

IGT UNC Modification Panel Meeting

Draft Minutes

Friday 30th May 2025

Via teleconference

Attendee	Initials	Organisation	Representing	Notes
Graeme Forbes	GF	Gemserv	Code Administrator	Chair
Alison Beard	ABE	Gemserv	Code Administrator	
Aleksis Butler	AB	BUUK	Observer	Proposer for IGT177
Bradley Wood	BW	Centrica	Pipeline Users	
Charlotte Gilbert	CG	BUUK	Observer	Proposer for IGT175
Cher Harris	CH	Indigo Pipelines	Pipeline Operators	
Eilidh McNally	EM	Last Mile Gas	Pipeline Operators	
Ellie Osobina	EO	Ofgem	Authority	
Jenny Rawlinson	JR	BUUK	Pipeline Operators	
Lydia Bentley	LB	Gemserv	Code Administrator	
Paul Witton-Dauris	PWD	Gemserv	Observer	
Yvonne Reid-Healy	YR	Joint Office	Observer	
Harry Firth	HF	Gemserv	Code Administrator	Secretariat

1. Welcomes and Apologies

The Chair welcomed the Panel to the reconvened meeting. The Chair noted that following the ongoing quoracy issues the Panel faces, the Code Administrator (CA) had opened a meeting prior to this and held that open for one hour as per Code rules (Part L6.10).

There were apologies from Anne Jackson (AJ), Talia Lattimore (TL) (both Gemserv) and Lee Greenwood (LG) (Centrica). It was noted that GF was acting as Chair as an alternate to AJ and BW acting as alternate to LG.

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. The Chair and JR added Item 11 - Ofgem Cross Code Digitalisation Steering Group.

3. Approval of the previous minutes (25-04 and 25-04 Reconvened)

The CA invited comments on the April 2025 meeting minutes noting that no comments had been received prior to the meeting. No comments were raised during the meeting and the minutes (both standard and reconvened meetings) were approved as a true and accurate account of the meetings.

4. Outstanding Actions

The Panel were informed that there were three outstanding actions:

- **25/04 – 01: Code Administrator to ask Xoserve to terminate the IGT173 implementation report request.** HF confirmed that the Code Administrator had contacted Xoserve to terminate the IGT173 implementation report at the request of the IGT UNC Panel following the April meeting.
Action closed.
- **25/04 – 02: Code Administrator to write out to IGT UNC parties who responded to the IGT173 RFI to express their thanks on behalf of the IGT UNC Panel.** HF confirmed that the Code Administrator had completed this task.
Action closed.
- **25/04 – 03: Code Administrator to write out to all IGT UNC parties inviting them to formally raise any matters of non-compliance with the IGT UNC Panel.** HF advised that the Code Administrator had issued communications to all Code parties advising them to raise any matters of non-compliance with the IGT UNC Panel going forwards.
Action closed.

Modification Business

5. [IGT175 - Alignment of the IGT UNC with the UNC following Modification UNC0899 and additional housekeeping changes](#)

LB presented the Final Modification Report to the IGT UNC Panel. LB informed the Panel that [UNC0899 - To ensure the suite of Network Exit Agreements \(NExA\) Modifications has been implemented, taking into account the changes introduced by 0804 \(REC 3.0\)](#) had been raised to correct some outstanding housekeeping changes that had been identified in the UNC following the implementation of [UNC0701 - Aligning Capacity booking under the UNC and arrangements set out in relevant NExAs](#) and [UNC0853 - CDSP permissions to facilitate implementation of UNC0701](#). LB added that the legal text, that had been misaligned in the UNC following the implementation of these Modifications, had been mirrored in the IGT UNC following the implementation of [IGT169 - 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 \(i.e. bringing Code in line with UNC0701 and UNC0853\)](#) so a housekeeping Modification was also required to realign the IGT UNC. LB added that other outstanding housekeeping changes that had been noted on the IGT UNC Known Issues Register had also been included within IGT175.

Solution

LB took the Workgroup through the proposed legal text changes in IGT175 Final Modification Report. LB advised that the source of the proposed changes had been included within a table, indicating whether the change was realigning the IGT UNC following IGT169, or if it was a general

housekeeping change picked up from the Known Issues Register. LB also acknowledged some consequential changes required as a result of other changes included within the Modification.

