



FEBRUARY 2017 NEWSLETTER

Welcome to the first Joint Office of Gas Transporters Newsletter, we hope you find it a useful addition to your inbox. It will be produced on a monthly basis and is intended to provide an overview of what is happening in the UNC.

In this Newsletter we have tried to provide an overview of progress across everything we do; please refer to the Table of Contents below.

We hope the information is helpful both as a reminder and as a digest of matters 'in-committee'.

At A Glance....

Need Help? Or want to Contact Us!

Email: enquiries@gasgovernance.co.uk

Tel: 0121 288 2107

Meet the Joint Office of Gas Transporters Team!

<http://www.gasgovernance.co.uk/jointoffice/staff>

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Implementation Dates Coming Up

- **0565A** **01 April 2017**
- **0587** **01 May 2017**
- **0432** **01 June 2017**
- **0434** **01 June 2017**
- **0440** **01 June 2017**
- **0518S** **01 June 2017**

Consultations Closing-Out on **09 February 2017**

- **0593** - Provision of access to Domestic Consumer data for Price Comparison Websites and Third Party Intermediaries
- **0597** - Rules for the release of incremental capacity at Interconnection Points
- **0598S** - Amendments to Capacity Allocations Mechanisms to comply with EU Capacity Regulations
- **0602 0602A** - Implementation of Non Effective Days and Variant Non-Business Days for Project Nexus Implementation (Project Nexus transitional modification)

New Modifications discussed at January Panel

For more information, see Pre-Panel Briefing Note at:

<http://www.gasgovernance.co.uk/panel/190117>

0608S

Implementation of 'single service provision' arrangements for iGT connected system exit points (Project Nexus transitional modification)

www.gasgovernance.co.uk/0608

- Issued to Workgroup for Assessment
- First meeting 03 February 2017 (additional Distribution WG)
- Report to Panel by March 2017

0609S

Transitional arrangements for gas settlement and replacement of Meter Readings (Project Nexus transitional modification)

www.gasgovernance.co.uk/0609

- Issued to Workgroup for Assessment
- First meeting 03 February 2017 (additional Distribution WG)
- Report to Panel by March 2017

0610S

Project Nexus - Miscellaneous Requirements

www.gasgovernance.co.uk/0610

- Issued to Workgroup for Assessment
- First meeting 03 February 2017 (additional Distribution WG)
- Report to Panel by March 2017

Transmission Workgroup Headlines

- National Grid NTS presented their initial thinking on a new modification that seeks to align the UNC with the EU Tariff Code: Amendments to the firm capacity price payable at interconnection points. This has now been published for consideration at February's Panel meeting.
- The main focus of the Transmission Workgroup this month was the finalisation of the Workgroup Report for 0600S - Amend obligation for the acceptance of EPDQD revisions made after D+5. Originally it was proposed that a reporting obligation be placed on those making the late amendments as this would incentivise earlier alterations, however this was thought not to be feasible. The proposal was changed to allow late revisions to be accepted at National Grid's discretion. A positive bi-product of the industry discussions is that NTS and CVA are working together to identify and implement improvements to the late amendments process.
- UNC 0605S - Amendments to TPD Section K - Additional Methods to Procure and Dispose of Operating Margins Gas, further analysis is required to consider issues identified by the workgroup.
- UNC 0607S - Amendment to Gas Quality NTS Entry Specification at the St Fergus NSMP System Entry Point, is being assessed at a separate meeting due to the amount of analysis involved. The UNC Panel have asked the Workgroup to demonstrate the frequency of occurrence and the penetration into the NTS of the increased CO2 and to provide a Carbon Cost Assessment.

Distribution Workgroup Headlines

- There were no pre-modifications presented at Workgroup this month.
- UNC 0570 - Obligation on Shippers to provide at least one valid meter reading per meter point into settlement once per annum, following consideration of proposed amendments to clarify the types of meters that would be impacted and the rules around the timing of read submission following a change of Shipper. It was subsequently decided that further time was required for assessment and an extension to the Panel reporting date is to be requested.
- UNC 0594R - Meter Reading Submission for Advanced & Smart Metering, Workgroup agreed that for consideration of the recent CMA report, that a more detailed workplan was required for discussion at the next meeting.
- UNC 0606S - National Grid Gas plc and National Grid Gas Distribution Limited transitional invoicing arrangement post Project Nexus implementation, following further discussion the proposer intends to amend the legal text to clarify that a Shippers VAR is to be based around the net position for invoices. The Workgroup is targeting a March Panel reporting date.
- Other points of note:-
 - There was a discussion as to the likely implementation for RAASP, with a general view that a modification should be raised to change the current date from 01 October 2017 to 12 months following the Project Nexus Implementation Date.
 - One participant raised a concern that the Ratchet regime applied to Mandatory and to current elective Daily Metered sites should be reviewed for their suitability going forward. The workgroup were supportive of a review and suggested a Request to Panel should be raised.

Participants agreed that an additional meeting should be planned for 20 February to accommodate UNC Modifications 0608, 0609 and 0610 to meet the March Panel reporting date.

Funding, Governance and Ownership (FGO) Workgroup Headlines

- The main focus of the FGO Workgroup has been to consider the initial legal text drafting to support UNC 0604S - Central Data Services Provider – Arrangements following implementation of Project Nexus, which identifies measures necessary to ensure the FGO arrangements implemented under Modification 0565A are effective upon implementation of Project Nexus.
- The Workgroup aims to conclude consideration of the legal text by the end of February to enable a Workgroup Report to be submitted to the March Panel.
- In addition, consideration has been given to the initial structure of the DSC Credit Committee and the Credit Rules can be developed prior to the formal establishment of the Credit Committee. A review of UNC related documents is likely to be concluded during February and March to ensure they are consistent with FGO.

Committee Updates

Energy Balancing Credit Committee (EBCC) <http://www.gasgovernance.co.uk/EBCC>

- Supporting the development of the DSC Credit Rules

Demand Estimation Sub-Committee (DESC) <http://www.gasgovernance.co.uk/DESC>

- Evaluation of Algorithm Performance for Gas Year 2015/16 to commence.
- Adhoc Work Plan items in particular Summer Algorithm Performance to be considered.
- Approach to Spring 2017 Modeling to be approved.
- DESC Terms of Reference and DESC Technical Workgroup Terms of Reference to be updated following the implementation of UNC0565A.

Performance Assurance Committee (PAC) <http://www.gasgovernance.co.uk/PAC>

- Existing Transporter Standards and Liabilities Report reviewed against Nexus requirements – PAC is considering appropriate action on reports no longer relevant
- Performance Assurance Framework Administrator (PAFA) procurement is on track
- Engage 'Settlement Risks' report is on the February agenda; looking to develop initial PAC risk register
- The Framework Document is being reviewed and will be submitted to February UNCC for approval
- Updated Terms of Reference approved at January UNCC

UK Link Committee (UKLC) <http://www.gasgovernance.co.uk/UKLC>

- The main focus has been to agree updates to the UK Link Modification Implementation Plan
- From April 2017, the UKLC will be incorporated into the DSC Change Management Committee, which has been brought about by the new FGO arrangements

Things to Note...

- *Print friendly – hence no colours or graphics*
- *New additions for February! We welcome to the Joint Office Team Rebecca Hailes, Workgroup Chair and Helen Bennett, Workgroup Coordinator.*

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