

Joint Office

of Gas Transporters

April 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....

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Meet the Joint Office of Gas Transporters Team.

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

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Implementation Dates		
UNC Ref	Title	Date
0623	<i>Governance Arrangements for Alternatives to Self-Governance Modification Proposals</i>	20 April 2018

Consultation Close-Out Dates		www.gasgovernance.co.uk/consult
0645S	<i>0645S - Amending the oxygen content limit in the Network Entry Agreement at South Hook LNG</i>	27 April 2018
0648S	<i>0648S - End dating the revised DM Read estimation process introduced by Modification 0634</i>	27 April 2018

Urgent Modifications discussed at March 2018 Panel
None

New Modifications discussed at March 2018 Panel	
0621G – Amendments to Gas Transmission Charging Regime https://www.gasgovernance.co.uk/0621	<ul style="list-style-type: none"> ▪ Accepted as an alternative to Modification 0621. ▪ To be considered by Workgroup 0621. ▪ Initial representations requested no later than 09 April. ▪ The Workgroup report for 0621 and all alternatives to be presented by 17 May 2018 Modification Panel.
0621H – Amendments to Gas Transmission Charging Regime https://www.gasgovernance.co.uk/0621	<ul style="list-style-type: none"> ▪ Accepted as an alternative to Modification 0621. ▪ To be considered by Workgroup 0621. ▪ Initial representations requested no later than 09 April. ▪ The Workgroup report for 0621 and all alternatives to be presented by 17 May 2018 Modification Panel.
0621J – Amendments to Gas Transmission Charging Regime https://www.gasgovernance.co.uk/0621	<ul style="list-style-type: none"> ▪ Accepted as an alternative to Modification 0621. ▪ To be considered by Workgroup 0621. ▪ Initial representations requested no later than 09 April. ▪ The Workgroup report for 0621 and all alternatives to be presented by 17 May 2018 Modification Panel.
0653 (renumbered from 0636C) – Updating the parameters for the NTS Optional Commodity Charge – Introducing the NTS Optional Capacity Charge https://www.gasgovernance.co.uk/0653	<ul style="list-style-type: none"> ▪ Not accepted as an alternative to Modification 0636 and therefore renumbered as 0653. ▪ To be considered within the NTSCMF workgroup. ▪ Initial representations for consideration at workgroup are requested no later than 09 April. ▪ Workgroup report to be presented by 17 May Modification Panel.
0636C (renumbered from 0636D) – Updating the parameters for the NTS Optional Commodity Charge https://www.gasgovernance.co.uk/0636	<ul style="list-style-type: none"> ▪ Accepted as an alternative to Modification 0636. ▪ To be considered by Workgroup 0636. ▪ Initial representations for consideration at workgroup are requested no later than 09 April.

	<ul style="list-style-type: none"> Workgroup report to be presented by 19 April Modification Panel.
<p>0649S – Update to UNC to formalise the Data Enquiry Service Permissions Matrix https://www.gasgovernance.co.uk/0649</p>	<ul style="list-style-type: none"> This Modification will follow self-governance procedures. To be considered within the Distribution workgroup. Initial representations for consideration at workgroup are requested no later than 09 April. Workgroup report to be presented by 19 July Modification Panel.
<p>0650FT – Minor Typographical Correction to UNC0638V Legal Text https://www.gasgovernance.co.uk/0650</p>	<ul style="list-style-type: none"> Fast Track Self-Governance Approved. Implementation Date 10 April 2018.
<p>0651 – Replacement of the Retrospective Data Update provisions https://www.gasgovernance.co.uk/0651</p>	<ul style="list-style-type: none"> To be considered within the Distribution workgroup. Initial representations for consideration at workgroup are requested no later than 09 April. Workgroup report to be presented by 21 June Modification Panel.
<p>0652 – Obligation to submit reads and data for winter consumption calculation (meters in EUC bands 3 – 8) https://www.gasgovernance.co.uk/0652</p>	<ul style="list-style-type: none"> To be considered within the Distribution workgroup. Initial representations for consideration at workgroup are requested no later than 09 April. Workgroup report to be presented by 19 July Modification Panel.
<p>Workgroup Reports discussed at March 2018 Panel</p>	
<p>Distribution Workgroup Report – Consideration of the implementation of UNC 0634 (Urgent) – Revised estimation process for DM sites with D-7 zero consumption https://www.gasgovernance.co.uk/0634 or https://www.gasgovernance.co.uk/dist/220218</p>	<ul style="list-style-type: none"> Panel accepted the recommendations of the Distribution Workgroup Report. The Topic Workgroup 0634 (Urgent) has now been closed.
<p>0636 0636A 0636B – Updating the parameters for the NTS Optional Commodity Charge https://www.gasgovernance.co.uk/0636</p>	<ul style="list-style-type: none"> Panel determined that these Modifications be returned to the workgroup for further assessment. A Report is to be presented by 19 April Modification Panel.
<p>0639R – Review of AUGE Framework and Arrangements https://www.gasgovernance.co.uk/0639</p>	<ul style="list-style-type: none"> Panel determined that this Review be returned to the workgroup for further assessment. A Report is to be presented by 17 May Modification Panel.
<p>0645S – Amending the oxygen content limit in the Network Entry Agreement at South Hook LNG https://www.gasgovernance.co.uk/0645</p>	<ul style="list-style-type: none"> Issued to Consultation which closes on 27 April 2018. The Draft Modification Report will be presented to the 17 May Modification Panel.