LB noted that the Workgroup had been happy that no further work is required on the Solution. The Panel agreed and added that they were satisfied that sufficient discussion had been held on the legal text in both previous Panel and Workgroup meetings.

Impacts and Other Considerations

LB noted that both the Workgroup and Panel had previously agreed there to be no impacts from IGT175 on any Significant Code Review. LB added that no consumer impacts had been identified as this is an administrative change. JR agreed.

LB noted that the Workgroup and Panel had previously agreed that there were no cross-Code impacts for this Modification, as IGT Modifications that are aligning the IGT UNC to the UNC are not considered to have an impact on the UNC. LB added that no environmental impacts had been identified. The Panel agreed that this was still the case.

LB advised that the Proposer had indicated a positive impact on Relevant Objective (F) – Promotion of efficiency in the implementation and administration of the Code. The Panel unanimously agreed that aligning the IGT UNC Code with the UNC promoted further efficiency for Code administration and agreed with the Proposer.

Implementation

LB advised that the Proposer had suggested that IGT175 is implemented as soon as possible, given there are no costs or required system changes associated with this Modification and UNC 0899 was implemented in March. LB added that the Workgroup had suggested that IGT175 could be implemented as part of the June 2025 standard release. The Panel agreed that June 2025 was the most suitable date for implementation and that an ad hoc release was not necessary for IGT175.

Consultation

LB advised that the Code Administrator had received three responses to the IGT175 consultation, which had been open for three weeks from 28th April. LB added that all three responses agreed:

- that the Modification should be subject to Self-Governance.
- that the Modification has a positive impact on Relevant Objective (F).
- that the Modification should be implemented in June 2025; and
- that the legal text delivers the intent of the solution.

The Panel noted the complete agreement and support for the Modification from all of the consultation responses.

Governance

LB asked the Panel if they were happy that IGT175 should still proceed as a Self-Governance Modification. LB added that the Workgroup had agreed with this approach. The Panel agreed that this Modification should be subject to Self-Governance.

Recommendations:

The Panel unanimously agreed that:

- The Modification should be subject to Self-Governance.
- The legal text fully delivers the intent of the Solution.
- The Solution delivers the intent of the Modification.
- All impacts had been identified by the Workgroup, and there was no impact on a Significant Code Review.
- The Modification has a positive impact on Relevant Objective (F).
- The Modification should be implemented; and
- The Modification should be implemented as part of the June 2025 standard release.

The Proposer thanked the Panel for their support of the Modification.

6. [IGT165 - Independent Shrinkage Expert and Independent Shrinkage Charge](#)

LB provided an overview of the Modification to the Panel. LB advised that IGT165 is an enabling Modification seeking to align the IGT UNC with [UNC 0843 - Establishing the Independent Shrinkage Charge and the Independent Shrinkage Expert](#). LB added that IGT165 will be placing obligations on IGT UNC parties to comply with the Independent Shrinkage Expert (ISE) as stipulated in the Independent Gas Transporters Arrangements Document (IGTAD), including the provision of any requested IGT Supply Point level data for use in the Independent Shrinkage Model Methodology (ISMM).

LB noted that IGT165 was discussed in IGT UNC Workgroup meetings between 2023 and 2024, before a year-long break before it returned at the February 2025 Workgroup meeting. LB suggested that they would take the Panel through the Workgroup discussions from February 2025 onwards, as TL had gone through all aspects of the Modification since that point to refresh the Workgroup's memory of IGT165 following the year-long break.

LB took the Panel through the previous Workgroup discussions in the Draft Modification Report, with the discussions centred around the IGT165 legal text, the refreshed UNC 0843 Rough Order of Magnitude (ROM), the two business rules, proposed Licence changes, purchasing of gas via Gemini and other impacts to IGT UNC parties. LB asked the Panel for their views of the Workgroup

discussions. JR acknowledged the complexity of the Modification and added that they believed the Workgroup had engaged in thorough debate on all aspects of IGT165. They added that the Workgroup had successfully captured the distinction between the UNC and IGT UNC Modifications and their respective impacts. CH agreed and added that the Workgroup had been thorough in ensuring there were no areas of dual governance in the UNC and IGT UNC.

