

Joint Office

of Gas Transporters

JULY 2017 NEWSLETTER

Welcome to the Joint Office of Gas Transporters Newsletter, we hope you find this a useful addition to your inbox. It is issued on a monthly basis and is intended to provide an overview of what is happening across the Uniform Network Code (UNC) governance arena. In this Newsletter, we have provided an overview of progress across everything we do, please refer to the Table of Contents below.

At A Glance....

Need Help? Or want to Contact Us?

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Meet the Joint Office of Gas Transporters Team.

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

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Implementation Dates Coming Up

UNC Ref	Title	Date
0518S	<i>Shipper Verification of meter and address details following system meter removals</i>	01 Sept 17

Consultation Close-Out Dates

www.gasgovernance.co.uk/consult

0620S	<i>Deferral of the UK Link Manual delivery date (further revision)</i>	04 July 17
0605	<i>Amendments to TPD Section K - Additional Methods to Procure and Dispose of Operating Margins Gas</i>	06 July 17
0611	<i>Amendments to the firm capacity payable price at Interconnection Points</i>	06 July 17

New Modifications discussed at June Panel

For a summary of the content of these modifications, see Pre-Panel Briefing Note at:

<http://www.gasgovernance.co.uk/panel/150617>

0620S Deferral of the UK Link Manual delivery date (further revision) www.gasgovernance.co.uk/0620	<ul style="list-style-type: none"> Self-governance status approved; Issued to Consultation; Deadline for responses: 04 July 2017.
0621 Amendments to Gas Transmission Charging Regime www.gasgovernance.co.uk/0621	<ul style="list-style-type: none"> 'Authority Direction' governance approved; Issued to Workgroup for Assessment; First meeting 07 July (NTSCMF); Report to Panel by 18 January 2018.
0622 Correct allocation of Shrinkage Error as identified by the AUGE https://www.gasgovernance.co.uk/0622	<ul style="list-style-type: none"> 'Authority Direction' governance approved; Issued to Workgroup for Assessment; First meeting 22 June (Distribution Workgroup); Report to Panel by 17 August 2017.

Workgroup Reports discussed at June Panel

0570 Obligation on Shippers to provide at least one valid meter reading per meter point into settlement once per annum www.gasgovernance.co.uk/0570	<ul style="list-style-type: none"> Referred back to Workgroup for further assessment; Report to Panel by 20 July 2017.
0613S Revised UK Link Manual CDSP Data Services Document www.gasgovernance.co.uk/0613	<ul style="list-style-type: none"> Referred back to Workgroup for further assessment; Report to Panel 17 August 2017.

Transmission Workgroup Headlines

www.gasgovernance.co.uk/tx

The next Transmission workgroup meeting is on 06 July 2017 and a full update will be included in the next newsletter. A summary of June's meeting is given in our previous newsletter:

