

Joint Office

of Gas Transporters

SEPTEMBER 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?

Email: enquiries@gasgovernance.co.uk

Tel: 0121 288 2107

Meet the Joint Office of Gas Transporters Team.

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

Table of Contents for September 2017

Implementation Dates Coming Up	2
Consultation Close-Out Dates	2
New Modifications discussed at August Panel	2
Transmission Workgroup Headlines	2
Distribution Workgroup Headlines	3
Charging Methodology Forums	4
Committees Update	5
Things to Note...	5

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
0615S	<i>Representation on DSC Committees: amendment to include mid-year appointments</i>	11 Sept 17
0570	<i>Obligation on Shippers to provide at least one valid meter reading per meter point into settlement once per annum</i>	to be confirmed

Consultation Close-Out Dates		www.gasgovernance.co.uk/consult
0593V	<i>Provision of access to Domestic Consumer data for Price Comparison Websites and Third Party Intermediaries</i>	08 Sep 17
0613S	<i>Revised UK Link Manual CDSP Data Services Document</i>	08 Sep 17

New Modifications discussed at August Panel

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

www.gasgovernance.co.uk/panel/170817

<p>0625</p> <p><i>Extension of 6 months to 12 months to transfer non-mandatory sites from Class 1</i></p> <p>www.gasgovernance.co.uk/0625</p>	<ul style="list-style-type: none"> • Issued to Workgroup for Assessment • First meeting 24 August 17 • Report to Panel by 19 October 2017
--	--

Workgroup Reports discussed at August Panel

<p>0613S</p> <p><i>Revised UK Link Manual CDSP Data Services Document</i></p> <p>www.gasgovernance.co.uk/0613</p>	<ul style="list-style-type: none"> • Issued to consultation • Deadline for responses: 08 September 2017
--	---

Transmission Workgroup Headlines

www.gasgovernance.co.uk/tx

- **Pre Modification - Treatment of Capacity at Combined ASEPs.** This modification is proposing the introduction of different classifications of capacity at ASEPs and the classification of “abandoned” capacity. National Grid NTS is beginning a trial of a rapid modification process (including changes to its internal processes), and to this end hosted an additional pre-mod discussion via a webex meeting on 29 August and an extended discussion after the Transmission Workgroup on 0p7 September 2017. Both were aimed at supporting the development of the modification prior to its submission to the UNC Panel.
- **Project CLoCC** is a Network Innovation Competition project focussing on customer low cost connections aimed at reducing the cost and time taken to facilitate lower flow connections to the NTS. The project aims to deliver by October 2018. There are potentially 3 UNC modification proposals associated with this: 1. Removal of requirement for ROV at Exit Points 2. Standard

Design Application to Offer (A20) 3. Standard Design PARCA.

- **Pre Modification** - *Removal of requirement for Remotely Operable Valve (ROV) at Exit Points.* This modification aims to allow National Grid discretion on whether an ROV at Exit Points is required, with a methodology for this process. Entry points and Bi-directional are to remain with the ROV requirement as currently. This modification will be submitted to the September Panel.
- **0607S** - *Amendment to Gas Quality NTS Entry Specification at the St Fergus NSMP System Entry Point.* After a prolonged period working on the complexities of this proposal as a separate workgroup, final and contentious aspects of the modification proposal were considered by the full workgroup. Discussion covered competition, discrimination and precedent setting. A further workgroup meeting will be required. Note that the workgroup will be asking Panel to re-examine the self-governance status as agreement could not be reached on this point.
- **0616S** - *Capacity Conversion Mechanism for Interconnection Points.* The workgroup made some final adjustments to the Legal Text and commentary and then concluded the Workgroup Report ready for Submission to September panel.

Distribution Workgroup Headlines

www.gasgovernance.co.uk/dist

- **Pre Modification** - *Creating the permissions to add the Meter Asset Manager (MAM) Id to community view within Data Enquiry Service (DES).* It was noted that the proposal would benefit industry participants and it was felt that if costs were understood the proposed modification could be issued to consultation.
- **0594R** – *Meter Reading Submission for Advanced & Smart Metering.* The Workgroup noted that it is anticipated that more detailed anonymised report of the RFI findings would be presented at the next meeting and that an extension to the October meeting is justified to ensure the information is included in the Workgroup report.
- **0619** - *Application of proportionate ratchet charges to daily read sites.* The Workgroup considered the amended modification. Further discussion took place concerning the potential impact on the management of the Transporters networks should ratchet incentive charges be reduced and the risk of understated SOQs against the risk that SOQs were overstated. These issues are to be discussed further at the next meeting.
- **0625** - *Extension of 6 months to 12 months to transfer non- mandatory sites from Class 1.* The Workgroup discussed the proposed extension of 6 months to the transfer period, with an anticipation that the proposer is will reduce the extension to 4 months. Self Governance was discussed and most participants felt the modification would have a material impact on competition. Subject to the modification being amended, it was anticipated that the Workgroup Report could be concluded at the next meeting.
- Other points of note:-
 - **Post Nexus Issues** – It was noted that a log of post Nexus issues were being compiled and that this would be shared with the DSC Change Management Committee. Issues that potentially have a Code impact would be presented to the Distribution Workgroup at future meetings.
 - **MAM Request for community view within DES** – It was noted that MAMs were requesting additional third party services from Xoserve which would allow them access to DES. It was felt that a specific need would need to be demonstrated against each specific data, particularly where some of the data could be considered as personal data. Some concern was expressed that access would not be limited to a MAMs specific portfolio.