JR and CH noted that there had been difficulties in the Workgroup of justifying and separating the benefits of the two Modifications, and whether the impacts of UNC 0843 could be considered under IGT165. They acknowledged other complexities with discussing IGT165 including cost-effectiveness when the exact costs are not available to parties.

Impacts and Other Considerations

LB took the Panel through the Workgroup discussions on the impacts of IGT165. They noted the discussions held on whether IGT165 may impact the ongoing Code Reform programme and the planned merger of the UNC and IGT UNC into the new Gas Network Code. LB added that these discussions centred around the lengthy lead time of a minimum of 18 months required by Xoserve for procurement activities related to the ISE, and the loose timescales provided by Ofgem for the Code Reform programme. LB acknowledged that the Workgroup had agreed there could be impacts on Code Reform, but due to the uncertainty around timescales for both Code Reform and the delivery of the Modifications, that they were unable to determine what these potential impacts would look like. The Panel unanimously agreed with the Workgroup's view.

LB took the Panel through the different areas of Consumer impacts, noting the differing views between the Proposer and the Workgroup. LB added that for example, whilst the Proposer had identified a positive impact on Consumer bills due to removal of Shrinkage Model Error from UIG which would then reduce the UIG element of the Energy Price Cap, the Workgroup had disagreed and stated there would be a negative impact as Shrinkage costs would be passed through directly to Consumer bills. LB noted the discussions on whether the impacts of UNC 0843 could be considered for IGT165, with some Workgroup attendees suggesting that IGT165 is purely an enabling Modification allowing for data provision to the ISE, and thus the impacts of UNC 0843 could not be considered. LB added that this discussion point led to a lot of disagreement on the Consumer impacts of IGT165 between the Proposer and Workgroup.

JR and CH acknowledged the difficulties faced by the Workgroup in separating the impacts of the two Modifications and added that the Workgroup did a good job of assessing IGT165 on its own merits.

LB advised that the Workgroup had agreed that there are no cross-code impacts from IGT165, noting that as usual, no impact to the UNC had been noted for an IGT UNC Modification mirroring or enabling a UNC Modification. LB noted that the Workgroup had agreed that there was an implementation dependency and IGT165 should not be implemented if UNC 0843 is rejected. JR responded that potentially if the Proposer had indicated a UNC impact, the Workgroup may have

agreed, but added that there had been sufficient discussion held, and the key point of implementation dependency had been highlighted.

LB went through the previous Workgroup discussions on the environmental impact of IGT165. They advised that whilst the Proposer had suggested a positive impact as the Modifications would incentivise IGTs to reduce the causes of Shrinkage Model Error, some Workgroup members had argued there is no evidence that UNC 0843 and IGT165 would reduce gas leaks, or whether there is any environmental impact to be considered when IGT165 is purely a data provision Modification. JR responded that this discussion again showed the complexity faced by the Workgroup in separating the impacts of the Modifications and agreed that IGT165 on its own does not have an environmental impact.

ROM

LB took the Panel through the Workgroup discussions on the ROM produced by Xoserve for UNC 0843 and IGT165. LB advised that the discussions centred around the minimum lead time of 18 months required by Xoserve to implement the Modifications due to additional procurement activities, and Xoserve requiring both Modifications to be implemented at the same time due to the data provisions provided by IGT165 which will be required by the ISE. JR responded that these discussions demonstrate the difficulties faced by the Workgroup in separating out UNC 0843 and IGT165 and the different impacts.

Relevant Objectives:

LB took the Panel through the Relevant Objectives and noted the differences in identified impacts between the Proposer and Workgroup. LB advised that for Relevant Objectives (A), (B) and (F), the Proposer identified a neutral impact, whilst the Workgroup identified a negative impact for each. They added that the Proposer had changed the Relevant Objectives in March to align with those in UNC 0843.

