

Joint Office

of Gas Transporters

February 2018 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.
<https://www.gasgovernance.co.uk/jointoffice/staff>

Table of Contents for February 2018

Implementation Dates Coming Up	2
Consultation Close-Out Dates	2
Urgent Modifications discussed at January 2018 Panel	2
New Modifications discussed at January 2018 Panel	2
Distribution Workgroup Headlines	4
Transmission Workgroup Headlines	5
Charging Methodology Forums	5
UIG Workgroup Headlines	6
Committees Update	6
Things to Note...	7

Implementation Dates Coming Up		
UNC Ref	Title	Date
0638V	<i>Mandate monthly read submission for Smart and AMR sites from 01 April 2018</i>	01 April 2018

Consultation Close-Out Dates		www.gasgovernance.co.uk/consult
0642 /0642A	<i>Changes to settlement regime to address Unidentified Gas issues</i>	08 February 2018
0643	<i>Changes to settlement regime to address Unidentified Gas issues including retrospective correction</i>	
0619	<i>Application of proportionate ratchet charges to daily read sites</i>	01 March 2018
619A	<i>Protection from ratchet charges for daily read customers with an AQ of 73,200kWh and below</i>	
0619B	<i>Application of proportionate ratchet charges to daily read sites</i>	

Urgent Modifications discussed at January 2018 Panel

For a summary of the content of these modifications, see Pre-Panel Briefing Note at: <https://www.gasgovernance.co.uk/panel/180118>

New Modifications discussed at January 2018 Panel

<p>0635A – Reforms to incentivise accurate and timely DM reads and to remove the Transporter Class 1 read obligation www.gasgovernance.co.uk/0635</p>	<ul style="list-style-type: none"> Accepted as an alternate to Modification 0635. Issued to Workgroup 0635 workgroup. Report to Panel by 19 April 2018.
<p>0636A – Updating the parameters for the NTS Optional Commodity Charge www.gasgovernance.co.uk/0636</p>	<ul style="list-style-type: none"> Accepted as an alternate to Modification 0636. Issued to Workgroup 0636 workgroup. Report to Panel by 15 March 2018.
<p>0642A - Changes to settlement regime to address Unidentified Gas issues www.gasgovernance.co.uk/0642</p>	<ul style="list-style-type: none"> Accepted as an alternate to Modification 0642 To follow the same timeline as Modification 0642 (Urgent). Report to Panel by 15 February 2018.

<p>0645 - Amending the oxygen content limit in the Network Entry Agreement at South Hook LNG www.gasgovernance.co.uk/0645</p>	<ul style="list-style-type: none"> • Self-Governance Approved. • Issued to Workgroup for Assessment. • First workgroup meeting 01 February 2018 (Transmission Workgroup). • Report to Panel by 15 March 2018.
<p>0646R - Review of the Offtake Arrangements Document www.gasgovernance.co.uk/0646</p>	<ul style="list-style-type: none"> • Request Approved. • Issued to Workgroup for Assessment. • First workgroup meeting to be advised (Offtake Arrangements Workgroup). • Report to Panel by 19 July 2018.
<p>Workgroup Reports discussed at January 2018 Panel</p>	
<p>0619 0619A 0619B - Application of proportionate ratchet charges to daily metered sites www.gasgovernance.co.uk/0619</p>	<ul style="list-style-type: none"> • Issued to Consultation. • Deadline for responses 5pm on 01 March 2018. • Report to be presented to 15 March Panel.2018
<p>Request 0624R – Review of arrangements for Retrospective Adjustment of Meter Information, Meter Point/Supply Point and Address data www.gasgovernance.co.uk/0624</p>	<ul style="list-style-type: none"> • Panel agreed to send back to Workgroup for further assessment. • Report to Panel by 15 March 2018
<p>0636 - Updating the parameters for the NTS Optional Commodity Charge www.gasgovernance.co.uk/0636</p>	<ul style="list-style-type: none"> • Panel agreed to send back to Workgroup for further assessment. • Report to Panel by 15 March 2018
<p>Variation Requests discussed at January 2018 Panel</p>	
<p>Final Modification Reports discussed at January 2018 Panel</p>	
<p>0633V – Mandate monthly read submission for Smart and AMR sites from 01 February 2018 www.gasgovernance.co.uk/0633</p>	<ul style="list-style-type: none"> • Panel recommended by majority that this Modification should be implemented. •
<p>0638V - Mandate monthly read submission for Smart and AMR sites from 01 April 2018 www.gasgovernance.co.uk/0638</p>	<ul style="list-style-type: none"> • Panel unanimously recommended that this Modification should be implemented.

