a five day notice period. A draft UNC Modification was shared under the UNC in December, but it was fed back that it was unlikely that a consumer would be looking to use that solution for this winter period. It is now expected that a UNC Review Group will be set up to investigate this and any necessary Modification can be raised. The Chair

advised that a question should be asked as to whether it is National Grids intention for DSR to be applicable to sites on IGT networks within that Review Group.

#### 8. [IGT132VV – Introduction of IGT Code Credit Rules](#)

The Chair advised the Workgroup that the Authority has approved the IGT132VV for implementation and there are some actions that need to be taken now that the Modification has been approved.

Claire Roberts (CR) asked if there will be changes to IGT invoicing because of this Modification, noting that Transportation Charges are invoiced collectively. JR advised that it is her understanding that they will not make any changes to how they invoice but there will be Credit in place to protect the Transportation Charge element. They added that they are happy to discuss offline and look into this further if Shippers feel there might be a change. CR advised that they get one invoice that is then split out and they thought that there may be a change. JR asked for views from other IGT members. One IGT advised that they were unable to confirm at this time with another agreeing with JR that there were no changes anticipated to the standard invoicing.

TL advised the Workgroup that a Shipper had written into the Code Administrator asking how IGTs planned on informing Shippers that they were going to make use of the credit arrangements. CH advised that while it was a little early in the development of necessary processes, they envision that they will write out to Shippers they are involved with to advise them of this and then any new Shippers that they take on will be informed as and when required. JR and MB advised that this is their expected approach as well.

#### IGT132VV Related Modifications

JR advised the Workgroup that they are expecting to raise some IGT132VV related Modifications. They noted that a Self-Governance Modification will be raised to address three areas:

- Introduction of necessary clarification changes with regards to Transportation Charges;
- Correction of typographical errors highlighted by Ofgem in its decision letter; and
- Removal of Graydons and the addition of Credit Safe, which is required for the same reason as that given in [UNC0827S - Amending the Unsecured Credit Table in TPD V3 to reflect the removal of Graydons and insertion of Credit Safe](#).

They advised that BUUK do not see any of these being contentious but would welcome views.

JR advised that BUUK are looking to also raise a second Modification to bring IGT132VV Code provisions in line with DCUSA modification [DCP349 – Effectiveness of the current provision of unsecured cover under Schedule 1](#). They noted that IGT132VV was developed very much in line with the DCUSA and they feel it is necessary to make changes to the Code to ensure IGT132VV remains aligned. The Workgroup had no comments on this Modification at this time.

JR advised that during its consideration of IGT132VV, Ofgem were concerned that the credit rules were not mandatory. Ofgem had hinted that they might make its approval of the Modification

conditional on further changes that made it mandatory. However, this was not the case in the end. JR asked the Workgroup whether they feel there is merit in raising a Modification to make the rules mandatory. They advised that the matter could be left for now and then revisited if a need for a Modification was raised in future. If the Workgroup feel this has merit now, BUUK would be happy to raise a Modification.

CH advised that this Modification has been approved as is and believed that the matter should be left until there is a requirement for it in the future. MB agreed with this view, noting that they did not see the need right now and it would be a lot of admin to put such a change in place.

#### IPL042 & QPL042 Next Steps

TL advised that following the approval of IGT132VV, there were two Network Code Modifications that required completing. [QPL042 – Removal of Code Credit Rules from QPL Network Code](#) and [IPL042 – Removal of Code Credit Rules from IPL Network Code](#) which were raised in line with IGT132VV.

These two Modifications were paused until a decision on IGT132VV was reached by Ofgem. This is because the two Network Code Modifications could not be approved with conditions included related to IGT132VV approval. TL advised that both Modifications look to remove Credit Arrangements from the two individual Network Codes and are Self-Governance Modifications. Both Modifications were consulted on and were progressed up to the point of Panel decision. The Code Administrator will look to bring both Modifications to the February Panel meeting where the Panel can agree next steps. TL added that these two Modifications will be implemented in line with IGT132VV, which is currently targeted for implementation in June 2023 as part of the June Scheduled Release.

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

The Chair advised the WG that this Review Group was raised to facilitate the delivery of all necessary Faster Switching Programme changes. The Review Group was used to discuss and evolve necessary Modifications, which have now been raised and implemented. At the moment the Review Group is still open, and the Panel have agreed that its now time to close this off as the bedding a period has been observed and the programme has been formally closed.

The final report will be completed, which will include the outputs of meetings and the overall conclusion of the work and this will be brought to the February Workgroup meeting to be discussed and finalised. The finalised report will then be presented to Panel for them to determine next steps, which we anticipate being closure of the Review Group.

#### **10. Implementation of IGT159 – Amendments to the Must Read Process**

Orlagh Chapman advised the Workgroup that IGT159 has been approved. The Data Services Contract (DSC) Change Committee considered the related [XRN5605](#) and had accepted it for development. OC asked IGTs whether there is an expectation, with regards to the current pause for Must Reads, that this will continue until the IGT159 technical solution is delivered.

ER noted that this matter is due to be considered at the next IGT Constituency meeting on 24<sup>th</sup> January 2023. The current operational teams involved in the Must Read pause will be there to deal with the outcome.

The chair asked how the outcome of that meeting will be fed back to Shippers. ER advised that the CDSP will issue a communication to Shippers following the meeting and mention the decision at the Shipper Constituency meeting.

An IGT asked when the current pause is due to end. OC believe that it was not due to expire until the decision on IGT159 had been received. JR asked if the pause being undertaken is being replicated under IGT159. OC advised that there are pauses allowed under certain circumstances under the Modification. ER confirmed that pauses under IGT159 will need to be delivered as part of the technical solution. They added that Must Reads were being looked at anyway with regards to the pause and data refreshes when this Modification was raised. An enduring solution for these two matters is not reliant on the system delivery for IGT159. They are looking to get an enduring solution in as soon as possible.

MB advised that an extension of the pause was last considered in July 2022 and it was agreed at that point that Must Reads would be paused for 12 months.

The Chair advised that the delivery of IGT159 may require an ad-hoc Code release in line with the CMS rebuild. ER advised that there is not a firm date on this and there needs to be agreement on the possible release type. This will be agreed as part of the DSC committee process. TL noted that the window provided as part of the ROM, which was caveated as an estimate only, indicated a possible delivery window of June – September 2023. ER confirmed that now that the Modification has been approved, the CDSP have added this to the list of changes to be delivered and the aim, ideally, is to get reviews for the Solution out in March 2023 (earliest). However, more will come to light in the next few months.

## **11. Code Governance Reform**

CR highlighted the Code Governance Reform Call for Input, noting that the closure date is the 1<sup>st</sup> February 2023.

The Chair noted there is only one solid recommendation regarding consolidating Codes within the documentation and it's for the UNC and the IGT UNC to be consolidated. The Chair encouraged IGT and Shipper organisations to consider the call for input and respond.

**The next Workgroup meeting is scheduled for Thursday 9<sup>th</sup> February 2023.**

**Annex 1 – Actions Table**

Reference	Action	Owner	Status
	There are currently no open actions.		