<p>0648S – End dating the revised DM Read estimation process introduced by Modification 0634 https://www.gasgovernance.co.uk/0648</p>	<ul style="list-style-type: none"> ▪ Issued to Consultation which closes on 27 April 2018. ▪ The Draft Modification Report will be presented to the 17 May Modification Panel.
<h3>Variation Requests discussed at March 2018 Panel</h3>	
<p>None</p>	
<h3>Final Modification Reports discussed at March 2018 Panel</h3>	
<p>0619 – Application of proportionate ratchet charges to daily read sites https://www.gasgovernance.co.uk/0619</p>	<ul style="list-style-type: none"> ▪ No new issues were identified. ▪ Panel did not recommend 0619 was suitable for implementation by majority vote (5 out of 14 voted to recommend implementation). ▪ Panel did not specify a preference for this modification (4 out of 14 votes) over 0619A and 0619B. ▪ Awaiting Ofgem decision.
<p>0619A – Protection from ratchet charges for daily read customers with an AQ of 73,200kWh and below https://www.gasgovernance.co.uk/0619</p>	<ul style="list-style-type: none"> ▪ No new issues were identified. ▪ Panel recommended 0619A was suitable for implementation by majority vote (9 out of 14 voted to recommend implementation). ▪ Panel did not specify a preference for this modification (7 out of 14 votes) over 0619 and 0619B. ▪ Awaiting Ofgem decision.
<p>0619B – Application of proportionate ratchet charges to daily read sites https://www.gasgovernance.co.uk/0619</p>	<ul style="list-style-type: none"> ▪ No new issues were identified. ▪ Panel did not recommend 0619B was suitable for implementation by majority vote (5 out of 14 voted to recommend implementation). ▪ Panel did not specify a preference for this modification (1 out of 14 votes) over 0619 and 0619A. ▪ Awaiting Ofgem decision.
<p>0632S – Shipper asset details reconciliation https://www.gasgovernance.co.uk/0632</p>	<ul style="list-style-type: none"> ▪ No new issues were identified. ▪ Implementation was unanimously supported. ▪ To be implemented within standard timescales.
<p>0640S – Provision of access to Domestic Consumer data for Suppliers https://www.gasgovernance.co.uk/0640</p>	<ul style="list-style-type: none"> ▪ No new issues were identified. ▪ Implementation was unanimously supported. ▪ To be implemented within standard timescales.

<h3>Distribution Workgroup Headlines</h3>	www.gasgovernance.co.uk/dist
<ul style="list-style-type: none"> • Pre-Modifications <ul style="list-style-type: none"> ○ Requiring a Meter Reading following a change of Local Distribution Zone or Exit Zone. ○ The Workgroup noted the proposals and agreed that the modification should be raised for the April Panel. • 0641S - Amendments to Modification 0431 - Shipper/Transporter - Meter Point Portfolio Reconciliation rules and obligations. The Workgroup reviewed the amended modification, and concluded the Workgroup Report for submission to April Panel. 	

- **0649S** - Update to UNC to formalise the Data Enquiry Service Permissions Matrix. The Modification was reviewed by the Workgroup with the initial discussions focusing on what was the most appropriate governance route for the Modification, with consideration over whether or not it falls under the UNC Governance or via the DSC arrangements. These aspects will be considered further at the next meeting.
- **0651** – Replacement of the Retrospective Data Update provisions. The Modification was reviewed by the Workgroup and it was noted that there was a concern around the indicative implementation timeline. It was agreed that interactions with the DSC arrangements should be considered and that the Modification should be assessed further at the next meeting
- **0652** - Obligation to submit reads and data for winter consumption calculation (meters in EUC bands 3 - 8). The Workgroup considered the Modification and agreed that it would be beneficial if it were developed alongside UNC Modification 0644 (and indirectly DESC) as part of the UIG Workgroup.

