Additional IGT172 Legal Drafting Meeting

Draft Minutes

Tuesday 5th March 2024 via Teleconference

Attendee	Initial	Organisation	Notes
Anne Jackson	AJ	Gemserv	Chair
Cher Harris	CH	Indigo Pipelines	
Daniel Worman	DW	GTC	
David Mitchell	DM	SGN	Proposer for UNC Modification 0842
Eilidh McNally	EM	Last Mile Group	
Helen Bevan	HB	Gemserv	Code Administrator
Jack Shakeshaft	JS	GTC	
Jenny Rawlinson	JR	BUUK	
Joel Martin	JM	SGN	Proposer for UNC Modification 0842
Nick King	NK	Barrow Shipping	Proposer for IGT172
Harry Firth	HF	Gemserv	Secretariat

1. Welcome and Apologies for Absence

The Chair welcomed attendees to the meeting and no apologies were received.

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.

The Chair indicated that the meeting was to be dedicated to a detailed review of the legal drafting to support modification IGT172 Provision for gas entry within the IGT UNC and to ensure that the related UNC modification UNC0842 Gas Entry onto the Total system via an Independent Gas Transporter knitted with the IGT UNC modification appropriately. They thanked the proposers of the modification from SGN for joining the meeting to facilitate this process.

The Chair also indicated that there were no further plans to discuss the legal drafting post this meeting and that the Workgroup Report would be completed at the next Workgroup meeting (March).

3. Outstanding Actions

HF informed the Workgroup that there were two outstanding actions as follows:

24/01 – 02: **Nick King to review and revise where necessary the following sections of the redrafted TPD Section I for IGT172 to ensure clarity:**

- **2.2 – Amendment of Network Entry Provisions**
- **2.5.3 – Measurement Provisions**

- **2.6.5 – Local operating Procedures, "Transportation Constraint"**
- **3.1.2 – Pipeline Entry Point daily quantity delivered**
- **3.4.2 – Amount Payable by Delivering Pipeline User**
- **3.6.1 – Network Entry Provisions**
- **3.9 – Restricted Delivery of gas**
- **3.11.9 – Gas Venting**

NK provided an explanatory table to present the changes made to the above sections of the redrafted Transportation Principal Document (TPD) Section I for IGT172 to the Workgroup. NK added that the legal text had been drafted to replicate the TPD Section I as closely as possible.

For Section 2.5.3 – Measurement Provisions, NK had asked for feedback from the CDSP and SGN prior to the meeting on the revised wording in this section. The CDSP had responded by stating the modification has no central system impacts, and thus would not be attending the meeting. JR asked if there is no impact on the CDSP because these measurement provisions are captured within the marrying modification UNC 0842 - Gas Entry onto the Total system via an Independent Gas Transporter. JM confirmed this, as these provisions are not included within the IGT UNC code, and the Gas Distribution Networks (GDNs) would deal with these provisions in the same way as on the UNC. DM added that the legal text for UNC 0842 was written specifically to deal with this issue. To address this, NK has replicated ad ~~added a link to~~ UNC TPD Section E sub-section in the revised drafting for IGT UNC Part Q Sections 2.5.3 and 3.1.2 to ensure that the link between the UNC and IGT UNC codes was sufficient here.

The Chair asked whether the obligation to obtain meter readings needed by the GDNs is covered under the IGT UNC legal drafting for IGT172, or the UNC legal drafting for UNC 0842. NK responded that this would be covered under the IGT equivalents of a Network Entry Agreement (the Tripartite Network Exit Agreement (NEA)/Pipeline Entry Agreement) and the Network Entry Provisions (Pipeline Entry Provisions) under this agreement. This requirement is enabled in the UNC through the UNC TPD document and by replicating this document for the purposes of the IGT UNC, it should thus be enabled in the IGT UNC following implementation.

The Chair queried how the biomethane operator is obligated to put in the metering equipment to capture these readings, as the obligations previously mentioned would be on the IGT. JM responded that these obligations would be captured as part of a Tripartite Network Entry Agreement between the GDN, the IGT and the biomethane operator. JM asked if there is an obligation in the modification for the IGT to pass these readings onto the GDN, or if it is captured within the Network Entry Agreement. NK confirmed that it is to be captured in the Tripartite Network Entry Agreement.

