

# Joint Office

of Gas Transporters

## NOVEMBER 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](mailto:enquiries@gasgovernance.co.uk)

Tel: 0121 288 2107

Meet the Joint Office of Gas Transporters Team.

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

### Table of Contents for November 2017

Implementation Dates Coming Up	2
Consultation Close-Out Dates	2
New Modifications discussed at October Panel	2
Workgroup Reports discussed at October Panel	3
Final Modification Reports discussed at October Panel	3
Transmission Workgroup Headlines	4
Distribution Workgroup Headlines	4
Charging Methodology Forums	5
Committees Update	6
Things to Note...	7

<b>Implementation Dates Coming Up</b>		
<b>UNC Ref</b>	<b>Title</b>	<b>Date</b>
<b>0570</b>	<i>Obligation on Shippers to provide at least one valid meter reading per meter point into settlement once per annum</i>	03 November 17
<b>0593V</b>	<i>Provision of access to Domestic Consumer data for Price Comparison Websites and Third Party Intermediaries</i>	TBC (by the DSC Change Management Committee)
<b>0616S</b>	<i>Capacity Conversion Mechanism for Interconnection Points</i>	01 January 18

<b>Consultation Close-Out Dates</b>		<a href="http://www.gasgovernance.co.uk/consult">www.gasgovernance.co.uk/consult</a>
<b>0634 (Urgent)</b>	<i>Revised estimation process for DM sites with D-7 zero consumption</i>	03 November 17
<b>0607</b>	<i>Amendment to Gas Quality NTS Entry Specification at the St Fergus NSMP System Entry Point</i>	09 November 2017
<b>0625</b>	<i>Extension of 4 months to 10 months to transfer non-mandatory sites from Class 1</i>	02 November 2017
<b>0637S</b>	<i>Amending the permissions to release data to Meter Asset Provider organisation.</i>	09 November 2017

<b>New Modifications discussed at October Panel</b>	
For a summary of the content of these modifications, see Pre-Panel Briefing Note at: <a href="http://www.gasgovernance.co.uk/panel/210917">www.gasgovernance.co.uk/panel/210917</a>	
<b>0628S</b> <i>Standard Design Connections: PARCA process.</i> <a href="http://www.gasgovernance.co.uk/0628">www.gasgovernance.co.uk/0628</a>	<ul style="list-style-type: none"> <li>• Self-Governance Approved.</li> <li>• Issued to Workgroup for Assessment.</li> <li>• First workgroup meeting 02 November 2017 (Transmission Workgroup).</li> <li>• Report to Panel by 17 May 2018.</li> </ul>
<b>0629S</b> <i>Standard Design Connections: A20 connection process.</i> <a href="http://www.gasgovernance.co.uk/0629">www.gasgovernance.co.uk/0629</a>	<ul style="list-style-type: none"> <li>• Self-Governance Approved.</li> <li>• Issued to Workgroup for Assessment.</li> <li>• First meeting 02 November 2017 (Transmission Workgroup).</li> <li>• Report to Panel by 17 May 2018.</li> </ul>
<b>0630R</b> <i>Review of the consequential changes required in UNC as a result of the Ofgem Switching programme.</i> <a href="http://www.gasgovernance.co.uk/0630R">www.gasgovernance.co.uk/0630R</a>	<ul style="list-style-type: none"> <li>• Issued to a stand-alone Workgroup for Assessment.</li> <li>• First meeting to be arranged.</li> <li>• Report to Panel by 17 May 2018.</li> </ul>
<b>0631R</b> <i>Review of NDM algorithm post-Nexus.</i> <a href="http://www.gasgovernance.co.uk/0631R">www.gasgovernance.co.uk/0631R</a>	<ul style="list-style-type: none"> <li>• Issued to a stand-alone Workgroup for Assessment.</li> <li>• First meeting to be arranged.</li> </ul>