LB added that the Proposer had stated the key positive impacts of UNC 0843 and IGT165 were net zero and Consumer bills, but there are no Relevant Objectives specific to these areas, so the Modification is predicated on Relevant Objectives (E) - The 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, which the Proposer identified as a positive impact. LB added that the Workgroup identified a negative impact for Relevant Objectives (E) and (G).

LB went through the Workgroup discussions, noting a point raised by IGT representatives that the Proposer's claim of IGT165 and UNC 0843 incentivising the reduction of gas leaks was undermined by whether the data used by the ISE will be at a granular enough level to identify IGTs, which the Proposer disagreed with. They added that the Workgroup had identified a negative impact on

Relevant Objectives (A), (B) and (F) as there are already existing Shrinkage mechanisms which could have been amended, and that UNC 0843 and IGT165 would add additional unnecessary costs to parties, as well as the danger of dual governance.

LB added that the Workgroup had identified a negative impact for Relevant Objective (E) due to the unknown extent of the costs to parties and that IGT165 as a data provision Modification could not possibly have a positive impact. LB noted the Proposer's view that the costs of procurement sit outside IGT165 and therefore should not be considered.

LB advised that the Workgroup had identified a negative impact for Relevant Objective (G) due to the existing regulations and license conditions in place to incentivise GTs to reduce gas leaks. LB added that the Proposer had responded that the current level of Shrinkage for IGTs had been set to zero, but an IGT representative had responded that this value is reviewed periodically, and that the actual Shrinkage value had been considered to be de minimis.

JR added that the Workgroup had done well to separate out the benefits of UNC 0843 from discussions on IGT165, which is purely a data provision Modification. They added that these discussions were made more difficult by the Proposer including the benefits of UNC 0843 in their rationale, but not the costs.

Implementation

LB advised that the Proposer and Workgroup had recommended that:

- The Modification should be implemented at the same time as UNC 0843.
- The Modification should only be implemented if UNC 0843 is implemented ;and
- The Modification should only be implemented when the required licence changes are put in place.

LB noted the implementation timescales from the ROM, including the estimated 16 weeks for Xoserve to deliver the required system changes and minimum lead time of 18 months to complete all procurement activity.

The Panel agreed with the recommendations put forward by the Proposer and Workgroup.

Legal Text

LB took the Panel through a summary of the proposed changes to the IGT UNC Code to enable UNC 0843, which include:

- The ISE and ISC being defined in the IGT UNC.
- An obligation on parties to comply with data requests made by the ISE where possible; and
- IGTs to purchase gas via Gemini to cover the ISC when agreed by the Authority.

The Panel agreed that the Workgroup had sufficiently discussed the legal text, and that it delivered the intent of the solution.

Governance

LB took the Panel through the Proposer's rationale that IGT165 should be subject to an Authority decision. They added that the Workgroup had agreed that the Modification should still be progressed for Authority decision, noting that UNC 0843 has also been progressed as an Authority Decision Modification.

The Panel unanimously agreed that the Modification should still be progressed for an Authority decision.

Consultation

LB advised that UNC 0843 has been issued for an extended consultation, closing on 18th July, following discussions between the UNC and IGT UNC Code Administrators, to ensure there would be some overlap between the UNC 0843 and IGT165 consultations.

LB asked Panel members to consider if they would like IGT165 to be issued for an extended consultation period, and whether to align the end date with the UNC 0843 consultation. They noted that UNC 0843 is due to return to UNC Panel in August, so it made sense for IGT165 to return to the IGT UNC Panel in August as well.

JR responded that it made sense for the end dates of the two consultations to be aligned. CH agreed that it made no sense for IGT165 to return to Panel until UNC 0843 had first done so. The Panel unanimously agreed for IGT165 to be issued for a standard three week consultation period and also agreed for the IGT165 consultation to close on the same date as the UNC 0843 consultation closure date.

7. [IGT177 - Aligning IGT "must read" obligations within the IGT UNC](#)

AB introduced the Modification to the Panel. AB advised that IGT177 is aiming to maintain the existing Must Read obligations on IGTs, by removing reference to UNC TPD Section M 5.10 from IGT UNC Part E and aligning the relevant legal text within the IGT UNC to ensure that these obligations "stand alone" in the IGT UNC.

