



IGT UNC 23-07 Modification Workstream Meeting

Final Minutes

Thursday, 13th July 2023 via Teleconference

Attendee	Initial	Organisation	Notes
Paul Rocke	PR	Gemserv	Chair
Charlotte Gilbert	CG	BUUK	
Charlotte Precious	CP	Energy Assets	
Cher Harris	CH	Indigo Pipelines	
Claire Louise Roberts	CR	Scottish Power	
David Morley	DM	OVO	Attended for items 5, 8, 9, 10
Ellie Rogers	ER	Xoserve	
Helen Bevan	HB	Gemserv	
Jenny Rawlinson	JR	BUUK	
Maryam Khan	MK	Ofgem	Attended for item 7 only
Michelle Brown	MB	Energy Assets	
Philip Hobbins	PH	National Gas Transmission	Attended for Item 7 only
Stuart Monk	SM	MUA	
Isaac Moore	IM	Gemserv	Secretariat

1. Welcome and Apologies for Absence

The Chair welcomed attendees to the meeting and accepted apologies from Anne Jackson (Gemserv). It was noted that PR would be the replacement Chair for this meeting.

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 23-06](#)

IM informed the Workgroup that comments were received for the draft 23-06 Modification Workstream meeting minutes from David Morley (OVO). The Workgroup accepted the proposed amendments raised and had no further amendments. The amended minutes were approved as a true and accurate record of the meeting.

4. Outstanding Actions

IM informed the Workgroup that there were four outstanding actions:

- **23/04 – 02: Code Administrator to communicate questions to the INA regarding Shrinkage.** IM advised that the questions had been sent, and that the Code Administrator had not yet received a reply. Action Closed.
- **23/06 – 01: Aleksandra Cebo and Ellie Rogers to contact the Code Administrator regarding the legal text in UNC0825 – Removal of the remaining Retrospective Asset, Address and Supply Point (RAASP) elements of the Retrospective Adjustment arrangements put in place under Modification 0434, to identify IGT impacts.** The Workgroup considered the impact of UNC0825 on the IGT UNC. Following discussion, it was widely agreed that no equivalent IGT UNC Modification would be required, as the relevant references to the UNC would still be accurate in the event that UNC0825 was implemented. Action closed.
- **23/06 – 02: Code Administrator to send the meeting invitation for UNC0849R – Commercial Framework Review to Enable Hydrogen Blending, to Workgroup participants.** IM advised that the invitation had been sent. Action closed.
- **23/06 – 03: Ellie Rogers to contact Oorlagh Chapman (Centrica) about raising the equivalent IGT UNC Modification for UNC0819 – Establishing/Amending a Gas Vacant Site Process.** Following consideration, the Workgroup unanimously agreed that an IGT UNC Modification would not need to be raised as the current legal text would suffice. Action closed.
- **23/06 – 04: Code Administrator to review the legal drafting for UNC0811S – Shipper Agreed Read (SAR) exceptions process.** Following a review, the Code Administrator recommended that an equivalent IGT UNC Modification would not be required. Action closed.

MODIFICATIONS

5. [IGT165 – Independent Shrinkage Expert and Independent Shrinkage Charge](#)

Summary

The Chair invited DM – as the Proposer of the Modification – to provide an update on IGT165.

Since the previous meeting, DM had amended the Modification Proposal to reflect that IGT165 was intended to enable the intent of UNC0843 within the IGT UNC, rather than mirror the requirements between the two codes. Accordingly, DM had simplified the solution for IGT165 to cover:

- Jurisdiction of the Independent Shrinkage Expert (ISE) and Independent Shrinkage Charge (ISC) over the IGTs; and
- Data request compliance from IGTs.

The Workgroup considered that there were outstanding questions with respect to the detail of UNC0843 which prevented a thorough assessment on the impacts on IGT UNC parties.

Specifically, CH queried whether the IGTs would be asked to fund the ISE. DM informed the Workgroup that costs were looked at in the UNC0843 Workgroup. At the moment it is expected that the costs would be covered by Shippers; however, this was yet to be confirmed. They added that the

final determination on funding would be included in the XRN, rather than the UNC and IGT UNC Modifications. [At the 23-09 IGT UNC Workstream meeting, DM added to the record: *Current drafting of UNC0843 means that transporters will be obliged to cover costs of the role. The Precedent is that the AUGE is 100% Shipper funded.*"]

There was significant discussion with respect to the proposed mechanisms whereby IGTs would purchase gas, including the proposed use of the Gemini system which would be developed to facilitate the additional use case. Additionally, there were questions with respect to the methodology for attributing gas volumes between IGTs. DM reiterated that the solution mechanics would be detailed within UNC0843 and in some areas would be defined by the ISE following its appointment.

