IGT UNC Modification Panel Meeting

Final Minutes

Friday 24th April 2026

Via teleconference

Attendee	Initials	Organisation	Representing	Notes
Anne Jackson	AJ	Talan	Code Administrator	Chair
Cher Harris	CH	Indigo Pipelines	Panel Member: Pipeline Operators	
Ellie Osobina	EO	Ofgem	Authority	
Graeme Forbes	GF	Talan	Code Administrator	
Harry Davis	HD	CSL	Observer	
Jenny Rawlinson	JR	BUUK	Panel Member: Pipeline Operators	
Oorlagh Chapman	OC	Centrica	Panel Member: Pipeline Users	Alternate for Lee Greenwood
Paul McKie	PM	Joint Office	Observer	
Richard Welsby	RW	Last Mile Gas	Panel Member: Pipeline Operators	
Tim Davis	TD	CSL	Observer	Proposer for CSL01
Talia Lattimore	TL	Talan	Code Administrator	
Harry Firth	HF	Talan	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 received prior to the start of the meeting from Lee Greenwood (LG) (Centrica). It was noted that Oorlagh Chapman (OC) would be acting as LG's alternate.

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 Any Other Business (AOB). CH added Item 12 – IGTAD Update.

3. Approval of the previous minutes (26-03 and 26-03 Reconvened)

The CA invited comments on the March 2026 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 no outstanding actions.

Modification Business

5. CSL01 - Exclusion of Standalone Networks from IGT UNC

TL took the Panel through the Workgroup Report and Draft Modification Report (DMR). TL noted that CSL01 had been raised to make an amendment to the CNG Services Ltd. (CSL) Individual Network Code (INC) to exclude the provisions of the IGT UNC from applying to standalone networks (as defined within the Modification).

TL reminded the Panel that Members had queried whether “standalone network” should be a formally defined term within the CSL INC due to concern raised about the potential for ambiguity. They added that the Panel had agreed to send CLS01 back to Workgroup so that suggested changes to the Legal Text could be considered.TL confirmed that the Code Administrator had made proposed changes to the CSL01 legal text based on Panel suggestions, and these had been sent to the Proposer prior to the April Workgroup meeting and included in the Workgroup Report for Workgroup members to review. TL advised that in the Workgroup meeting, the Proposer decided not to amend the legal text, as they felt that adopting the suggested formatting would be inconsistent with the structure of the INC, as capitalised or formally defined terms in the INC are reserved for terms defined in the IGT UNC or UNC. It was also noted that reformatting the term could misleadingly imply that “standalone network” was a defined term in those Codes. The Proposer further advised that the proposed wording changes did not add clarity, particularly given uncertainties around what might constitute a connection to the GB gas system and considered that defining a standalone network by reference to the absence of a Connected System Exit Point (CSEP), as defined in the UNC, was sufficient and clear.

JR noted that they had initially raised concerns about “standalone network” not being clearly defined at the previous Panel meeting. They confirmed that they were now content with the wording as drafted in the CSL01 legal text and had no objection to the Modification proceeding. They clarified that their earlier concern had been aimed at avoiding potential future misinterpretation and ensuring consistency, particularly if the term were later used within the IGT UNC.

The Panel discussed whether a definition of “standalone network” should be introduced into the IGT UNC for wider, future clarity. It was noted that such a change would require a separate Modification and would not affect the CSL INC if CSL01 were approved, as the IGT UNC would be disapplied in that scenario. The Chair suggested that, while a definition in the IGT UNC could be a useful “nice to have” in the future to avoid inconsistency or scope creep, it was not necessary for the purposes of CSL01, and its absence did not undermine the Modification. Panel members agreed that CSL01 could proceed on the basis of the current drafting, with any need for an IGT UNC definition to be considered if and when a future Modification raised that issue.