AB advised that they believed IGT177 meets the requirements for a Self-Governance Modification as there is no change of process nor additional governance on any IGT UNC parties. They added that the Modification is ensuring the Code reflects the current obligations and is not subject to any unintended consequences resulting from [UNC 0908 - Removal of DNO meter reading obligations resulting from non-provision of a Valid Meter Reading](#).

AB provided more detail on the nature of the solution for IGT177. They advised that a reference to UNC TPD Section M 5.10 would be removed from IGT UNC Part E, and that paragraphs from UNC

TPD Section M would be merged with Part E to ensure that the current Must Read obligations are directly captured in the IGT UNC. CG added that these changes will currently encompass the changes made to the IGT UNC as a result of [IGT159 - Amendments to the Must Read Process](#).

AB advised that no impacts on a Significant Code Review had been identified. AB added that although there is no expected change to the Consumer experience from this Modification, the Must Read process has a positive Consumer impact and IGT177 will safeguard this current process and thus the positive Consumer benefits.

AB advised that neither cross-code nor environmental impacts had been identified.

AB advised that they had identified a positive impact of Relevant Objective (F) - Promotion of efficiency in the implementation and administration of the Code, as the lifting of current UNC legal text into the IGT UNC will safeguard the current Must Read process.

AB suggested that this Modification should proceed to Workgroup and added that one meeting could be sufficient. CH agreed with this approach, noting the straightforward intent of IGT177.

Recommendations:

The Panel unanimously agreed that:

- The Modification should be subject to Self-Governance.
- The Modification should proceed to Workgroup for further assessment.

Updates from Workgroup

8. Workgroup Report

The Panel had no comments on the Workgroup Summary.

Authority Updates

9. Authority Update

EO provided the Panel with the following updates:

- Ofgem have now [published their decision on Energy code reform: decision on code manager selection](#). This follows from the consultation published on 28 November 2024 on Ofgem's approach to code manager selection. They sought views on the processes that they would follow and the criteria that they would apply when selecting code managers on a competitive or non-competitive basis.

Ofgem have decided to select code managers using a three-stage selection process consisting of an initial eligibility assessment, a licensing assessment and an implementation and assurance process.

Alongside the decision, Ofgem have published our updated guidance on code manager selection after consideration of stakeholder feedback.

Ofgem intend to make regulations for the competitive selection of code managers, with the Department of Energy Security and Net Zero (DESNZ) to lay these regulations in parliament later this year on their behalf. Ofgem also plan to consult on draft guidance and criteria on the competitive process in due course.

Ofgem are planning to begin the selection process for phase 2 codes as soon as possible and will share more information in due course.

- If you have any questions related to our decision, or on energy code governance more generally, please contact Ofgem at industrycodes@ofgem.gov.uk
- As a reminder, [the joint DESNZ and Ofgem consultation covering code manager licence conditions and code modification appeals to the Competition and Markets Authority \(CMA\)](#) is open and will close on 27 June 2025.

10. Ofgem's Expected Decision Dates

EO confirmed there were currently no IGT UNC Modifications awaiting an Authority decision on the EDD table.

AOB

11. **Ofgem Cross Code Digitalisation Steering Group**

The Chair and JR advised the Panel that the next meeting of Ofgem's Cross Code Digitalisation Steering Group had been reconvened to 26th June.

12. **Panel Membership**

LB informed the Panel that the Independent Networks Association (INA) had confirmed that CH had been nominated and chosen to sit for another two year term on the Panel from June 2025.

The next IGT UNC Panel meeting is scheduled for Friday 27th June 2025.

Annex 1 – Actions Table

Reference	Action	Owner	Status
25/04 - 01	Code Administrator to ask Xoserve to terminate the IGT173 implementation report request.	Code Administrator	Closed
25/04 - 02	Code Administrator to write out to IGT UNC parties who responded to the IGT173 RFI to express their thanks on behalf of the IGT UNC Panel.	Code Administrator	Closed
25/04 - 03	Code Administrator to write out to all IGT UNC parties inviting them to formally raise any matters of non-compliance with the IGT UNC Panel.	Code Administrator	Closed

DRAFT