

IGT UNC 25-05 Modification Workstream Meeting

Draft Minutes

Thursday 8th May 2025 via Teleconference

Attendee	Initial	Organisation	Notes
Anne Jackson	AJ	Gemserv	Chair
Aleksis Butler	AB	BUUK	
Ben Mitchell	BM	Xoserve	
Bradley Wood	BW	Centrica	
Charlotte Gilbert	CG	BUUK	
Cher Harris	CH	Indigo Pipelines	
David Morley	DM	Ovo	
Eilidh McNally	EM	Last Mile Gas	
Ellie Osobina	EO	Ofgem	
Josie Lewis	JL	Xoserve	
Jayne McGlone	JM	Xoserve	
Lee Greenwood	LG	Centrica	
Nick King	NK	CNG Services	
Talia Lattimore	TL	Gemserv	Code Administrator
Harry Firth	HF	Gemserv	Secretariat

1. Welcome and Apologies for Absence

The Chair welcomed attendees 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 and asked attendees for 'Any Other Business' (AOB) items. EO added Item 11 – Authority Update.

3. Approval of the Previous Minutes 25-04

HF informed the Workgroup that comments were received for the draft 25-04 Modification Workstream meeting minutes prior to the meeting from Xoserve to clarify the minimum lead time required for IGT165. The Workgroup had no further 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.

MODIFICATIONS

5. IGT165 – Independent Shrinkage Expert and Independent Shrinkage Charge

TL advised that the Workgroup Report needed to be completed in this meeting with the aim of this Modification going to Panel later this month and a consultation to be issued shortly afterwards.

TL advised that there is one Rough Order of Magnitude (ROM) produced by Xoserve for both IGT165 and [UNC 0843 - Establishing the Independent Shrinkage Charge and the Independent Shrinkage Expert](#), and the proposed implementation costs mentioned in the ROM have not been split out or separated. TL added that this information is based on the ROM published on 10th March and JM confirmed this is the latest version. TL went through the previous discussions on the ROM in the March 2025 meeting, noting the conversations on the dependency of UNC 0843 on IGT165 being implemented and that the costs will be settled through the usual DSC Change Management process. The Workgroup had no further comments to add.

Relevant Objectives

TL noted the Proposer's identified impacts on the Relevant Objectives captured in the Workgroup Report, which are positive impacts on (E) – Provision of reasonable economic incentives for relevant Suppliers to secure that the domestic customer supply security standards are satisfied as respects the availability of gas to their domestic customers and (G) – Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators and neutral impacts on the other Relevant Objectives.

TL took the Workgroup through the previous discussions on the Relevant Objectives in the March 2025 meeting, where the Proposer had decided to align the Relevant Objectives with the identified impacts in UNC 0843, as IGT165 is an enabling Modification for UNC 0843 and so can reflect the same benefits and impacts in the Proposer's view. DM added some additional paragraphs to their rationale as Proposer, noting that the key positive impacts of the Modification on customer impacts and net zero are not covered off by any of the Relevant Objectives, and (E) and (G) had been identified as the best fit objectives.

TL asked the Workgroup for their views on how IGT165 impacts Relevant Objective (E). CG responded that their view would be a negative impact on (E) due to the unknown procurement costs. CH asked if the impact can be deemed as positive if (E) is stating the economic incentive is on the relevant Suppliers but the Modification itself is moving the incentive onto the GTs. TL clarified the entire Relevant Objective (E) for the Workgroup. DM added that this had been identified as a positive impact as (E) is the best fit Objective. CG advised that they could not see how there is a positive impact given the nature of the Relevant Objective (E) itself. They added that given IGT165 is essentially a data provision Modification, it cannot have a positive impact on (E) itself. CH agreed. There were no other views put forward by the Workgroup and a negative impact was noted on the Workgroup Report.