Impacts

TL advised that the Proposer and Workgroup:

- had indicated no impacts to a Significant Code Review or other industry change projects.
- had identified positive consumer impacts, including reduced environmental damage and broader benefits for society.
- had identified both positive and neutral impacts on lower bills for consumers, as existing consumers would not be impacted, only new consumers on a standalone network would be positively impacted.
- had not identified any cross-Code impacts.
- had identified positive environmental impacts as a standalone network would support increased biomethane production, supporting net zero by displacing fossil fuel usage.

The Panel had no comments and agreed with the identified impacts for CSL01.

TL noted that for the Relevant Objectives, the Proposer and Workgroup had identified positive impacts on Objectives (D) – Securing of effective competition and (F) – Promotion of efficiency in the implementation and administration of the Code. CH asked for further rationale on the positive impact on (D). TD responded that the establishment of the standalone network will promote effective competition by keeping costs down for its Consumers.

The Panel had no further comments and agreed with the Proposer and Workgroup's views on the Relevant Objectives for CSL01.

Implementation

TL advised that with no systems or process changes required, the implementation can be immediate once the proposal is accepted and could be implemented as part of an Extraordinary Release or a scheduled Release. TL added that although there will be no change to the IGT UNC Code itself, any changes to an INC will have to be published by the Code Administrator and notice of the formal implementation date given in the same way it would be for an IGT UNC Modification.

TL noted that the Workgroup had agreed on an implementation approach of one working day after the 15-day working day appeal has ended following Ofgem's published decision.

The Panel had no comments and agreed with the proposed implementation approach for CSL01.

Governance

TL advised that the Proposer and Workgroup had suggested that CSL01 be subject to an Authority Decision. The Panel agreed with the suggested governance route for CSL01.

Determinations

The Panel unanimously agreed to:

- send CSL01 out for industry consultation for a standard period of 15 working days.

TL advised that the consultation will be issued on 27th April and will close in time for the May Panel meeting, where Panel members will make their final recommendation to the Authority.

Panel Business

6. IGT173 RFI Response Analysis

TL advised that the Request for Information on issues of non-compliance with IGT173 had closed for responses and shared the Code Administrator's analysis of the anonymised responses with the Panel.

Comparing results from the 2025 and 2026 RFIs showed overall improvement, particularly on the Shipper side. In 2026, six IGTs and four Shippers confirmed that they had implemented the Modification in full, with no issues raised against any Shippers. This represented a clear improvement on 2025, where issues had been raised against both Shippers and IGTs, including some parties that had self-reported full implementation.

While the number of IGTs with issues has reduced slightly, five IGTs still had issues raised against them by Shipper respondents. Of these, two have not engaged with either RFI and continue to show non-compliance, while three have responded to the RFI stating they implemented the Modification in full but remain the subject of Shipper-raised issues, suggesting possible internal communication or operational gaps. Examples highlighted ongoing issues such as data being provided inconsistently, reliance on email rather than the Information Exchange (IX), use of outdated file formats, lack of proactive communication when data is offline, and late delivery close to the fifth working-day deadline. TL noted that some IGTs are now fully compliant with no issues raised, which is positive, and confirmed that overall compliance and engagement has improved year on year.

As a next step, TL proposed that the Code Administrator proactively engage with IGTs against whom issues were raised. This would involve sharing anonymised, non-attributable summaries of the issues, so IGTs have visibility of concerns they may not be aware of and can address them internally. They also proposed re-contacting non-responsive IGTs and supporting further engagement. The Panel was invited to consider this as the appropriate next phase in addressing the remaining issues.

JR agreed that the next step following the RFI analysis should be for the Code Administrator to share the anonymised comments raised against each IGT directly with that IGT, allowing them to review and, where necessary, respond or correct any misunderstandings. They emphasised that effective resolution was likely to require the Code Administrator to actively facilitate two-way engagement between IGTs and Shippers, rather than relying on parties to resolve issues independently. OC supported this approach and suggested an additional escalation step where no response had been received, recommending that communications be extended beyond the named contract manager to alternative or more senior contacts, given the operational impact of the issues and the risk of missed correspondence.

