

IGT UNC Modification Panel Meeting

Draft Minutes

Friday 22nd March 2024

10:00am via teleconference

Attendee	Initials	Organisation	Representing	Notes
Anne Jackson	AJ	Gemserv	Code Administrator	Chair
Andrew Eisenberg	AE	E.ON UK	Pipeline Users	
Cher Harris	CH	Indigo Pipelines	Pipeline Operators	
Eilidh McNally	EM	Last Mile Gas	Pipeline Operators	
Gareth Powell	GP	E.ON UK	Observer	Proposer for IGT173
Helen Bevan	HB	Gemserv	Code Administrator	
Jenny Rawlinson	JR	BUUK	Pipeline Operators	
Kirsty Dudley	KD	E.ON UK	Observer	Proposer of IGT173
Lee Greenwood	LG	Centrica	Pipeline Users	
Lisa Charlesworth	LC	Ofgem	Authority	Presenter of Item 5
Matthew Brown	MB	Ofgem	Authority	
Nadia Hall	NH	Ofgem	Authority	Presenter of Item 5
Nick King	NK	Barrow Shipping	Observer	Proposer of IGT172
Sean Winchester	SW	Ofgem	Authority	Presenter of Item 5
Talia Lattimore	TL	Gemserv	Code Administrator	Observer
Harry Firth	HF	Gemserv	Code Administrator	Secretariat

1. Welcomes and Apologies

The Chair welcomed the Panel to the meeting. 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. JR added items on the Cross Code Working Group (CCWG) and End of Gas. The Chair added items on Richard Pomeroy and scheduling clashes for UNC and IGT UNC meetings.

3. Approval of the previous minutes (24-01)

The CA invited comments on the 24-01 meeting minutes noting that no comments had been received prior to the meeting. No comments were raised during the meeting and the minutes were approved as a true and accurate account of the meeting.

4. Outstanding Actions

The Panel were informed that there were no outstanding actions.

5. Consultation on the Implementation of Energy Code Reform Presentation

LC, NH, and SW took the Panel through a presentation on the Consultation on the Implementation of Energy Code Reform.

JR queried when Ofgem would be able to provide a detailed timeframe for all potential Code Reform. LC responded that no detailed timings have been given for the time being, as Ofgem are working on finalising their approach to selecting Code Managers and Code consolidation, with responses received from the consultation expected to help inform Ofgem of this approach. Once this framework is established, Ofgem will be keen to engage affected parties on a more detailed timeframe, and it is hoped that will happen later this year. LC added that Ofgem are hoping to have the new Code Managers installed by early 2026. SW added that once this detailed timeframe is established, Ofgem will be keen to engage with parties and set up expert groups to add feedback and code expertise to the consolidation process. They added that more information on this would be made available towards the end of the year.

CH asked whether the timescale for consolidation of the IGT UNC and UNC codes would consider the date of end of new gas connections. They added that it was regarded that any consolidation would be easier to implement after this date, as this is the largest difference between the two gas codes. LC thanked CH for the feedback and asked if this could be added as part of any consultation response. They added that it may be beneficial to delay consolidation or certain phases of the process if implementation could happen faster at a later date, particularly if working around important dates affecting the codes. LC mentioned that the complications of the processes and working to implement all changes within the codes by 2030 may mean that all these events cannot be worked around~~considered~~, but feedback like this would be useful for Ofgem before any timeframes are finalised. They added that at the moment the aim is for Code Managers for some codes to be in place by early 2026, and the final phases of ~~consolidation would~~transition could happen in 2027/28, but this was subject to change and confirmation.

JR asked what is expected of the existing Code Administrators during the transition period and whether they will be expected to produce any delivery plans once Ofgem have released a strategic statement. LC responded that Ofgem have stated within the consultation that they are not expecting any such delivery plans. They added that it is hoped-proposed to bring in prioritisation processes into all codes soon, and that would be the main change to occur under the current governance model. LC pointed to the REC introducing this prioritisation process for changes a while ago, which has been beneficial, and that such a process could be tied in with any strategic plans or statements. LC added that this would be a change more for Panel business rather than the existing Code Administrator.