Other Workgroups

- **0630R** - Review of the consequential changes required in UNC as a result of the Ofgem Switching Programme. No meetings took place in March and the next meeting is 27 April 2018.
- **0639R** - Review of AUGE Framework and Arrangements. No meetings took place in March and the next meeting is on 02 May 2018. It is anticipated that this meeting will firm up the proposals from the review and complete the workgroup report for submission to the May Panel.

Transmission Workgroup Headlines

www.gasgovernance.co.uk/tx

- **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). The Workgroup reviewed the draft Legal Text and agreed that an extension to the June Panel should be requested to ensure the Modification and Legal Text align.
- **0629S** - *Standard Design Connections: A20 connection process* (Proposer National Grid NTS). The Workgroup reviewed the draft Legal Text and agreed that an extension to the June Panel should be requested to ensure the Modification and Legal Text align.

Charging Methodology Forums

Distribution Network Charging Methodology Forum (DNCMF)

- The March 2018 DN Revenue reports were reviewed at the DNCMF on 27 March 2018.
- 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 26 June 2018.

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

- **0621** - *Amendments to Gas Transmission Charging Regime*
 - Workgroup 0621 has been extremely busy assessing the impact of the 10 Modifications and continues to analyse the effects the changes would have on gas charges. Workgroup meetings have been frequent and will be significantly more frequent going forward, aiming for submission to the May UNC Panel. This is a deadline directed by Ofgem in its decision letter from 08 March (see here: <https://www.gasgovernance.co.uk/0621>).
 - If you would like to understand more about where the Modifications differ from National Grid's Modification 0621, it is recommended that you familiarise yourself with the comparison table, recent version (v0.7), of which is available here: <https://www.gasgovernance.co.uk/0621/120418>).
- **0636/A/B/C** - *Updating the parameters for the NTS Optional Commodity Charge.*

- The Workgroup report for both the original and Alternative proposals has been completed and submitted to the April Panel, who will determine if it can be issued for consultation or referred back to workgroup for further assessment.

UIG Workgroup Headlines

www.gasgovernance.co.uk/UIG

- **0631R** - *Review of NDM algorithm post-Nexus*. A meeting was held on the same day as Modification 0644 (20 March 2018) and concentrated on the completion of the Request Workgroup Report. The review has raised awareness of UIG issues but the workgroup has not identified any specific improvements that should be progressed.
- **0644** - *Improvements to nomination and reconciliation through the introduction of new EUC bands and improvements in the CWV*. The last meeting on the 20 March 2018 reviewed further analysis for the 3 key areas of the Modification. A ROM has been requested to determine whether the new EUC bands could be implemented for October 2018.

Committees Updates

Energy Balancing Credit Committee (EBCC) www.gasgovernance.co.uk/EBCC

- Please be reminded that the Nomination of 4 additional EBCC User Representatives window is drawing to a close at 5pm on Friday 20 April 2018.

Demand Estimation Sub-Committee (DESC) www.gasgovernance.co.uk/desc

- There were no DESC meetings held during March. The next meeting (DESC TWG) is scheduled for 24 April 2018 to confirm the modelling runs to take forward based on aggregations/WAR band definitions.

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

- PAC held a meeting 10 April 2018.
- The Performance Assurance Committee (PAC) agreed the PAC financial year 2018/19 project plan that was presented by the Performance Assurance Framework Administrator (PAFA);
- Xoserve presented Post Nexus meter read performance analysis across Product Classes and highlighted the guidance provided to Shippers on this issue;
- The PAC discussed the Daily Metered (DM) read submission performance for Product Classes 2 & 3 along with the issue of delays in DM consumption adjustment;
- Conversations were had by PAC around incentivisation of positive performance in the industry and challenges to be addressed for an effective process to be in place;
- The PAC discussed industry performance on lack of transfer read submission and resulting issue of AQs of 1;
- The PAFA presented the three finalised PARR reports with analysis on trends;
- The PAC looked into AQ reports as a reporting area not covered by MOD520A reporting and will consider raising a Modification next month to implement this reporting;
- The PAC to introduce a Smart Meter agenda item for future meetings to discuss smart meter related issues e.g. Smart meter exchanges and read submission statistics;
- The PAFA to continue to develop the PRIDE performance assurance approach to provide a low level summary of a toolset for the PAC to consider, and
- The next face to face meeting will take place on 08 May 2018

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

- **DSC Change Management Committee**
 - Good progress continues to be made for the June 2018 Release 2 and November 2018 Release 3.
- **DSC Credit Committee**
 - Continues to monitor payment performance with no significant issues being reported.

- **DSC Contract Management Committee**

- Due to meet on 18 April 2018. Discussions continue on the 5 new Key Value Indicators (KVIs) to support the existing suite of KPIs.

Things to Note...

- **Withdrawn Modification(s)**
 - None



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