TL confirmed that escalation contacts are available and that future correspondence would include both contract managers and additional operational or senior contacts. They also proposed sequencing engagement so that Shipper consent to share contact details would, where possible, be obtained before IGTs are contacted, enabling direct engagement from the outset. They suggested providing a progress update to the Panel at the June meeting, allowing sufficient time for dialogue, corrective action, and evidence of improvement across at least one further operational cycle.

The Panel unanimously agreed the proposed approach and noted that this facilitative method had proved effective compared with previous attempts to address similar issues, while acknowledging that participation in the RFI remains voluntary under current governance arrangements. The Panel welcomed the high level of engagement overall, despite continued non-response from a small number of parties and agreed to proceed with the agreed approach.

7. Workgroup Summary Report

The Panel reviewed the Workgroup Summary Report and had no questions or comments to add.

<u>Authority Updates</u>

8. Authority Update

EO provided the following updates from the Authority:

- 'Following the publication of our consultation on the draft second preliminary Strategic Direction Statement (SDS) on 2 April 2026, we'd like you to join us for an online workshop to discuss the content and implementation of the second preliminary SDS; the workshop will be held on 13 May 2026, 2:30 – 4:00pm. To confirm your attendance, please could you RSVP to industrycodes@ofgem.gov.uk. We will be in touch with attendees in due course to share the agenda and a link to join the workshop.'
- 'On 2 April we published two consultations as part of energy Code reform programme:
    - Consultation on the draft second preliminary Strategic Direction Statement (SDS) for industry Codes.
    - Phase 1: transitional measures and Code changes consultation.'

- 'Consultation on the draft second preliminary Strategic Direction Statement (SDS) for industry Codes: This second preliminary SDS builds on the first version published in 2025. It retains the overall structure and approach, reflecting stakeholder feedback, and provides an updated assessment on the policies and sector developments which may require Code changes.'

- 'Through this consultation, we are seeking views on:
    - the proposed content of the SDS, including our categorisation of policy areas against three different time horizons ('act now', 'think and plan' and 'listen and wait'),

    - whether any key areas that will or may require Vode changes are missing from our assessment, and
    - our proposed approach to convert this SDS from a preliminary document to a hybrid document once certain Codes are designated later in 2026.'

- 'This consultation closes on 28 May 2026. We expect to publish the second preliminary SDS in September 2026. Consultation on the draft second preliminary Strategic Direction Statement for industry codes | Ofgem'

- 'The Energy Code reform phase 1: transitional measures and Code changes consultation document is the "modification proposal consultation" as previously signposted in our second implementation consultation. It sets out the steps we need to take to be ready to transition to the new governance framework for the phase 1 Codes, the Balancing and Settlement Code (BSC) and the Retail Energy Code (REC).'

- 'This work is needed alongside the work on the template Code text for the new Code Modification process and set-up of the stakeholder advisory forums (SAF), as well as the standard licence conditions in our recent publications, so that we can be ready to make the decision on designation of the phase 1 Codes and granting the first Code manager licences before the end of 2026.'

- 'This consultation:
    - sets out on our proposed approach to key changes needed to the BSC and REC Code texts
    - includes proposed licence revocation terms as well as amended licence conditions for the phase 1 Code manager candidates.'

- 'The phase 1 consultation closes on 15 May 2026. Following this, we plan to publish further statutory consultations to amend the REC/BSC code texts or the Code manager Licence Conditions so that we can transition to the new governance framework this year as smoothly as possible.'

Energy Code reform phase 1: transitional measures and Code changes | Ofgem

- 'On 23 March, the government and Ofgem published a joint response, to our May 2025 consultation. The consultation response sets out a series of decisions to proceed with the majority of proposals on the Code manger standard Licence Conditions and on updates to the Code Modification appeals process to the CMA as set out in the consultation. Access to the consultation response can be found here: Energy code reform: Code manager Licence Conditions and Code Modification appeals to the CMA - GOV.UK.'