The Chair suggested that as any new governance template adopted by Ofgem will be first implemented by the REC and the BSC, any subsequent consolidations will understand the template as it would have been delivered already. LC confirmed this, stating that the aim is for this template to be as consistent as possible across the codes, noting the need to alter it slightly to consider the different technical requirements and existing framework of each code. The Chair asked if the phases highlighted by Ofgem for the transitional process will be discrete or will they be overlapping. LC responded that there is expected to be overlaps in the phases, for example phases 1 and 2 could be started together. They added that consolidation will take longer, but that process could begin alongside other phases. The Chair added that the IGT UNC is a distinct code, with a lot of references into the existing UNC code. They queried that these reforms do not seem to be looking to merge the codes, but instead to place them under the same governance structure. LC confirmed this, adding that with the powers of reform Ofgem have, a full consolidation would take too long. They added that the code manager, once appointed, will be in place to potentially undertake a full merger of the codes over a longer period, working alongside all code parties.

The Chair asked if Ofgem have considered implementing code consolidation ~~any reforms~~ under a Significant Code Review (SCR), which would enable these reforms to keep the different codes moving forward together at a constant pace. SW responded that the transitional powers Ofgem have are designed in a way that allows for flexibility. Reforms can be implemented more efficiently, cutting out some of the existing processes, up until the point where Code Managers are appointed. SW added that the Code Managers will likely have a license obligation to consider further consolidation rationalisation in the future. SW admitted that the process will may not be as smooth as if the reforms occurred under an SCR but ~~hoped-noted~~ that the expected efficiency gains from a more streamlined transition process and giving Code Managers obligations to pursue future consolidation ~~extra-powers for future reforms~~ will keep the momentum going.

JR asked about the timeline for outlining the plans for a new governance framework overseeing the two gas codes as part of the consolidation process. SW responded that more information would be available on the whole consolidation process for the two gas codes later in the year, as part of a subsequent consultation ~~the decision document created from consultation responses~~. This information should include the level of governance for the codes, detailed transition timelines and how Ofgem intend to carry out the consolidation. SW added that potentially, the consolidation process could start towards the end of next year and then bleed into the second phase.

EM asked if as part of these reforms, there will be an option for a review of the codes with a view to rewriting them in plain English. LC responded that they had received a similar question at another panel and although the task may fall to the new Code Manager, Ofgem would support any simplification of the codes for the benefits of everyone, particularly the new parties. LC added that Ofgem's focus with consolidation ~~Code reform~~ in the shorter term is on governance but appreciated

there will be cross references within the rules of the codes that will have to be dealt with as part of the consolidation process, hopefully with the help of expert working groups.

Modification Business

6. [IGT172 – Provision for gas entry within the IGT UNC](#)

The Code Administrator took the Panel through the Workgroup Report. The Chair reminded the Panel of the importance of the joint implementation of IGT172 and marrying modification [UNC 0842 - Gas Entry onto the Total system via an Independent Gas Transporter](#).

The Panel unanimously agreed:

- That the legal drafting meets the intention set out in the Solution
- That the Workgroup had spent sufficient time working on the modification and praised the Workgroup for their efforts.
- That the modification continues under Authority decision
- That the modification be sent for a three-week Consultation closing on 17th April 2024.
- That the Consultation will include an additional question focusing on the commercial arrangements within the legal text for the modification.
- That the Modification did not impact a current Significant Code Review

MB stated that they thought Panel was voting on implementation today, rather than sending it for consultation. They added that they had hoped to begin assessing UNC 0842 in the hope of establishing an Expected Decision Date but will have to wait until IGT172 has returned to begin assessing the modifications due to their marrying nature.

JR asked if there should be a question in the consultation asking if parties have any issues with the legal text for the modification. They added that it may be beneficial for Ofgem when they begin assessment of the modification, given the complexity of the legal text. JR asked MB if such an additional question focusing on the commercial arrangements of the legal text would be useful for Ofgem. MB responded that the question would be useful.

7. [IGT173 – Gateway delivery for RPC data](#)

The Code Administrator took the Panel through the Workgroup Report.