www.gasgovernance.co.uk/News

Distribution Workgroup Headlines

www.gasgovernance.co.uk/dist

- No Pre-Modification discussions this month.
- **0570** - *Obligation on Shippers to provide at least one valid meter reading per meter point into settlement once per annum*. Following consideration of the solution and legal text, the Workgroup Report was concluded for submission to the July Panel.
- **0593 / iGT095** – *Provision of access to Domestic Consumer data for Price Comparison Websites and Third Party Intermediaries*. The Workgroup considered the draft Privacy Impact Assessment and draft Variation Requests to both modifications. It was agreed to hold an additional meeting on 04 July with the aim of concluding the Workgroup Supplemental Report for the July Panel.
- **0594R** – *Meter Reading Submission for Advanced & Smart Metering*. The Workgroup concluded that the Request for Information was suitable to be issued for a 4 week consultation (please see our email of 26 June 2017; the RFI is also published at <https://www.gasgovernance.co.uk/0594>). Ofgem representatives agreed to collate, anonymise and consolidate responses so that they could be used in the Workgroup Report.
- **0613S** – *Revised UK Link Manual CDSP Data Services Document*. The Workgroup reviewed the UNC and DSC Terms and Conditions impacted by the UK Link Manual and no significant issues were identified. Workgroup meetings are to continue on separate days to the Distribution Workgroup day.
- **0615S** - *Representation on DSC Committees: amendment to include mid-year appointments*. Following consideration of the solution and legal text, the Workgroup Report was concluded for submission to the July Panel.
- **0619** - *Application of proportionate ratchet charges to daily read sites*. The Workgroup considered the proposed amendments to the modification. It was noted that it would be difficult to predict if a site was at risk of ratcheting if it moved from Product Classes 3 or 4 to Product Class 2, as there was insufficient data available. It was agreed to consider concluding the Workgroup Report at the next meeting.
- **0622** - *Correct allocation of Shrinkage Error as identified by the AUGE*. The Workgroup considered the modification and that it proposed to allocate the shrinkage error to DNOs. It was noted that DNOs intended to write to the AUGE as they disagree with the AUGE's current proposal to include a non-zero Shrinkage Error in the 2017/18 AUG statement. Please also note that this proposal was withdrawn by the proposer on 03 July 2017.
- Other points of note:-
 - **Additional sites with an AQ of 1KWh*** – it was noted that following Nexus implementation, the number of sites with a negative AQ had increased and that these would be allocated an AQ of 1KWh.
 - **Overview of Unidentified Gas Issues*** – It was noted as part of this presentation that DM meter reads are currently rejecting for around 20% of DM sites.

* A short notice PAC meeting was arranged for 30 June 2017 to discuss these issues.

Charging Methodology Forums

Distribution Network Charging Methodology Forum (DNCFM)

- The quarterly DN Revenue reports for periods ending May are published at: www.gasgovernance.co.uk/DNRevenueReports/2017Jun
- At the 20 June 2017 DNCFM, the GDNs provided an update and an overview of the Allowed and Collected DN Revenue Reports. A Terms of Reference was also recommended for approval at 20 July Panel.

National Transmission System Charging Methodology Forum (NTSCMF)

www.gasgovernance.co.uk/ntscmf

- **0621 - Amendments to Gas Transmission Charging Regime.** This Modification to change the underlying Reference Price Methodology (RPM) used in the calculation of Entry and Exit capacity charges and align the methodology with the EU Tariff Code is now under full consideration following June's panel meeting, with reporting back to Panel expected in January 2018.
- In July, August and September, additional workgroup meetings and sub group meetings are scheduled as below. Information on sub groups can be obtained from: box.transmissioncapacityandcharging@nationalgrid.com

Date	Meeting	Key topic to discuss
07 July 2017	NTSCMF	CWD Updated Model, Revenue Reconciliation / Recovery, Avoiding inefficient bypass of the NTS
11 July 2017	Sub Group	Specific Capacity Discounts
17 July 2017	NTSCMF	Specific Capacity Discounts, Non-Transmission Services Model
25 July 2017	Sub Group	Multipliers
02 August 2017	NTSCMF	Multipliers, Avoiding inefficient bypass of the NTS
08 August 2017	Sub Group	Interruptible
23 August 2017	NTSCMF	Interruptible
24 August 2017	Sub Group	Existing Contracts
05 Sept 2017	NTSCMF	Existing Contracts
08 Sept 2017	Sub Group	Forecasted Contracted Capacity
12 Sept 2017	Sub Group	Avoiding inefficient bypass of the NTS
19 Sept 2017	Sub Group	Multipliers / Interruptible
26 Sept 2017	NTSCMF	FCC, Avoiding inefficient bypass of the NTS, Multipliers / Interruptible
28 Sept 2017	Sub Group	<i>To be confirmed</i>

Committees Update

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

- Members noted that there were no significant issues identified in the Operational Report.

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

- Following work on model smoothing, the models will be reviewed by the DESC and Technical Workgroup members on 12 July 2017.
- The industry will shortly be invited to review and comment on the proposed models for 2017/18, including Annual Load Profiles and Peak Load Factors.
- To ensure sample sizes remain representative, Xoserve wish to obtain additional daily consumption data from Shippers, especially for meter points in EUC 01B. For more details please contact: xoserve.demand.estimate@xoserve.com

Committees Update continued...