- ‘This joint response is a key milestone towards implementing the new Code governance framework. Following this publication the government intends to:
    - move forward with the Secretary of State determining the code manager standard licence conditions (the process by which these conditions would be brought into legal effect)
    - lay secondary legislation to reflect the updated Code Modification appeals process to the CMA.’
- ‘We started the Code manager selection process for the two phase 2 codes, via the publication of an open call for expressions of interest on 26 January 2026 (closing on 20 March 2026). After the conclusion of this process, we expect to be able to publish a decision in Q2 2026 on both candidate eligibility and our determination between competitive versus non-competitive selection for these two Codes. The successful candidate(s) would then be invited to participate in a licensing assessment process, with a proposal to grant a licence expected to follow towards the end of 2026.’

OC asked if this was the same update provided to UNC Panel at their April meeting. EO responded that they had not attended the meeting and suggested that the update would have likely been similar, except for some time-sensitive updates. They noted that they would also send the Joint Office the lines presented in this Panel meeting. The Code Administrator also committed to forwarding these lines onto the Panel members after the meeting.

9. Ofgem’s Expected Decision Dates (EDD)

EO confirmed that Ofgem published their decision to reject IGT165 - Independent Shrinkage Expert and Independent Shrinkage Charge on 15th April 2026. The Chair encouraged the Panel to read the decision letters for IGT165 and UNC 0843, noting Ofgem had included commentary encouraging further scrutiny of shrinkage by distribution networks, with a suggestion that IGTs may support this work.

EO added that there are now no IGT UNC Modifications awaiting an Authority decision on the EDD table.

AOB

10. Code Consolidation Update

GF and PM provided an update on work relating to Code Consolidation. GF advised that the Joint Office, Talan and Xoserve are in a holding period while awaiting Ofgem’s decision on the Unified Gas Network Code Licenced Code Manager. They outlined that there are two potential paths: either the consortium is designated as Code Manager, which would provide continuity, or another party is designated, in which case the Joint Office and Talan would support the transition and ongoing arrangements in their roles as UNC and IGT UNC Code Administrators. PM agreed and noted that initial indications suggest decisions may now extend into Q2, potentially June. They also highlighted that a standalone UNC Governance Workgroup has been established to consider the impact of Code Reform on business-as-usual activities, with early feedback indicating good progress and engagement.

EO confirmed that Ofgem expects to make decisions on candidate eligibility and the selection route in Q2 2026, followed by a licensing assessment, with “minded-to-grant” decisions anticipated in Q4 2026.

JR raised concerns about ensuring that work being undertaken under RG008, particularly identifying differences within the IGT UNC, is not overlooked in future Ofgem-led Code consolidation activity. They queried whether Ofgem had engaged with the Code Administrator on this work. The Chair advised that there had been no specific discussions on RG008 to date and explained that Ofgem’s stated intention is for initial transition work to focus on governance aspects, with full Code consolidation to follow once Code Managers are appointed. It was agreed that RG008 work may need to be reprioritised to align with likely transition-period focus areas, such as derogations.

EO agreed to relay the Panel’s discussion and concerns to Ofgem’s Energy Code Reform team to ensure visibility of the RG008 work and its potential relevance to consolidation activities, and to report back if any feedback is received.

26/04 – 01: EO to raise awareness of RG008 to Ofgem Code Reform Programme and provide any received feedback to the Panel

PM asked about Ofgem’s proposed Code Consolidation Workgroup. EO confirmed that expressions of interest closed on 17 April and that the workgroup is currently planned for Q3, subject to confirmation of the relevant timeframe. They advised that further communications on next steps would be issued in due course.

11. Harmonised Prioritisation Process in the Industry Codes

The Chair provided an overview of Ofgem’s requirement for all Codes to introduce a formal Modification prioritisation process, noting that this is currently subject to statutory consultation under the Energy Act. Ofgem is expected to confirm implementation in early May, after which Codes will have 28 days to adopt the required arrangements. The legal drafting for the IGT UNC will be mandated and non-negotiable, as consultation opportunities have happened outside of Code governance.