The Panel unanimously agreed:

- That the legal drafting meets the intention set out in the Solution.
- That the modification meets the conditions for self-governance.

- That the modification be sent for a three-week Consultation closing on 17th April 2024.
- That the Consultation for the modification include additional questions on testing (availability and participation) and the modification release date.
- That the Workgroup Report would include the Panel's discussion on costings and parties are open to add any additional comments as part of consultation responses.

HB added that Panel will be asked to vote on an additional question to be added to the consultation regarding the release date for the modification, whether it will be in November as originally proposed, or in February to allow for a 6-month lead time.

KD asked for Panel to consider another additional question to add to the consultation regarding testing and whether parties would like to register interest in taking part in a testing period prior to full implementation, adding that the Workgroup had all agreed such a period would be useful.

EM asked about the estimated costs of implementation. KD referred to the ROM response, which estimates the costs at a minimum of £15000, but no more than £50000. EM responded that following internal review, these estimates were not specific enough on what the costs cover. KD responded that the costs are linked to the service lines and the final costings will be the same as any DSC developed change. JR supported EM's query, adding that Panel are set to vote on implementation based on blind costs.

JR asked if the costs will be split between both Shippers and IGTs or will IGTs be expected to cover all the costs. KD responded that they expect the costs to be shared given both parties will benefit from the modification. JR asked if it was too late to add more detail in on the proposed split of the costs between the IGTs and Shippers. CH added that the ROM response does suggest the costs would be placed on both constituencies, but no mention of a specific split. EM queried if this could be clarified in some way as part of the consultation. CH recalled that there have been similar issues with previous modifications, with IGTs facing larger than expected costs. KD suggested that these costs could be covered in IGT charging statements. CH responded that unlike Gas Distribution Networks (GDNs), IGTs are unable to reclaim their costs, each cost comes off their bottom line. KD asked if there needs to be increased transparency around costings for modifications going forward. JR responded that traditionally in the IGT UNC, if a shipper has raised a modification with only or mostly benefits for shippers, that the proposal will include details on shippers bearing the costs. They added that as this is a modification with benefits for both IGTs and shippers, then more clarity is needed on the split of costs. The Chair added that it seems to be more of a general loophole for modifications, and that going forward, more information would be needed on costings at an earlier stage of the modification. AE informed the Panel that this issue has been raised at the DSC Change Committee recently and said the committee had decided to try to accommodate the concerns of Pipeline Operators with this issue. JR welcomed this decision and said it would be good to get IGT representation at the Change

Committee when this issue is discussed further. KD added that a fair split could be agreed between IGTs and Shippers at the Change Committee. JR asked the Chair if this discussion could be pointed to in the consultation. The Chair responded that the discussion could be included within the Workgroup Report and responders could have it highlighted and be referred to the ROM response. They added that under the normal rules, this issue would be called out and the DSC would determine the proportion of costs for both sides. KD suggested that this would be better as an additional question in the consultation.

The Chair asked Panel how they would like to proceed with the costings issue. JR responded that responders be referred to this discussion, including that the Proposer's view that costs are borne by both IGTs and Shippers, and whether responders have any concerns. EM added that there should be emphasis on the issue surrounding blind costs, with parties being asked to review the modification without an accurate estimate of the implementation costs. CH added that this is more of a general issue with modifications, and it should be included that the DSC Change Committee will be making the final decision on costs, allowing any interested parties to attend.

AE asked about the timings of the modification with the DSC Change Committee. The Chair stated that the next meeting of the committee will be in April and asked if this issue is on the agenda. KD responded that it is not. They added that they are happy to speak with Xoserve about the design process, and if the ROM process needs to be altered going forwards to allow for more detail on costs. AE added that the maximum cost of £50000 would be split between all the IGTs. Given it is likely that the costs will be below this number and shippers will bear a share of the costs, the costs to individual IGTs will be lower than this.

The Chair agreed to allow all parties to comment on the issue, with the discussion available to view in the Workgroup Report. JR added that there is a space in the consultation response form for parties to post any additional comments, which could be utilised to discuss the costings issues.