JM asked if the costs of procurement will feed into the bills of end Consumers. They added that although the exact costs are currently unknown, they are likely to be high and thus will likely have a negative consumer impact. DM asked if the procurement costs should be considered under IGT165. The Chair responded that the Workgroup need to adopt a consistent approach to judging the impacts of UNC 0843 with regard to the enabling elements of IGT165, adding that if the benefits of UNC 0843 are to be considered under IGT165, then so must the costs. DM responded that this was a fair comment, but added that without IGT165, the procurement costs for UNC 0843 would be the same. CH agreed that the procurement costs do not fall under IGT165 but noted that it is not cost neutral for IGTs due to the requirements to provide data to the ISE. DM agreed but added that it was important to clarify which costs are relevant as there is a significant difference between the estimated procurement costs and the estimated costs to provide the ISE with data. The Chair suggested that this last comment was not strictly relevant to Objective (E) and suggested that the Workgroup work through each Relevant Objective.

CG suggested that there is a negative impact on Relevant Objective (A) – Efficient and economic operation of the pipeline system, as there is already an existing mechanism in Code to deal with Shrinkage and this Modification is effectively doubling up on this mechanism at a huge additional, unnecessary cost to parties. CH agreed and suggested that there would also be a negative impact on Relevant Objective (B) – Coordinated, efficient and economic operation of the combined pipeline system. There were no further views from the Workgroup on Relevant Objectives (A) and (B) and the impact was recorded as negative for both Objectives.

CG agreed with the Proposer's view that there is a neutral impact on Relevant Objective (C) – Efficient discharge of the licensee's obligations. DM suggested that this could have been a positive impact as the IGTs will be incentivised to keep accurate data to align with any data provision requests from the ISE. CG responded that there are already mechanisms in place for IGTs to do this and the Modification will likely have no impact in this area. There were no further comments from the Workgroup and the impact was recorded as neutral for this Objective.

LG and CG agreed with the Proposer's view that there is a neutral impact on Relevant Objective (D) – Securing of effective competition between relevant Shippers, Suppliers or DNOs. There were no further comments from the Workgroup and the impact was recorded as neutral for this Objective.

CG suggested that there is a negative impact on Relevant Objective (F) – Promotion of efficiency in the implementation and administration of the Code, as this Modification and UNC 0843 are effectively introducing dual governance on the existing Shrinkage model in the IGT UNC. DM responded that the Modifications do not change the existing Shrinkage model at all but create a new set of governance that sits alongside it and looks at the shrinkage model's error. CG responded that they would see that as dual governance, that they see the two schemes governing the same issue rather than working alongside each other. There were no further views put forward by the Workgroup and a negative impact was noted in the Workgroup Report.

CG suggested that for Relevant Objective (G), there are already regulations and license conditions in place to incentivise IGTs to deal with Shrinkage. DM responded that currently IGT shrinkage is set to zero, so it all flows into Unidentified Gas (UIG). CH responded that it is set to zero because it is considered de minimis, not because it is an absence of a value. The Chair asked if this is reviewed annually. CH responded that it is reviewed periodically, but not annually. CG asked if this arrangement is captured in Code, and if so, where it is. The Chair responded that in [UNC 0887 - Facilitating Bi-Directional Connections Between IGT Pipelines and the NTS](#), it indicates that IGT shrinkage is considered de minimis in these circumstances. DM shared section H2.6 from the Independent Gas Transporter Arrangement Document (IGTAD) which states that there are no arrangements for IGT Shrinkage, and it forms part of UIG. They added that a recent AUGE statement showed IGT Shrinkage contribution at 19Gwh. CH responded that this figure is disputed, and added that every few years, the INA, with input from DNOs assess shrinkage using an external party to run the modules. This work has consistently shown that the value of IGT shrinkage is de minimis, which is why the IGT Shrinkage remains at zero. The Chair asked if these reports are in the public domain. CH responded that they were unsure. There were no further views put forward by the Workgroup and a negative impact noted on the Workgroup Report for Objective (G)

Implementation

TL noted the previous Workgroup discussions in March 2025 on implementation, that it had been agreed by the Proposer and Workgroup that the Modification should be implemented at the same time as UNC 0843, should only be implemented if UNC 0843 is implemented and should only be implemented when the required licence changes are put in place. The Workgroup were happy with this approach.

