

UNC Unidentified Gas Workgroup Minutes

Monday 20 May 2019

at Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
Anne Jackson	(AJ)	Gemserv
Edd Fyfe*	(EF)	SGN
Emma Smith	(ES)	Xoserve
Fiona Cottam	(FC)	Xoserve
John Welch	(JW)	npower
Kirsty Dudley*	(KD)	E.ON Energy
Leanne Jackson	(LJ)	Xoserve
Lindsay Biginton*	(LB)	Utilita
Louise Hellyer	(LH)	Total Gas & Power
Luke Reeves*	(LR)	EDF Energy
Mark Bellman	(MB)	Scottish Power
Mark Jones	(MJ)	SSE
Rob Johnson*	(RJ)	Waters Wye Associates
Sallyann Blackett	(SB)	E.ON Energy
Stephanie Clements	(SC)	Scottish Power

*via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/uig/200519>

1. Introduction and Status Review

Bob Fletcher (BF) welcomed all to the meeting and explained that the minutes and actions from the last UIG meeting will be reviewed at the UIG meeting being held 21 May 2019.

1.1. Pre-Modification Discussions

Fiona Cottam (FC) introduced the Incentivise Key areas of Performance using Additional UIG Charges draft Modification.

The purpose of this Modification is to create a relatively simple and flexible Shipper incentive mechanism, which encourages the achievement of key UNC targets and obligations, by levying additional retrospective UIG charges. These would be based on achievement levels in areas which are key to achieving low levels of UIG at Allocation and/or reducing the time between initial allocation and final reconciliation.

FC talked the Workgroup through the presentation slides provided for the meeting. In doing so, FC explained it has previously been identified that, as part of the UIG Taskforce findings, a number of Xoserve recommendations to address UIG causes would require Modifications to be raised and sponsored by a UNC counterpart.

This Modification is being raised as a result of the identification of a number of areas where Shipper performance against existing UNC obligations can significantly affect the level and/or volatility of UIG, for example:

- Meter read submission levels.

- Incorrect Conversion Factor.
- Incorrect Meter Read Frequency (this is where there are a number of sites that should be monthly read but are not).

FC went on to explain a number of options that have been considered and confirmed the recommended Xoserve option: a mechanism which bills extra UIG to parties which are not meeting their UNC performance obligations and redistributes the extra UIG via existing Reconciliation process.

The benefits to this are that the invoice would be based on an energy charge, the principle of which is to pay the invoice first and query it later; only half of the admin resource would be required as an existing process would be being used and there would be no changes required to Gemini.

FC explained the solution, suggested calculation and a worked example was provided.

Next Steps:

Xoserve have drafted a suggested Modification which now requires a sponsor and once the sponsor is identified, they would be able to amend the proposal if they so wish.

In conclusion, FC took the Workgroup through the Draft Modification highlighting the UNC Related Documents table that has been placed in the Solution (Section 5). This table provides the specific obligation; the related UNC Reference; the reason for inclusion; the multiplier and justification; the calculation that would be used.

2. Workgroups

2.1. 0674 – Performance Assurance Techniques and Controls

(Report to Panel 18 September 2019) (Please note this workgroup will be discussed on Monday 20 May, at the dedicated Workgroup meeting))

<http://www.gasgovernance.co.uk/0674>.

3. Any Other Business

None.

4. Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:30 Tuesday 21 May 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Including Workgroups 0672, 0681S, 0690S and 0691S
10:30 Monday 24 June 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Standard Workgroup Agenda