LG asked how the other IGTs not represented at Panel are made aware of these potential costs. KD responded that both the consultation and the DSC processes will make them aware of the potential costs. As part of these processes, they will be able to observe the detailed design of the modification and then the detailed costs.

8. Authority Update

MB informed the Panel:

- Ofgem have noted the DESNZ call for evidence on a [Future Policy Framework for Biomethane Production](#) which is open for responses until 25th April 2024.

- Ofgem have recently published a joint consultation with DESNZ on their [preferred policy options for Code Manager selection regulations and the Code Manager licence conditions](#), which will eventually be designated by the Secretary of State. The consultation closes on 5 May.
- The consultation on the implementation of Energy Code Reform is available on the Ofgem website and will remain open until 23 April 2024. The consultation seeks feedback on the Authority's proposed approach, including potential code consolidation.
- Ofgem are hosting a webinar on Tuesday 26 March (10am-12noon) where they will summarise their key proposals from both consultations.
- Ofgem have had significant interest in joining their Modification Process Workgroup. The team is currently working toward holding the first meeting in May.
- Ofgem have recently published this [open letter](#) which reflects a clear steer as to their intended next steps for relevant parties in the operation of Industry Codes and the proposed requirement to follow Data Best Practice Guidance in their handling of data. This is aimed at standardising data and its use, making data as interoperable as is practicable, and promoting a culture wherein data is used fully for a more efficient energy sector as it transitions towards zero carbon. MB added that Ofgem are doing a presentation on this at the next UNC Panel, and suggested they would be happy to do the presentation at a future IGT UNC Panel meeting. JR agreed, suggesting it would be useful for Panel members to hear. MB suggested that they will put the Code Administrator in touch with the relevant Ofgem personnel.

24/03 – 01: Code Administrator to contact Ofgem for presentation on Best Data Practice Guidance at a future IGT UNC Panel Meeting

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

The Panel were directed to Ofgem's latest Expected Decision Dates which were published on 23rd February 2024. The table stipulated that:

- [UNC 859 - Reintroduction of the enhanced pressure service and increased MNEPOR for BBLC \(as introduced by UNC0814\)](#) was published on 5th March.
- [UNC 856 - Introduction of Trials for Non-Daily Metered \(NDM\) Demand Side Response \(DSR\)](#) published on 19th March.
- [IGT UNC 169 – Aligning the Capacity requirements for NExA Supply Points in the UNC with Capacity requirements for LDZ CSEP Ancillary Agreement \(LCAA\) Supply Points under the IGT UNC](#) was published on March 27th.
- [UNC 857 - Revision to the Determination of Non-Transmission Services Gas Year Target Revenue](#) is due for publication on April 12th.

MB informed the Panel that a new version of the EDD register will be published on April 2nd.

AOB**10. Cross Code Working Group**

JR raised the Cross Code Working Group (CCWG) for the Future System Operator (FSO) Codes Change Programme to the Panel. JR noted the work of the CCWG on looking at any code modifications required for the establishment of the FSO and believed the IGT UNC is the only code not involved in the group. They queried whether it would be worth the IGT UNC being represented at the group, even if to determine any impacts on the Code from the FSO. LG asked for some more information. JR explained the FSO is the establishment of a Future Systems Operator, and the CCWG was established to determine any changes to the codes that would be required as a result. JR added that they were happy to circulate some more information on the CCWG to the Panel.

24/03 – 02: Jenny Rawlinson to circulate information on the Cross Code Working Group.

JR asked MB if they thought it would be worth the IGT UNC being represented at the CCWG. MB responded that they do not work on the CCWG but will take away notes from the meeting and discuss with relevant colleagues to report back on at the April IGT UNC Panel meeting.

24/03 – 03: Matthew Brown to provide feedback from Ofgem on possibility of IGT UNC representation at the Cross Code Working Group.**11. End of Gas – Disconnection Data**

JR raised the issue of data for gas disconnections to Panel. JR suggested that there will be a need for IGTs to collect data on gas disconnections and the reasons for the disconnections. They feel that the current data collection around disconnections is not sufficient. JR suggested that parties could look at the current processes in place, with an aim of collecting more detailed data on gas disconnections. KD asked if this would also have to be discussed in the REC, as from a Shipper's perspective, the gas supplier will be capturing that information rather than the shipper. JR agreed that it would be a cross code issue and added that their colleague Charlotte Gilbert had raised it at UNC Panel on 21st March. The Chair also agreed that it would become a cross code issue.