The Chair asked if the obligations to install the meter reading equipment in the first place is also captured under this Network Entry Agreement. JM responded that this is captured under the Network Connections Agreement. This will be the first agreement signed by the Biomethane Operator, where

they will be obligated to build a Network Entry Facility to the required specifications. Once the site is commissioned, this Network Connections Agreement is essentially replaced by the Network Entry Agreement.

JR queried the impact of this modification on the relationship between the IGTs and shippers, and the lack of activity with shippers for IGT172. The Chair also asked if the shipper would know where the gas is coming in from. JM responded that a brand-new entry point will be created by National Gas on the Gemini System, and the shipper who is contracted to purchase the gas from the Biomethane Operator will be registered at this entry point. The Chair asked if the shipper would know the exact entry point, including the geographic location. JM responded that the entry point would be associated with the Local Distribution Zone (LDZ). NK added that on Gemini, the logical meter numbers would act as unique reference numbers and would relate to a physical place.

JR asked how an IGT would know they have an Anaerobic Digestion (AD) plant connected to their systems. NK responded that the default position is that there would not be an AD connection on an IGT network unless it was proposed to them and they enter into an agreement to build the entry facility. ~~. Then the IGT would come forward with~~ i.e., a connection offer to the proposed connecting~~ing~~ party. The hardware would then have to be built and a Pipeline Entry Agreement (Tripartite NEA) created between the AD plant and the IGT. JR asked if an IGT would be able to know from their systems if there was an AD plant and entry point onto their network. NK responded that adding an entry point would take a long time to construct and require the involvement of IGT personnel, and when these works were advanced, National Gas~~UK Link~~ would be contacted to set up the Gemini logical meter for the entry point~~.~~, as mentioned by JM earlier. The sheer amount of work and number of different groups/organisations to make it happen would mean any impacted party would know what is happening as they are involved in the construction or setup of this entry point.

JM asked JR what information an IGT would need for an entry point, suggesting it would be slightly different to the information an IGT requires for an exit point, for several reasons including billing. JR queried the issues with using a Gemini logical meter number, as IGTs no longer use these numbers, and BUUK's billing systems are set up to bill per MPRN, and there would not be one at an new entry point. JM responded that as there is no proposed gas entry transportation product in the IGT172 proposed contractual relationship for entry gas transportation between an IGT and a shipper at entry point, there would be no reason for the IGT to bill the shipper. The ~~only~~ key "day to day business" interest for the IGTs is in the Network Entry Agreement with the Biomethane Operator, which obligates the Biomethane Operator to contract a Shipper. The Biomethane Operator will then inform the IGT that there is a contract in place with a Shipper.

JR surmised that, as this Shipper would be responsible for the flow of gas on the IGT's network, then there is a relationship between the IGT and the Shipper, and potentially the IGT would have no way of recording or recognising this shipper, although the IGT could bill the Shipper for using part of their network. JR also queried whether these potential transportation charges, where applicable, should be in accordance with any Tripartite Agreement and should be added within the IGT UNC. DW asked in

respect of these transportation charges, whether there would be a need to apply for an exemption in respect to charging. JR responded that an exemption would not be needed, but if an IGT did want to charge, a new charging statement would need to be approved by Ofgem. NK responded that IGTs could look at the charging statements used currently by GDNs and incorporate similar arrangements into their own statements, subject to beingif approved by Ofgem. JM added that for the GDNs, all charges are all 100% chargeable to the connectee. NK added that in the new Section Q of the IGT UNC, in respect of an entry point, a delivering Pipeline User will pay the relevant transportation charges if any as set out in the transportation statement. They also added that within the IGT UNC is the this mechanism should mean that code modifications are not needed to introduce new charges, instead the process would be through charging statements under LC4A.

DW added that an IGT network is not a typical network with other consumers on it, it is just facilitating the entry of gas onto the GDNs' network. JM added that the IGTs could either add transportation charges for this facilityation or offset the costs by instead agreeing a one-off charge with the Biomethane operator. JM added that in the event of the latter, transportation charges could be added on for the shipper registered at this new entry point if the IGT was incurring costs.