The Chair asked the Workgroup if they felt a standard three week consultation period was appropriate for this Modification. CG and CH agreed that it was.

Recommendations:

The Workgroup agreed that:

- The Modification should be subject to an Authority Decision.
- The legal text fully delivers the intent of the Solution.
- All impacts had been identified for the Modification.
- The Modification should be issued for Consultation.

6. [IGT176 - Changes to IGT UNC to enable UNC0887 'Facilitating Bi-Directional Connections Between IGT Pipelines and the NTS'](#)

NK provided an introduction to the Modification to the Workgroup. NK explained that IGT176 is an enabling Modification for [UNC 0887 - Facilitating Bi-Directional Connections Between IGT Pipelines and the NTS](#). NK went through the required areas of the IGT176 solution which include:

- Adding National Gas Transmission (NGT) as a “Large Transporter” alongside DNOs.
- Replicating the UNC’s non-CSS provisions so that the Supply Point Administration (SPA) for indirectly connected NTS exit is treated identically to direct connect equivalents.
- Aligning with the UNC 0887 legal text to add the right for an IGT to insist on an equivalent to a Network Exit Agreement (NEXA), where the IGT are obliged to propose changes to the IGT UNC Code to ensure it is kept aligned with future changes to the UNC Code, particularly changes to the UNC 0887 legal text.

TL noted that UNC 0887 is currently out for consultation until 13th May. They added that the Modification was sent back to Workgroup by the Panel so that some areas of party impacts (including IGT party impacts) could be reconsidered. The Workgroup considers UNC 0887 stands on its own and the ongoing work on IGT176 is not enough to pause UNC 0887. Therefore, the Modification was progressed to consultation. TL added that UNC 0887 will return to the UNC Panel in June following the consultation closing for responses.

NK advised that the UNC0887 proposal changes the Independent Gas Transporters’ Arrangements Document (IGTAD) ~~to add NGT as a relevant Party. to add NTS to the definition of a “Large Transporter” and thus as a party to the IGTAD.~~ They added that there would be additional obligations in the IGTAD for IGTs that choose to have an IGT system connected to the NTS.

NK added that there will be a clarification at the start of the proposed IGT UNC new Part R and that these new obligations will only apply to those parties with a system connected to NTS.

The Chair asked if these new obligations would apply to both IGTs and Shippers. NK responded that this is the case. LG asked NK to clarify the impact on Shippers. NK responded that it would only apply to Shippers planning to operate on an entry or exit point on the new IGT-NTS connected pipeline system. LG asked about the difference between this Modification and [IGT172 – Provisions for Gas Entry within the IGT UNC](#). The Chair explained that IGT172 allowed for the connection of an IGT pipeline directly to a Distribution Network (DN) or existing Large Transporter, whereas IGT176 is connecting IGT pipelines directly to NTS. He also noted that the DN/Large Transporter connection with the IGT is unmetered as the IGT to NTS connection will be.

The Chair added that another significant difference is there were no implications for downstream supply points with IGT172, whereas for IGT176, there will be requirements incorporated for any connected Supply Points downstream of the NTS connection point. NK added that introducing biomethane into the system is made much simpler thanks to the implementation of IGT172 and UNC 0842 - Gas Entry onto the Total system via an Independent Gas Transporter with only minor tweaks to the Code being required to this section for this Modification.

The Chair asked if the connections between the NTS and a Distribution Network are metered. NK responded that they believe these are metered connections, known as Offtake Meters.

The Chair asked why NTS have requested that all connections downstream of the NTS connection point are to be non-standard. NK responded that the IGT pressure will be maintained at the NTS

pressure. The Chair asked how often are direct non-standard connections to an IGT pipeline expected to be used. NK responded that they expected it will be often and added that NTS have prohibited the connection between an IGT connected to NTS and an existing or future IGT connected to a DN as part of UNC 0887.