	<ul style="list-style-type: none"> <li>Report to Panel by 17 May 2018.</li> </ul>
<p><b>0632S</b> <i>Shipper asset details reconciliation.</i> <a href="http://www.gasgovernance.co.uk/0632">www.gasgovernance.co.uk/0632</a></p>	<ul style="list-style-type: none"> <li>Self-Governance Approved.</li> <li>Issued to Workgroup for Assessment.</li> <li>First meeting 26 October 2017 (Distribution Workgroup).</li> <li>Report to Panel by 18 January 2018.</li> </ul>
<p><b>0633</b> <i>Mandate monthly read submission for Smart and AMR sites from 01 December 2017.</i> <a href="http://www.gasgovernance.co.uk/0633">www.gasgovernance.co.uk/0633</a></p>	<ul style="list-style-type: none"> <li>Authority Direction Approved.</li> <li>Compressed timetable agreed.</li> <li>Legal text requested.</li> <li>First meeting 26 October 2017 (Distribution Workgroup)</li> <li>Report to Panel by 9 November 2017.</li> </ul>
<p><b>0635</b> <i>Reforms to incentivise accurate and timely DM reads to improve the accuracy of Unidentified Gas allocation.</i> <a href="http://www.gasgovernance.co.uk/0635">www.gasgovernance.co.uk/0635</a></p>	<ul style="list-style-type: none"> <li>Authority Direction Approved.</li> <li>Issued to Workgroup for Assessment.</li> <li>First meeting 26 October 2017 (Distribution Workgroup)</li> <li>Report to Panel by 19 April 2018.</li> </ul>
<p><b>0636</b> <i>Updating the parameters for the NTS Optional Commodity Charge.</i> <a href="http://www.gasgovernance.co.uk/0636">www.gasgovernance.co.uk/0636</a></p>	<ul style="list-style-type: none"> <li>Authority Direction Approved.</li> <li>Issued to Workgroup for Assessment.</li> <li>First meeting 06 November 2017 (NTS Charging Methodology Forum)</li> <li>Report to Panel by 18 January 2017.</li> </ul>
<p><b>0637S</b> <i>Amending the permissions to release data to Meter Asset Provider organisation.</i> <a href="http://www.gasgovernance.co.uk/0637">www.gasgovernance.co.uk/0637</a></p>	<ul style="list-style-type: none"> <li>Self-Governance Approved.</li> <li>Compressed timetable agreed</li> <li>Consultation to close on 09 November 2017.</li> </ul>
<p><b>Workgroup Reports discussed at October Panel</b></p>	
<p><b>0607</b> <i>Amendment to Gas Quality NTS Entry Specification at the St Fergus NSMP System Entry Point</i> <a href="http://www.gasgovernance.co.uk/0607">www.gasgovernance.co.uk/0607</a></p>	<ul style="list-style-type: none"> <li>Authority Direction Approved.</li> <li>Issued to Consultation.</li> <li>Deadline for responses 5pm on 9 November 2017.</li> <li>Report to Panel by 16 November 2017</li> </ul>
<p><b>0625</b> <i>Extension of 4 months to 10 months to transfer non-mandatory sites from Class 1.</i> <a href="http://www.gasgovernance.co.uk/0625">www.gasgovernance.co.uk/0625</a></p>	<ul style="list-style-type: none"> <li>Authority Direction Approved.</li> <li>Issued to Consultation.</li> <li>Deadline for responses 5pm on 02 November 2017</li> <li>Report to be available 09 November 2017.</li> </ul>
<p><b>Final Modification Reports discussed at October Panel</b></p>	
<p><b>0616S</b> <i>Capacity Conversion Mechanism for Interconnection Points</i> <a href="http://www.gasgovernance.co.uk/0616S">www.gasgovernance.co.uk/0616S</a></p>	<ul style="list-style-type: none"> <li>Panel unanimously determined that this Self-Governance Modification should be implemented.</li> <li>Implementation date: 10 November 2017.</li> </ul>

## Transmission Workgroup Headlines

[www.gasgovernance.co.uk/tx](http://www.gasgovernance.co.uk/tx)

This workgroup meets on the first Thursday of every month and currently covers the following topics:

- **Pre-Modification - Treatment of Capacity at Combined ASEPs.** This Modification Proposal (which is still at the pre-mod stage) will consider the introduction of different classifications of capacity at ASEPs to allow different charging treatments. It has significant links to some of the topics under UNC0621 (e.g. revenue reconciliation charge) and therefore submission of a full Modification Proposal will be delayed until later in November, pending updates to 0621.
- **Project CLoCC** (Customer Low Cost Connections) is a Network Innovation Competition project (for delivery October 2018) focussing on customer low cost connections aimed at reducing the cost and time taken to facilitate lower flow connections to the NTS. There are 3 UNC Modification Proposals associated with this:
  - **0627S - Removal of the absolute requirement to include a Remotely Operable Valve (ROV) Installation for all new NTS Exit connections** (Proposer National Grid NTS). An amended Modification Proposal is expected which will have final comments along with the Workgroup report at the next Transmission workgroup in early December with a view to December 2017 UNC Panel submission.
  - **0628S - Standard Design Connections: PARCA process** (Proposer National Grid NTS). Topics discussed included determination of the appropriate fee (Activity Based Costing is underway) and the process design will be further discussed next month. This modification is due to report to the May 2018 UNC Panel.
  - **0629S - Standard Design Connections: A20 connection process** (Proposer National Grid NTS). Topics discussed included standard designs/appraisal and enhancements (including metering and filtration). TPD Section V will be discussed next month. This modification is due to report to the May 2018 UNC Panel.

## Distribution Workgroup Headlines

[www.gasgovernance.co.uk/dist](http://www.gasgovernance.co.uk/dist)

- **Pre-Modification – Application of proportionate ratchet charges to daily read sites.** It was noted that this modification would be proposed as an alternate to Modifications 0619 and 0619A.
- **Review of AUGE arrangements and Framework.** A brief update was provided that following discussion at the October UNCC concerning the recent Xoserve review of the AUGE process, a Request would be proposed to review the AUGE arrangements.
- **0594R – Meter Reading Submission for Advanced & Smart Metering.** Consideration deferred to the November meeting
- **0619 - Application of proportionate ratchet charges to daily read sites and 0619A - Protection from ratchet charges for daily read customers with an AQ of 732,000kWh and below.** The Workgroup considered the Modifications and discussions took place concerning a proposed amendment to 0619A, to lower the threshold for excluded sites to an AQ of 73,200kWh or below and the justification for doing so. The Workgroup concluded with a further alternative modification being proposed, that further assessment was required, although it was anticipated that a report could be provided to the December Panel
- **0632S – Shipper asset details reconciliation.** The Workgroup noted that there were existing UNC obligations for the provision of meter asset details. However, these might not be sufficient for Smart meters or AMR equipment. It was noted that there should be a joined up approach to include potential impacts on iGT UNC and SPAA prior to conclusion of the Workgroup Report.
- **0633 - Mandate monthly read submission for Smart and AMR sites from 01 December 2017.** There were concerns raised about short time scales proposed to assess this modification and the level of analysis that could be provided. The Workgroup Report was concluded although it was noted that Legal Text was not available for assessment due to the short timescales.
- **0634 - Revised estimation process for DM sites with D-7 zero consumption.** It was noted that

this modification was following Urgent procedures and that the timetable included an opportunity for discussion to allow the proposer to make any amendments to the modification prior to it being issued to consultation.

- **0635** – *Reforms to incentivise accurate and timely DM reads to improve the accuracy of Unidentified Gas allocation.* The Workgroup discussed the responsibilities and liabilities associated with the provision of DM reads, including who should be liable (Shipper or Transporter) when there were failures to the equipment e.g. Read Equipment, meter or meter pulse. The Workgroup concluded that further assessment was required.

#### **Other Workgroups**

- **0623** - *Governance Arrangements for Alternatives to Self-Governance Modification Proposals.* Consideration deferred to the December meeting.
- **0624R** - *Review of arrangements for Retrospective Adjustment of Meter Information, Meter Point/Supply Point and Address data.* The Workgroup considered the amended options for RAASP and the draft questions which are to be included in the Request For Information (RFI) exercise. It was agreed that the RFI should be further refined and then be issued for consultation during November.
- **0630R** - *Review of the consequential changes required in UNC as a result of the Ofgem Switching Programme.* No meetings held this month.
- **0631R** - *Review of NDM algorithm post-Nexus.* The initial meeting clarified the scope of the review and the type of information required to support further analysis. A notification is to be issued to Shippers to ask if the relevant information can be provided and the timescales for provision. Once confirmed a more detailed Workplan will be agreed.

## **Charging Methodology Forums**

### **Distribution Network Charging Methodology Forum (DNCFM)**

- The next quarterly DN Revenue reports will be published at: [www.gasgovernance.co.uk/DNRevenueReports/2017Dec](http://www.gasgovernance.co.uk/DNRevenueReports/2017Dec) and these will be reviewed at the DNCFM on 11 January 2018.