DW asked if the GDN covers its own Operation and Maintenance costs. JM responded that the SGN charge 100% to recover all associated costs with facilitating the initial connection to the GDN network, which is through the Connections Agreement. This is billed to the connectee in accordance with the DNO's Licence Condition D12 3 (c).Shipper registered at the entry point of the GDN network.

JR asked in the event of a new entry point in a network, with a couple of properties set up on the network, would MPRNs be allocated to these properties. JM confirmed this. JR asked if the shipper would be registered against these properties as they came onto the network. JM stated that they would be. They added that it would not be identified that the properties were on a pipeline laid specifically for bio methane plants, and this pipeline would have been adopted under the GDN network. Exit charges would apply for these properties as normal.

For Section 3.4.2 - Amount Payable by Delivering Pipeline User, The Chair commented that if the UNC definition "Applicable Liability Gas Price" (which is proposed to be added in Section M of the IGT UNC) is used and the price is not available, the decision will go to the UNC panel. They queried if the GDNs would be involved in this issue and whether the UNC panel is the right place. NK asked JM and DM if they have encountered these circumstances. JM confirmed that they have not, adding that the SGN does not allow non-complaint gas on their network (Section 3.4 is Payment in respect of non-compliant gas). NK read out the definition of "Applicable Liability Gas Price" as per the TPD section of the UNC. JM added that it is an index used to working out the charges for non-compliant gas but reiterated that SGN had not used it before. The Chair added that in the unlikely event that the decision did go to the UNC panel, it would be the right place to go, as there is representation from IGTs, Shippers and GDNs, all of whom would be impacted.

The remaining sections revised by NK since the January Workstream were reviewed without comment from the workgroup. Action closed.

24/01 – 03: Parties to review the legal drafting for IGT172 – Provisions for Gas Entry within the IGT UNC in advance of the IGT172 Legal Drafting Meeting. This action was undertaken by attending parties prior to the meeting. Action closed.

4. IGT172 – Provision for gas entry within the IGT UNC

NK presented the proposed changes to the relevant and impacted sections of the IGT UNC code to the Workgroup, as well as the full legal drafting of the proposed new Section Q.

For Section Q, 2.2 – Amendment of Pipeline Entry Provisions, NK asked JM if any amendments happen often? JM confirmed this and added that usually the only amendments made are if the biomethane operator wants to change the amount of gas being entered into the system.

For Section Q, 3.3 – Compliance with Gas Entry Provisions, NK asked JM if the closing down of an AD plant would lead to a gas shortage anywhere? JM responded that there would not be a shortage. NK added that for any non-complaint gas, it would be very easy for the GDN to shut off this gas coming onto their network and JM confirmed this.

NK asked the Workgroup for feedback on the proposed changes to Section H, 2 – Maintenance Programme. DW asked if clause 2.1 is an existing clause, putting an onus on IGTs to review its maintenance programme every year. The Chair responded that this would be more of an internal review for IGTs, and any annual reviews do not need to be published. JR added that it is likely a clause that was copied across from the original UNC code years ago.

The Workgroup did not add any further comments for the proposed changes to sections I, J and K of the IGT UNC. The Chair thanked the Workgroup for their attendance and cooperation with the review of the legal drafting for IGT172. They added that all outstanding actions are now closed with the conclusion of the legal drafting review.

5. AOB

There were no items of AOB and the meeting was closed.

The next Workgroup meeting is scheduled for Thursday 14th March 2024.

Annex 1 – Actions Table

Reference	Action	Owner	Status
24/01 – 02	*Nick King to review and revise where necessary the following sections of the redrafted TPD Section I for IGT172 to ensure clarity:* • *2.2 – Amendment of Network Entry Provisions* • *2.5.3 – Measurement Provisions* • *2.6.5 – Local operating Procedures, "Transportation Constraint"* • *3.1.2 – Pipeline Entry Point daily quantity delivered* • *3.4.2 – Amount Payable by Delivering Pipeline User* • *3.6.1 – Network Entry Provisions* • *3.9 – Restricted Delivery of gas* • *3.11.9 Gas venting*	*Nick King*	*Closed*
24/01 – 03	*Parties to review the legal drafting for IGT172 – Provisions for Gas Entry within the IGT UNC in advance of the IGT172 Legal Drafting Meeting.*	*All Code Parties*	*Closed*