TL and NK took the Workgroup through the first version of the draft legal text for IGT176. TL advised that this text took into account the UNC 0887 legal text published on 2nd April. TL went through the proposed amendments to Part CI, which includes the new definitions “Non-CSS Supply Meter Point” and “Non-CSS Supply Point” and removal of the clause that states that all Supply Meter Points are CSS Supply Meter Points. NK added that they had included a clause stating that all NTS Supply Meter Points are non-CSS Supply Meter Points, which is carved out from a paragraph in TPD that included references to some concepts irrelevant to the IGT UNC. TL advised that some lines have been removed which indicate that clauses in the UNC relating to NTS or non-CSS Supply Meter Points should not apply in the IGT UNC, that they could be applied.

TL introduced the proposed new Part R – Exit Requirements for NTS Supply Meter Points, which is based closely on UNC TPD Section J. They noted that the Proposer has taken the same approach as they did for IGT172, and they have aligned the numbering of the clauses to the UNC TPD Section J to help future-proof the Code, and that any clause in the UNC which is not relevant to IGT176 will be stated as “not used” in the IGT176 legal text.

TL advised that an introductory line had been included in Part R to state that the provisions in this new part shall only apply in respect of the offtake of gas from an IGT Pipeline at Supply Meter Points situated downstream of an unmetered IGT-NTS connection point. This will ensure that the provisions are appropriately ring fenced.

NK advised that they had realised that ~~an extra line is~~ additional changes are required in Part CV which references TPD Section G Paragraph 6 and added that this would be included in the next version of the draft legal text to be published ahead of the June Workgroup meeting.

NK took the Workgroup through an Xoserve presentation on the differences between standard and non-standard sites, including templates replacing some file formats, the methods in which these templates are sent, validations performed by Xoserve and the Network/Transmission referrals required. They added that this is what TPD Section G Paragraph 6 refers to. NK added that they would be happy to meet with Xoserve separately to go through the draft legal text and ensure that there are no additional obligations placed on Xoserve as a result of IGT176. JL responded that they would check internally and then potentially reach out to NK offline.

The Chair asked about the proposed sections of the new Part R relating to pressure. NK referred to the new proposed section in IGTAD as per UNC 0887, Section G Paragraph 4, that an IGT will not permit the offtake of gas at an IGT Supply Meter Point unless they have provided NTS with the details of the Supply Meter Point, or there is a binding agreement in place between the IGT and the Consumer.

The Chair noted that if NTS plan to make changes to any of these requirements in the UNC in the future, they would be unable to repeat these changes in the IGT UNC as they are not an IGT UNC party. TL added that if there were any future changes that needed to be reflected in the IGT UNC, the Code Administrator would be relying on an IGT UNC party to volunteer to sponsor an equivalent Modification, as the Code Administrator themselves cannot raise a Modification. NK responded that this legal text is effectively within the specification of the Exit Agreement, a non-Code document between the Transporter and Consumer. They also referenced IGTAD Section D Paragraph 2, which are IGT Code provisions to follow TPD that NTS have utilised in the draft legal text for UNC 0887 to bind IGTs to raise a Modification in the IGT UNC if required when NTS make changes to the exit requirements.

The Chair suggested that parties review the draft legal text ahead of the next Workgroup meeting so that NK can answer any questions. TL added that they are also working on producing the Workgroup Report, so it is ready for a future Workgroup meeting once the legal text has been finalised. JL asked how many Workgroups this Modification will require. The Chair responded that unlike the UNC, the IGT UNC do not set a certain number of Workgroups for each Modification. They added that if they can get through the further changes to the draft legal text and any questions at the next Workgroup meeting, they could begin working on the Workgroup Report but advised that it is likely that IGT176 will be on the agenda for both the June and July Workgroup meetings.