The Chair asked if this would be challenging to move IGT165 ahead without further clarity of the business rules and methodologies associated with UNC0843. Whilst the solution of IGT165 was now relatively simple, the impacts were difficult to assess until UNC0843 had been further developed. The Workgroup and the Proposer agreed that at least one additional meeting of the Workgroup should be held to consider further development of the UNC0843 solution and its impacts on IGT165. In support of that workgroup, DM agreed to provide an illustration of example shrinkage calculation in accordance with the provisional methodologies, and ER agreed to seek further relevant information with respect to procurement of the ISE which could support impact assessment of IGT165.

SM outlined a possible mistake in “Section 7: Relevant Objectives” (F). They believed that it is (D) that is more appropriately facilitated. The Chair added that it could possibly be understood as both, and the Proposer noted that this would be considered.

23/07 – 01: DM to provide an illustration of the shrinkage allocation calculation process for UNC0843, in support of the IGT165 Workgroup discussion at the next Modification Workstream meeting.

23/07 – 02: ER to provide any relevant information with respect to the procurement process for the Independent Shrinkage Expert to the next Modification Workstream meeting, where that information may support the development of IGT165.

6. [IGT166 – Reporting Valid Confirmed Theft of Gas into Central Systems and Reporting Suspected Theft to Suppliers](#)

Summary

As the Proposer of IGT166, CG presented the Modification Proposal to the Workgroup. This Modification seeks to align the IGT UNC with UNC0734S – Reporting Valid Confirmed Theft of Gas into Central Systems and Reporting Suspected Theft to Suppliers. UNC0734S was implemented on 1st April 2023 and ensured that valid confirmed theft data received from Suppliers via the Retail Energy Code (REC) was appropriately reported into central systems. An IGT UNC Modification was not raised concurrently with UNC0734S, and consequently the governance had become misaligned.

Without a change to the IGT UNC, the CDSP would not be able to include IGT UNC sites within the solution, and Shippers would not be able to challenge the values produced by IGTs.

The Workgroup proceeded to consider the Modification Proposal, noting the intention of the Proposer to present the Workgroup Report to the Modification Panel at its meeting scheduled for 28th July 2023.

Governance

The Workgroup agreed unanimously that this modification should proceed under Self-Governance.

Solution

The Workgroup unanimously agreed with the intent of the Solution.

Legal Drafting

CG presented the Legal Drafting as pointing from the IGT UNC to the relevant UNC section. The Workgroup unanimously agreed with the proposed Legal Drafting.

Impacts

The Workgroup unanimously agreed that this Modification does not impact a Significant Code Review (SCR) and that all known impacts were otherwise identified.

Consumer Impacts

The Workgroup agreed with the consideration of the consumer impacts.

Cross-code Impacts

The Workgroup agreed with the cross-code impacts to the REC and UNC.

Relevant Objectives

The Workgroup unanimously agreed that Relevant Objectives (D) and (F) were better facilitated by IGT166.

Implementation

The Proposer had suggested an Implementation Date of the first release following the closure of the Appeal Window. The Code Administrator considered that there may be a case for an extraordinary release to be scheduled the day following the close of the Appeal Window, to mitigate the risk associated with the misalignment of the IGT UNC and the UNC. The Workgroup unanimously agreed with this approach.

Recommendations

The Workgroup unanimously agreed with the recommendations:

- that the Self-Governance procedures should apply;
- to send the Workgroup Report to the Panel for approval, with a consultation to follow.

7. [Pre-Modification Discussion – IGT Enabler Modification for DSR Arrangements](#)

Summary

The Chair invited the Proposer to discuss this pre-Modification.

CG informed the Workgroup that the proposed Modification would incorporate and enable the existing National Grid Transmission (NGT) Demand Side Response (DSR) arrangements on IGT networks by aligning the IGT UNC with the UNC. The Modification would seek to mirror the following UNC Modifications, which were at various stages of the UNC Modification process:

- [UNC0822 – Reform of Gas DSR Arrangements](#)
- [UNC0833 – Enabling DSR Market Offers to be made by Non-Trading System Transactions](#)
- [UNC0844 – Enabling Direct Contractual Arrangements with Consumers for DSR](#)
- [UNC0845 – Enhancements to DSR Arrangements using a D-5 Product](#)

CG noted that UNC0822 and UNC0833 had been implemented, while UNC0844 and UNC0845 were at consultation stage, with positive signals received with respect to the likelihood of implementation.