Distribution Workgroup Headlines

www.gasgovernance.co.uk/dist

- **Pre-Modification** – *Update to UNC to formalise the Data Enquiry Service Permissions Matrix.* The Workgroup noted the proposed changes and that this modification was a permission modification; agreeing that if raised it would be suitable to be issued to consultation.
- **0632S** – *Shipper asset details reconciliation.* The Workgroup reviewed the Legal Text and noted that there were no Central System impacts. The Workgroup reviewed the Requirements for Reporting and agreed that the Workgroup Report should be concluded with a recommendation that UNC 0632S should be issued to consultation.
- **0635** – *Reforms to incentivise accurate and timely DM reads to improve the accuracy of Unidentified Gas allocation.* The Workgroup discussed the amended Modification and the potential treatment of different classes of Meter Points. It was noted that the proposed alternate modification had been issued to its own **Workgroup 0647**. The Workgroup concluded that further assessment was required.
- **0640S** - *Provision of access to Domestic Consumer data for Suppliers.* The Workgroup reviewed the Legal Text and noted that a cost estimate was not required. The Workgroup Report was concluded with a recommendation that UNC 0640S should be issued to consultation.
- **0641S** - *Amendments to Modification 0431 - Shipper/Transporter - Meter Point Portfolio Reconciliation rules and obligations.* The Workgroup noted that this Modification proposed to change the notice periods for a reconciliation exercise and to revert back to Transporters being data controllers for this data. The Workgroup were unable to conclude the Report and were requesting Panel to return the Modification for further assessment.

Others Issues

- *Revised estimation process for DM sites with D-7 zero consumption.* The Workgroup noted the analysis of the implemented process and that there appeared to be very little intervention by the CDSP and that usual processes appeared to be working.

Other Workgroups

- **0624R** - *Review of arrangements for Retrospective Adjustment of Meter Information, Meter Point/Supply Point and Address data.* The Workgroup reviewed a high level summary of the responses received to the Request For Information (RFI) exercise. It was agreed that the Workgroup Report should be concluded as there was no overall consensus to implement a specific option set out in the RFI.
- **0630R** - *Review of the consequential changes required in UNC as a result of the Ofgem Switching Programme.* The focus of the next meeting (21 February 2018) is to develop the draft Business Requirement Document (BRD) for 3 Shipper priority impact areas: Change of Supplier required information, UK Link file format considerations and Isolation and Withdrawal.
- **0631R** - *Review of NDM algorithm post-Nexus.* The next meeting is planned to be held on the same day as the next DESC meeting (13 February 2018) and is to concentrate on analysis of EUC and WAR bands, WAR Band performance, and Allocation versus Reconciliation analysis.
- **0639R** - *Review of AUGE Framework and Arrangements.* The first meeting was held on the 31 January 2018 and a number of documents were reviewed (for AUG Year 2016/17) to identify if any changes are required. 7 issues were identified and these will be discussed at the next meeting on the 27 February, where the aim is to develop any potential options/resolutions.

Transmission Workgroup Headlines

www.gasgovernance.co.uk/tx

This Workgroup meets on the first Thursday of every month, receiving regular Ofgem and EU code updates. The current modifications covered are:

- **Project CLoCC** (Customer Low Cost Connections) is focussing on customer low cost connections to the NTS:
 - **0628S** - *Standard Design Connections: PARCA process* (Proposer National Grid NTS). Further analysis is ongoing regarding fees. Next month it is expected that proposed fees will be shown, updates made to Phase 1 Time and Legal text will be discussed. This Modification is due to report to the May 2018 Panel.
 - **0629S** - *Standard Design Connections: A20 connection process* (Proposer National Grid NTS). A lower fee (for getting the connection to the offer stage) is expected to reflect the use of automation in the portal. Definitions of Connected Delivery Facility and Connected Offtake System are sufficiently widely drafted to not need changing to accommodate unconventional sources. This Modification is due to report to the May 2018 Panel.
- **0645** - *Amending the Oxygen content limit in the Network Entry Agreement at South Hook LNG*. The workgroup noted the purpose of the modification and requested gas penetration modelling and analysis from National Grid to establish potential impacts, to include scenarios and heat maps. The workgroup is scheduled to report back to March Panel, which is feasible unless the analysis shows unexpected results.
- The Workgroup received further updates on the Industrial Emissions Directive and the proposals resulting from National Grid's Gas Quality consultation.