STANDING ITEMS

7. Cross Code Modification Implications Tracker

TL provided the Workgroup with the following updates on in-flight UNC modifications:

Watch List

- [0908 - Removal of DNO meter reading obligations resulting from non-provision of a Valid Meter Reading](#). This Modification will remove the obligation for GTs in the TPD Section M 5.10 to obtain a Must Read following non-provision of a Valid Meter Reading by a Shipper. At a UNC Workgroup meeting on 30th April, the Proposer clarified that GTs have an obligation to obtain a Must Read if a Shipper fails to obtain a read for Class 2, 3 and 4 sites. This obligation dates back to when GTs were considered “guardians of the settlement system”, but this is no longer the case. A previous review group, [0812 - Review of Alternatives to “Must Read” Arrangements](#), was noted. The UNC Workgroup were advised that the Modification may have an IGT UNC impact as IGTs have their own Must Read arrangements and that IGTs may raise a Modification to address this. CG added that the IGT UNC references TPD section M 5.10 so the impact of this Modification is that the governance around Must Reads is removed.

POST-MEETING NOTE: BUUK have submitted a draft Modification Proposal form on the IGT Must Reads process with the aim that it will go to the May IGT UNC Panel meeting. This Modification references changes under UNC0908.

- [0907 – Extension to current maintenance period](#). There is unlikely to be an impact on IGTs and the IGT UNC, but the Code Administrator will continue to monitor in light of IGT176 due to the connection to NTS. It is also unclear whether there may be downstream impacts due to changes in outage times. CG advised that the Joint Office have indicated a high IGT impact on their website and added that they have queried this directly with the Joint Office. The Code Administrator confirmed that they were aware of this and that the impacts between the website and some documents are conflicting, and so this will continue to be monitored.
- [0896 - Reducing the current Code Cut-Off Date \(Line in the Sand\) from 3 to 4 years to 2 to 3 years](#). The Modification was amended on 24th April. There will be no impact on the IGT UNC, but there will be an impact on IGTs as parties as they are impacted by line in the sand so the Code Administrator will continue to monitor this Modification. JL clarified that the recent amendment was an updated business rule on the submission of work items towards line in the sand.
- [0890 - Update to AQ Correction Processes - Request for Adjustments \(RFA\) AQ Change](#). The Modification was amended on 18th March and later again on 25th April. JL added that this Modification is still at an early stage and there is no legal text currently available. There will likely be no impact on the IGT UNC, but there will be an impact on IGTs as parties as they are impacted by the AQ process so the Code Administrator will continue to monitor this Modification.
- [0886 – Amend the Code Cut-off Date to a Rolling Three-Year Period](#). The Modification was amended on 25th April. There will be no impact on the IGT UNC, but there will be an impact on IGTs as parties as they are impacted by line in the sand so the Code Administrator will continue to monitor this Modification.
- [0876 – Updates to the AQ amendment process](#). The UNC Panel determined that this Modification should go back to Workgroup for 3 months, with the Workgroup Report returning to Panel in June.

IGT UNC Equivalent Modifications

- [0899 - To ensure the suite of Network Exit Agreements \(NExA\) Modifications has been implemented, taking into account the changes introduced by 0804](#). An IGT UNC equivalent Modification, [IGT175 - Alignment of the IGT UNC with the UNC following Modification UNC0899 and additional housekeeping changes](#), is currently out for consultation until 20th May and will return to IGT UNC Panel for the next meeting on 30th May.
- [0887 – Facilitating Bi-Directional Connections Between IGT Pipelines and the NTS](#): This Modification is currently out for consultation until 13th May and will return to the UNC Panel in June.
- [0884 – Extending the PC4 Submission Window](#): CG advised that BUUK are happy to sponsor an IGT equivalent Modification to UNC 0884.

- [0881 - Review and consolidation of UNC Transition Document TDIC - Transitional Rules](#). CG confirmed that the required housekeeping change to the IGT UNC from UNC 0881 had been included within IGT175.
- [0854 - Revision of Virtual Last Resort User and Contingent Procurement of Supplier Demand Event Triggers](#): The Code Administrator are still waiting for the proposed Sponsor to raise the equivalent Modification to UNC 0854.
- [0843 - Establishing the Independent Shrinkage Charge and the Independent Shrinkage Expert](#). This Modification is going to the UNC Panel meeting on 15th May, and it is expected for a consultation to be published soon afterwards. CG asked if the IGT UNC and UNC had managed to agree to issue the consultations for UNC 0843 and IGT165 at the same time. TL responded that they had tried to raise this with the Joint Office via email and also at the most recent Cross Code Steering Group meeting but had no success. They added that if IGT165 is issued for consultation at the IGT UNC Panel meeting on 31st May, there may be a one week overlap when both consultations are open for responses. They added that they would be happy to contact the Joint Office again if the Workgroup thought this would be good. CG responded that they would support aligning the consultations.