CG noted that the alignment of the IGT UNC with the UNC would allow Class 1 and Class 2 consumers on IGT networks to participate in DSR arrangements, which provide a mechanism for those consumers to reduce their demand in lieu of a payment during times of system stress.

CG asked the Workgroup to consider the most appropriate IGT UNC Section to include the required legal text – the IGT UNC was otherwise silent with respect to DSR arrangements about which section of the IGT UNC the new Legal Drafting would go under. The Workgroup considered that Part K may be the most suitable option.

Timescales

The Chair confirmed that the Proposer had suggested an accelerated timescale for the new Modification, in order that implementation may be achievable for IGTs to participate in the upcoming cycle of DSR arrangements ahead of Winter 2023. Consequently, the Proposer sought confirmation from the Workgroup that:

- The Modification was developed sufficiently to not require further Workgroup discussion; and
- The Modification could be subject to a shorter (10 Working Day) Consultation period.

The Proposer further noted the intention to bring the Modification Proposal to the Modification Panel in July 2023, and request an extraordinary Modification Panel meeting in August 2023 to determine on the Final Modification Report following Consultation. The Proposer had also spoken to Ofgem with respect to the possibility of an accelerated turnaround of an Authority Decision on the Modification, as the Modification would require implementation ahead of September 2023 to take effect in time for the DSR period.

The Workgroup recognised that thorough discussion on the solution had occurred under the relevant UNC process and raised no issues with the new Modification proceeding fully in line with the intention of the Proposer.

With respect to the Authority consideration of the Modification, MK confirmed that Ofgem was aware of the proposals in both UNC and IGT UNC and would look to accelerate normal processes to provide determination ahead of the planned implementation date.

8. [AQ Review Table](#)

The Chair presented the AQ Review table to the Workgroup. No comments were received from the Workgroup. The Workgroup unanimously agreed to recommend the AQ Review Table to the IGT UNC Modification Panel in July 2023.

Standing Items

9. [Cross Code Modifications Implications Tracker](#)

HB presented the Cross Code Tracker to the Workgroup.

Watchlist

DM suggested that the new Modification [UNC0850 – Amendments to Allocation of Unidentified Gas Expert \(AUGE\) arrangements to introduce a new Residual Upstream Contributor](#) could be added to the tracker.

IGT UNC equivalent Modifications

The Workgroup had no comments on the current changes to the IGT UNC equivalent Modifications.

UNC Impact Assessments

ER told Workgroup that they would look to consult IGTs on Modification [UNC0842 – Gas Entry onto the Total System via an Independent Gas Transporter](#).

10. [IGT UNC Known Issue Register](#)

HB advised that there have been no updates to the Known Issues Register. CG asked about the issue of Shipper representation on the Modification Panel. The Code Administrator advised that Ofgem had taken an action on the issue, and an update was expected to be provided at the Modification Panel meeting in July 2023.

The next Workgroup meeting is scheduled for Thursday 10th August 2023.

Annex 1 – Actions Table

Reference	Action	Owner	Status
23/04 – 01	<i>Code Administrator to communicate questions to the INA regarding Shrinkage.</i>	<i>Code Administrator</i>	<i>Closed</i>
23/06 – 01	<i>Aleksandra Cebo and Ellie Rogers to contact the Code Administrator regarding the legal text in UNC0825 to identify IGT impacts.</i>	<i>Aleksandra Cebo & Ellie Rogers</i>	<i>Closed</i>
23/06 – 02	<i>Code Administrator to send the meeting invitation for UNC0849R to Workgroup participants.</i>	<i>Code Administrator</i>	<i>Closed</i>
23/06 – 03	<i>Ellie Rogers to contact to Oorlagh Chapman (Centrica) about raising the equivalent IGTUNC Modification for UNC0819.</i>	<i>Xoserve</i>	<i>Closed</i>
23/06 – 04	<i>Code Administrator to review the legal drafting for UNC0811S.</i>	<i>Code Administrator</i>	<i>Closed</i>
23/07 – 01	David Morley to provide an illustration of the shrinkage allocation calculation process for UNC0843, in support of the IGT165 Workgroup discussion at the next Modification Workstream meeting.	David Morley	Open
23/07 – 02	Ellie Rogers to provide any relevant information with respect to the procurement process for the Independent Shrinkage Expert to the next Modification Workstream meeting, where that information may support the development of IGT165.	Ellie Rogers	Open