Charging Methodology Forums

Distribution Network Charging Methodology Forum (DNCMF)

- No meeting held this month.
- The next quarterly DN Revenue reports will be published at: www.gasgovernance.co.uk/DNRevenueReports/2018 and these will be reviewed at the DNCMF on 27 March 2018.

NTS Charging Methodology Forum (NTSCMF) www.gasgovernance.co.uk/ntscmf

- **0621** - *Amendments to Gas Transmission Charging Regime* was considered at NTSCMF on 11 January 2018, at a further 0621 Workgroup meeting on 23 January 2018 and again at NTSCMF on 06 February 2018. A two-day 0621 Workgroup meeting will take place on 20 and 21 February 2018 to consider results of National Grid's impact analysis work.
 - It is expected that this Modification will request a further extension at February Panel.
 - A total of 6 alternatives **0621A**, **0621B**, **0621C**, **0621D**, **0621E** and **0621F** (all entitled Amendments to Gas Transmission Charging Regime) are being considered. A comparison table is being developed to compare features of each modification. A modified Workgroup report structure will be utilised to enable clearer consideration of the issues, with each Modification Proposal attached in full as an appendix.
 - Consideration is being given to how to make the UNC consultation process as user friendly as possible whilst enabling thorough information gathering for the UNC Panel and subsequently Ofgem. Ofgem is planning a regulatory impact assessment. Consideration is also being given to the activities necessitated by the EU process, with National Grid leading on this area. The February UNC Panel will receive an update on timelines relating to this group of modifications.
- **0636/A** - *Updating the parameters for the NTS Optional Commodity Charge*. The key focus at the meetings is the development of the Workgroup report for both the original and Alternative proposals. Although good progress is being made in this regard, issues have been identified with regards to producing a ROM for 0636A (seeks to incorporate a distance cap) and transitional rules are being developed to overcome the need for a system solution by October 2018.

UIG Workgroup Headlines

www.gasgovernance.co.uk/UIG

This Workgroup has been established to discuss Modifications related to UIG:

- **Pre-Modification** - None discussed
- **UNC 0642 (Urgent) 0642A** - Changes to settlement regime to address Unidentified Gas issues. The main focus of the meeting was review the amended modifications, Legal Text and High Level implementation/cost impacts. The Workgroup Report was concluded and includes **UNC 0642, 0642A and 0643** which were issued for a combined consultation.
- **UNC 0643 (Urgent)** - Changes to settlement regime to address Unidentified Gas issues including retrospective correction. See **0642** above.
- **UNC 0644** - Improvements to nomination and reconciliation through the introduction of new EUC bands and improvements in the CWV. Discussions were deferred and it is likely that further development will take place in association with DESC and Request 0631R meetings.

Committees Updates

Energy Balancing Credit Committee (EBCC) 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

- The next meeting is scheduled for 13 February 2018 to discuss the Evaluation of Algorithm Performance for Gas Year 2016/17 – Strand 4 Reconciliation Analysis and the EUC Modelling Approach for Spring 2018.

Performance Assurance Committee (PAC) www.gasgovernance.co.uk/PAC

- PAC held a closed meeting on 05 February 2018. The main topics for discussion were a presentation on theft by TRAS, the development of the 2018/19 workplan and the potential development of incentives. Discussions were also had on the membership of PAC and if Shippers members should be increased to include up to 9 members.

Data Service Contract (DSC) Committees www.gasgovernance.co.uk/DSC-CDSP

- **DSC Change Management Committee** met on 7 February 2018.
 - Work has recently been undertaken to review, prioritise and propose the cancellation of a number of historical Change Requests. In some cases, members have agreed to sponsor some of the proposed to close changes.
 - A key focus of the meeting was to also make a number of important approvals with regards to Release 2 (amendments to BER) and 3 (scope and EQR). Release 2 is planned to be implemented in June 2018 and Release 3 is planned to be implemented in November 2018.
- **DSC Credit Committee** continues to monitor payment performance with no significant issues being reported.
- **DSC Contract Management Committee** are to meet on 14 February 2018. Discussions have been had with members on the future KPIs and 5 key themes have been identified; Issue management and resolution, Change management, Relationship management (between Xoserve and industry parties), Data Quality and Adding Value. The February meeting will discuss this topic further and will try to identify those areas that could be implemented as 'quick-wins'.

Things to Note...

- **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)