8. IGT UNC Known Issues Register

TL advised the Workgroup that there were no new updates to the Known Issues Register.

9. IGT UNC Horizon Scanner

TL presented some changes to the Horizon Scanner and provided the Workgroup with the following updates:

Ofgem Code Reform Consultation:

TL advised that the [second consultation on Code Reform implementation](#) had been issued by Ofgem recently and is open to responses until 29th May. TL advised that the consultation focuses on the Code Modification process, Stakeholder Advisory Forums, cross-cutting consequential Code changes and some future milestones in the Code Reform process.

RTSM Programme:

TL noted the inclusion of the Real Time Settlement Methodology Programme on the Horizon Scanner following the discussions in the March IGT UNC Workgroup meeting. The Chair added that there had been a [presentation in UNC meetings](#) on this programme and asked the Workgroup if they thought it would be useful to ask for a presentation in a future IGT UNC Workgroup meeting. LG responded that they had seen this presentation in multiple UNC meetings and suggested that most attendees would have also seen it.

AOB

10. IGT Meter Point Reference Numbers (MPRNs)

LG advised that this issue had been raised internally, and they had raised it with Panel for discussion. LG noted that when an IGT purchases a network of existing Supply Points from a DN, new MPRNs are created for these Supply Points, but there is no mechanism to update the industry or customer with regards to the new MPRNs.

The Chair provided some information on this process to the Workgroup. They explained that MPRN configurations are used to identify the transporter to the site, i.e., if it is a DNO or IGT site. The Chair added that if MPRNs are being transferred from a DNO to an IGT, then the MPRNs are changed so that it is clear it is now an IGT site. The Chair advised that in the Supplier license, there is an obligation to inform customers of their Transporter, but the creation of new MPRNs in this situation adds a level of complexity and asked JL how Xoserve deal with this process. JL responded that they would find out internally what the current process is and reach out to LG to provide some more information to them and subsequently the Workgroup.

25/05 – 01: Xoserve to inform Centrica of the current process for updating MPRNs when being transferred from a DNO to an IGT

11. Authority Update

EO provided the Workgroup with the following updates:

- Ofgem have recently published a joint DESNZ and Ofgem consultation covering code manager licence conditions and code modification appeals to the Competition and Markets Authority (CMA). This follows their first joint consultation in 2024, which covered a selection of code manager licence conditions, as well as proposals for the secondary legislation underpinning Ofgem's code manager selection process. We are now developing a full set of code manager licence conditions and proposals for the code modifications appeals process to the CMA. This consultation is open now and will close on 27 June 2025.
- With DESNZ, Ofgem will be hosting a webinar on Tuesday 20 May 2025, from 10:00 – 12:00, which will summarise the key proposals in the consultation. Attendees will also have an opportunity to ask any clarification questions. The webinar is open to any organisation or individual interested in energy code reform. If you would like to attend the event, please contact codereform@energysecurity.gov.uk to register your interest. If you have any questions ahead of the webinar, or on the day, please email codereform@energysecurity.gov.uk.
- As a reminder, Ofgem have published their second consultation on the implementation of the energy code reform. The consultation covers Ofgem's approach to implementing the industry code governance reforms as set out in the Energy Act 2023. The consultation is available on the Ofgem website and will close on 29 May 2025. Please send your response to industrycodes@ofgem.gov.uk

The next Workgroup meeting is scheduled for Thursday 12th June 2025.

Annex 1 – Actions Table

Reference	Action	Owner	Status
25/05 - 01	Xoserve to inform Centrica of the current process for updating MPRNs when being transferred from a DNO to an IGT.	Xoserve	Open