KD added that extra data collected on gas disconnections could be used to help differentiate between temporary and permanent disconnections. JR agreed. They added that they hoped Xoserve would be represented in the meeting so that they could be asked what data they currently receive in this area and whether this could be shared with IGTs to maximise knowledge.

CH asked JR where the requirement to capture this information is coming from, adding that Indigo Pipelines have had only a few enquiries from customers about gas disconnection, which generally fall through once they are provided with a disconnection quote. JR responded that BUUK have been

seeing an increasing number of disconnections to the point where it is felt valuable to capture this information more thoroughly. They added that a collection of this data may be useful for other general matters in the longer term, such as the decommissioning of pipes or networks.

KD asked JR about timelines for any action. JR responded that there is no timeline in mind at the moment, but the aim is to seek the views of other stakeholders at the moment, and also discuss the current data collection processes with Xoserve. KD asked if there would be any aim to capture data retrospectively, adding that suppliers would likely push back hard against that. JR agreed it would be unreasonable to ask for retrospective data. They added that there is a working group led by GDNs on maintenance services, with IGT input. JR said that this working group is looking into data collection around disconnections. KD supported the discussion of potentially increasing this data collection, suggesting the increasing value and potential expansion of this information in the future.

12. Large Transporter Panel Observer

The Chair informed the Panel that Richard Pomeroy has resigned as the Distribution Network Representative on the IGT UNC Panel. They added that Richard had chosen to resign as they are no longer on the UNC Panel, and there has been no suggestion of a replacement, although the Chair may contact the Distribution Networks to enquire about that.

13. UNC and IGT UNC Meeting Clashes

The Chair informed the Panel that the UNC have started planning meetings which clash with meetings of the IGT UNC. They noted that the March and April IGT UNC Workgroup meetings clash with UNC Governance meetings and the UNC Governance meetings no longer have a regular meeting slot. They added that the UNC Panel meeting in December 2024 has recently been changed and is clashing with the IGT UNC Workgroup meeting of that month. The Chair stated that some impacted parties have petitioned the Joint Office to revise these dates. They suggested that some of the Workgroup dates may need to be moved. JR stated that they have gone back to the Joint Office over this issue, stressing the importance of IGT representation at UNC meetings for the benefits of both Codes and any cross-code matters, which is impacted by meetings clashing. They suggested that a formal letter to the Joint Office may be the best option to try to work with them to avoid future clashes. CH agreed that this is the best option. The Chair noted that these clashes have started happening more regularly, which affects both meeting attendance and the ability of the IGT UNC to raise modifications, some of which will be parallel to UNC modifications. JR suggested that the letter is sent to the UNC Panel Chair, to circulate the issue further. CH agreed. The Panel agreed to send a letter to the Joint Office and the UNC Panel Chair over the meeting clashes and actioned the Chair to draft it.

24/03 – 04: The Chair to draft a formal letter from the IGT UNC Panel to the Joint Office and the UNC Panel Chair over meeting clashes with the UNC and the IGT UNC.

The next IGT UNC Panel meeting is scheduled for Friday 26th April 2024.

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Annex 1 – Actions Table

Reference	Action	Owner	Status
24/03 – 01	Code Administrator to contact Ofgem for presentation on Best Data Practice Guidance at a future IGT UNC Panel Meeting	Code Administrator	Open
24/03 – 02	Jenny Rawlinson to circulate information on the Cross Code Working Group.	JR	Open
24/03 - 03	Matthew Brown to provide feedback from Ofgem on possibility of IGT UNC representation at the Cross Code Working Group.	MB	Open
24/03 - 04	The Chair to draft a formal letter from the IGT UNC Panel to the Joint Office and the UNC Panel Chair over meeting clashes with the UNC and the IGT UNC.	Chair	Open

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