### **NTS Charging Methodology Forum (NTSCMF)** [www.gasgovernance.co.uk/ntscmf](http://www.gasgovernance.co.uk/ntscmf)

This workgroup currently meets twice monthly and has agreed that the first meeting each month will be a full NTSCMF covering all modifications under consideration. The second meeting each month will focus solely on 0621.

- **Modification 0621** - *Amendments to Gas Transmission Charging Regime* was covered at both NTSCMF meetings in October, this is planned to report to the January 2018 UNC Panel .
- An updated draft modification with further detail of the specific aspects of the proposed changes was discussed. Updates included the following, all of which will be discussed again:
  - Addressing CWD generated zero prices
  - Multipliers and Interruptible
  - Forecasted Contracted Capacity and short term/transition arrangements
  - Clarification on EU compliance e.g. using Commodity for purposes of revenue recovery.
- **Modification 0636** - *Updating the parameters for the NTS Optional Commodity Charge.* This modification proposal aims to replace the current formula with that proposed in 2015 and replace the MNEPOR in the current formula with the average daily flow at the exit point from the previous Gas Year divided by 75%. The first discussion for this Modification is planned to take place at the NTSCMF meeting on 06 November 2017 and is also due to report to the January 2018 UNC Panel.

## Committees Update

### Energy Balancing Credit Committee (EBCC) [www.gasgovernance.co.uk/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) [www.gasgovernance.co.uk/desc](http://www.gasgovernance.co.uk/desc)

- The next meeting is scheduled on 21 November 2017 to discuss Seasonal Normal Data, Evaluation of Algorithm Performance for Gas Year 2016/17 and provide an update on the NDM sample data.

### Performance Assurance Committee (PAC) [www.gasgovernance.co.uk/PAC](http://www.gasgovernance.co.uk/PAC)

- **Performance Assurance Framework Administrator**  
Mobilisation is nearing completion and should be concluded by the November meeting.
- **Levels of UIG and DM read submission failures**  
The PAC is concerned about the slow progress to correct the previously advised DM sites issues and notes that a number of UIG related modifications have been raised by industry participants. PAC will be holding open forum meetings to discuss the causes of unidentified gas and would welcome wider industry participation and suggestions, on solutions to reduce the fluctuation and level of unidentified gas. The next PAC meeting related to the subject is planned for 01 November, details to be confirmed.
- **Risk Register**  
The PAC has approved the 1<sup>st</sup> draft of the PAF Risk Register which is to be issued to industry consultation. The consultation window will be open for 20 Business Days, with responses presented to the 29 November PAC meeting.
- **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 following consideration of the consultation on the Risk Register.
- **PAC UIG Meeting 01 November 2017**  
PAC held an open meeting to discuss related UIG issues, with the aim of identifying reports which might support its assessment of UIG associated risks and issues.

### Data Service Contract (DSC) Committees [www.gasgovernance.co.uk/DSC-CDSP](http://www.gasgovernance.co.uk/DSC-CDSP)

- The DSC Change Management Committee met on 11 October and reviewed and agreed the scope of Release 2 which is scheduled for June 2017. 4 Change Proposals are under consideration for Release 2 pending Impact Assessment.
  - UKLP112 Missing Key Data Item from iGTs to Shippers (Plot Number).
  - COR3283 Recording of DN Site Works.
  - UKLP262 Change to RGMA validations for LI confirmations.
  - UKLP273 Priority Services Register/Vulnerable Customers Data Requirements Option A.
- The DSC Contract Management Committee met on 18 October and reviewed and approved the Terms of Reference, considered updates on KPI reporting and received a summary position of aggregate UIG flows.
- The DSC Credit Committee continue to monitor payment performance with no significant issues being reported.

## Things to Note...

- Communication – we are always thinking of ways to improve our communications with you to make it more efficient and effective and particularly to minimise the email burden. We would like to seek your views on whether you would find it helpful to receive consolidated emails where the subject matter is similar. For example, we currently issue a separate email following each Panel meeting to notify you of new Workgroups. It is proposed that in future we issue a single email which provides all the information in one place. Please provide your views within the next month to: [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk). Any views will be discussed with Panel before implementation.
- **Withdrawn Modification(s)**
  - None this month.



### Need Help? Or want to Contact Us?

Email: [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk) Tel: 0121 288 2107

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