It was confirmed that the IGT UNC will mirror the UNC approach to prioritisation to support future alignment with the GNC. Under the proposed framework, Modifications will be categorised as either standard priority or high priority. Standard priority will remain the default position and reflects current practice, ensuring that no Modification is deprioritised or allowed to fall off the agenda. High priority will apply only where faster development and implementation than the standard timetable is justified. The existing urgent Modification process remains unchanged and will continue to operate separately, with faster timelines than the high-priority route.

Prioritisation assessments will be based on three criteria: alignment with the Strategic Direction Statement (SDS), the complexity of the Modification, and its importance in terms of value delivery and risk mitigation for Consumers or stakeholders. Modifications aligned with the SDS “Act Now” category are more likely to qualify as high priority. A scoring mechanism will be used, with reassessment points throughout the modification lifecycle, including at DMR and Final Modification Report (FMR) stages, and a mandatory six-monthly review.

Proposers will be required to justify the proposed priority category within the Modification template. The Code Administrator will act as a critical friend in developing the recommendation, with final determination resting with the Panel. High-priority Modifications will receive enhanced scheduling, such as earlier placement on agendas and additional meetings where required, though standard Modifications will continue to progress as normal.

It was noted that minor refinements to the UNC scoring approach are under consideration following governance discussions, particularly to simplify the assessment and ensure that only SDS “Act Now” Modifications can be classified as high priority. The IGT UNC will adopt any final UNC changes once confirmed.

The Chair confirmed that the prioritisation framework will be explained to the IGT UNC Workgroup at its next meeting, with supporting materials and updated templates published accordingly. Existing live Modifications will be retrospectively prioritised, and the Panel will be asked to confirm these decisions at the May meeting.

The Panel supported alignment with the UNC approach, noting that consistency will ease future transition to a consolidated gas Code and reduce complexity for parties. It was acknowledged that differing priority determinations between UNC and IGT UNC Panels could arise, but any such cases would be managed pragmatically. The process will be kept under review to ensure it functions as intended and does not disadvantage standard modifications.

12. IGTAD Update

CH provided an update from the most recent Independent Gas Transporters Arrangement Document (IGTAD) meeting, noting that a new Chair from the Joint Office has prompted a review of the group’s terms of reference, standing agenda, and continued purpose. CH provided a brief overview of the history of the IGTAD, noting that the group was originally established following a UNC Modification that amended the IGTAD without IGTs feeling adequately consulted. Although intended to focus on subsidiary documents to the IGTAD, it later became clear that no such subsidiary documents exist, resulting in long-standing uncertainty about the group's remit. Over time, the forum evolved into a Cross-Code information-sharing group, with Joint Office updates on UNC Modifications and reciprocal updates from an IGT perspective. However, improvements in wider Cross-Code coordination have led to questions about whether the group still adds value or duplicates existing forums. It was acknowledged that the group remains unique in providing a space solely for Gas Distribution Network (GDN) and IGT discussion.

JR supported retaining the group, suggesting it be maintained at least as a placeholder, as it would be difficult to reinstate once disbanded. They noted that it could provide a useful forum for GDN/IGT-specific matters arising from Code consolidation or for early discussion of potential Modifications before they enter the formal process. They also queried whether the scope could reasonably extend to discussion of the IGTAD itself.

The Chair reflected on the wider context of energy Code reform, noting that future changes to Licence Conditions and the move towards a single gas Code may alter the long-term role of the IGTAD. They emphasised the potential value of a dedicated GDN/IGT forum to support uniformity, efficiency and informed discussion, particularly during consolidation, and cautioned against losing a mechanism that allows for alignment before changes are formalised.

The Panel broadly agreed that the group still offers potential value and that its purpose and scope should be reconsidered rather than the forum being closed. CH confirmed they would feed back the discussion and raise it at the upcoming Independent Networks Association (INA) meeting to ensure the issue is minuted and widely discussed among IGTs.

The next IGT UNC Panel meeting is scheduled for Friday 29th May 2026.

Annex 1 – Actions Table

Reference	Action	Owner	Status
26/04 – 01	EO to raise awareness of RG008 to Ofgem Code Reform Programme and provide any received feedback to the Panel	EO	Open