Charging Methodology Forums

Distribution Network Charging Methodology Forum (DNCFM)

- The next quarterly DN Revenue reports will be published at: www.gasgovernance.co.uk/DNRevenueReports/2017Sep and these will be reviewed at the DNCFM on 19 September 2017

National Transmission System Charging Methodology Forum (NTSCMF)

www.gasgovernance.co.uk/ntscmf

- 0621 - Amendments 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. An amended modification with further detail of the specific aspects of the proposed changes is expected from National Grid NTS for the first October NTSCMF meeting.
- In 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
05 Sept 2017	NTSCMF	Existing Contracts, Revenue Reconciliation/Recovery Mechanisms
08 Sept 2017	Sub Group	Forecasted Contracted Capacity (FCC)
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>

- An additional meeting may be required on 21 November 2017 to discuss Seasonal Normal Data. This will be communicated if deemed necessary.

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

- **Performance Assurance Framework Administrator (PAFA) Mobilisation**
The PAC were provided with an update on the PAFA mobilisation process which is currently on target.
- **Estimated readings not being provided for DM sites**
The PAC is concerned about the slow progress to correct the previously advised DM sites issue, however it notes that the issue is being discussed weekly at a TPG related meeting and has decided to keep a watching brief before considering further actions.
- **Additional sites with an AQ of 1KWh**
The PAC is recommending a change to the UNC AQ Validation Rules to add a rule that if a site consumption is negative the preceding AQ is carried forward.
- **Risk Register**
The PAFA provided an initial draft of the PAF Risk register seeking views from PAC members on content and relevance. The draft register is published on the PAC meeting page should industry participants wish to review the content. However, the document is still under review by PAC and is subject to change. <https://www.gasgovernance.co.uk/pac/080817>
- **Workplan and budget consultation document in progress**
Following further discussions on the content and scope of the Workplan, PAC aim to conclude the document so that it can be issued to consultation.

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

- The Change Management Committee noted that the review and scoping of Release 2 would need to be undertaken during September (on 14 September 2017);
- An Adhoc Change Management Committee Meeting was held on 31 August following the industry agreement to exit Project Nexus Post Implementation Support (PIS), this was to ensure a smooth transition to DSC arrangements;
- The Change Management Committee established a working group to review the DSC Change Management Procedures to ensure processes are working effectively and to the benefit of all parties. The first meeting was held on 01 September;
- The Contract Management Committee agreed to schedule additional meetings in the autumn to allow for the review of the Xoserve Business Plan and associated budget;
- The Credit Committee continue to monitor payment performance with no significant issues being reported.

Things to Note...

- **New Joint Office Team Members**
 - We are delighted to welcome our two new members to the Joint Office Team; **Penny Garner CEO** and **Kully Jones, Workgroup Co-ordinator**.
 - Penny joined Transco as a commercial graduate trainee in August 1998. Since then she has held a number of roles within National Grid. She has worked within Corporate Audit, Regulation, Gas Operations, Strategy and Group Assurance. Penny recently managed ethics and investigations within National Grid/Cadent. She looks forward to working with you all over the forthcoming months.
 - Kully comes to the Joint Office after a 23 year career as a civil servant in the education sector developing, managing and evaluating policies for young people and adults. She brings a wealth of experience in stakeholder management and governance having worked with senior colleagues, commercial businesses, state-funded providers and Ofqual - the regulatory body for qualifications.
- **Joint Office accommodation**

- The new office has been delayed due to factors beyond our control. Until further notice, we will continue to use London venues and Lansdowne Gate in Solihull for scheduled meetings. We continue to have a temporary office near Warwick available should short-notice needs arise.
- **2017-18 UNC User Representatives Process**
 - The election process for **the Panel / UNCC**, has now concluded.
 - Further nominations were requested for the remaining vacant positions on the **Energy Balancing Credit Committee**, however no further members were nominated therefore the committee remains with 5 members.
 - The appointed Representatives have been notified and details will be published at: <http://www.gasgovernance.co.uk/elections>.
- **Update on Ofgem's initial consultation on implementing the CMA's recommendations for industry code governance: Responses summary and next steps** – On 27 July 2017, Ofgem published an update on their initial consultation on implementing the CMA's recommendations for industry code governance. The update provides a summary of the 41 consultation responses received and sets out their next steps in terms of policy development. A workshop to discuss their strategic direction for industry codes, and the proposed consultative board is planned for the Autumn.
- **Withdrawn Modification(s)**
 - None this month



Need Help? Or want to Contact Us?

Email: enquiries@gasgovernance.co.uk Tel: 0121 288 2107

Twitter:- [@JointOffice](https://twitter.com/JointOffice)