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

Update from 13 June 2017 meeting:

- Procurement activities for the Performance Assurance Framework Administrator (PAFA) are on track. Please note that Xoserve have now announced the appointment of Gemserv as the PAFA.
- PAC Communications
 - The PAC will be writing to the DSC Contract Managers to seek nominated contacts for PAC and PAFA communications.
- Consideration of Performance Assurance Report Register (PARR) – Schedule 1:
 - A report has highlighted that there are sites which require a specific correction factor that have been given a standard correction factor. Shippers are urged to review their portfolios or contact their MAMs, to ensure site specific correction factors have been assigned to sites where applicable.
 - The PAC is requesting feedback on the process for updating correction factors.
 - Shippers are requested to review their “No meters recorded” report, as these are sites that are confirmed for which Shippers are paying for but no meter is recorded on site.

Update from 30 June 2017 extraordinary meeting:

- PAC Communications
 - **Estimated readings not being provided for DM sites** - The PAC is to write to the DSC Contract Managers seeking reports on the steps being taken to progress/correct this issue. Responses are requested by 06 July 2017, to enable the information provided to be considered at the next PAC meeting on 11 July 2017. The PAC will then consider next steps and whether the issue should be escalated to CEOs.
 - **Potential impacts of CV defect on UIG** - The PAC were advised of a CV data error which impacted East Midlands LDZ. It was noted that corrective action is in progress and that there were no ongoing concerns for the PAC.
 - **Additional sites with an AQ of 1KWh** - The PAC is considering if there are any changes required to the AQ process to correct erroneous AQs of 1KWh. Additional reports have been requested to allow the risk to be assessed and a further update is to be provided following the next PAC meeting on 11 July 2017.

Data Service Contract (DSC) Committees <http://www.gasgovernance.co.uk/DSC-CDSP>

- In June, the two DSC Change Committee meetings considered priorities for the change/defect backlog and approved the UK Link Future Release Prioritisation Approach.
- A technical subgroup to the DSC Change Committee for the transitional period (for the change demand backlog) was established utilising the existing Solution Development Group who will undertake technical solution assessments and act as an advisory body (membership is open; Xoserve chairs the group). Requests will be forwarded from the DSC Change Committee.
- The DSC Contract Committee considered interactions with PAC, SPAA and amendments to the UK Link Manual.
- The DSC Credit Committee
 - A number of house-keeping changes to the DSC Credit Rules were considered with the aim of approving them at the next meeting.
 - Members were provided an update on the number of outstanding invoices and the arrangements for an emergency meeting should it be needed.

Things to Note...

- **Joint Office website**
 - The new look Joint Office Website was launched on 28 June 2017.
 - The new site provides better compatibility with mobile devices.
 - We would welcome your views on the presentation and usability of the new site.
- **Joint Office accomodation**
 - Good progress is being made towards having our new office ready for use in August. Until then, we will continue to use London venues and Lansdowne Gate in Solihull for scheduled meetings. We also have a temporary office near Warwick available should short-notice needs arise.
- **2017-18 UNC User Representatives Process**
 - We are delighted to report that 43 Shipper Single Points of Contact (SPoCs) have been registered. A list can be found here: <https://www.gasgovernance.co.uk/elections>
 - Nominations for User Representatives have now been invited. For more information please refer to the guidelines published at: <http://www.gasgovernance.co.uk/elections>.
 - The deadline for submitting User Representative nominations is **5pm 21 July 2017**.
- **Withdrawn Modification(s)**
 - **0614** - *Introducing IHD (In-Home Display) Installed Status of Failed*, has been withdrawn by the proposer. The change will be progressed using the CDSP Change Management Procedures.
 - **0622** - *Correct allocation of Shrinkage Error as identified by the AUGE*, has been withdrawn by the proposer following consideration of the recently published AUG Table.



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