

Joint Office

of Gas Transporters

May 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
	None.	

Consultation Close-Out Dates		www.gasgovernance.co.uk/consult
0641S	Amendments to Modification 0431 - Shipper/Transporter - Meter Point Portfolio Reconciliation rules and obligations	11 May 2018

Urgent Modifications discussed at April 2018 Panel	
<p>0642(Urgent), 0642A and 0643(Urgent) – Changes to settlement regime to address Unidentified Gas issues (including retrospective correction)</p> <p>https://www.gasgovernance.co.uk/0642 https://www.gasgovernance.co.uk/0643</p>	<ul style="list-style-type: none"> Ofgem confirmed that they were unable to make a decision on these modifications at this time and that they would be writing to the industry to confirm the next steps which might include an impact assessment.
New Modifications discussed at April 2018 Panel	
<p>0636D – Updating the parameters for the NTS Optional Commodity Charge while complying with the EU Tariff Code</p> <p>https://www.gasgovernance.co.uk/0636</p>	<ul style="list-style-type: none"> This Modification will follow Authority Direction. Accepted as an alternative to Modification 0636. This Modification will also be considered by Workgroup 0636. The Workgroup are asked to consider and evaluate the interactions between 0636 and 0621; to review the impacts and relevant objectives; and ensure that the analysis provider is clearly referenced within the Workgroup Report. Initial representations for consideration at Workgroup are requested no later than 11 May. Workgroup report to be presented by 23 May Modification Panel (extraordinary meeting).
<p>0654 – Mandate the provision of NDM sample data</p> <p>https://www.gasgovernance.co.uk/0654</p>	<ul style="list-style-type: none"> This Modification will follow Authority Direction Sent to Workgroup for assessment. Initial representations for consideration at Workgroup are requested no later than 11 May. Workgroup report to be presented by 19 July Modification Panel.
<p>0655S – Requiring a Meter Reading following a change of Local Distribution Zone or Exit Zone</p> <p>https://www.gasgovernance.co.uk/0655</p>	<ul style="list-style-type: none"> This Modification will follow self-governance procedures. This Modification will be considered within the Distribution Workgroup. Initial representations for consideration at Workgroup are requested no later than 11 May. Workgroup report to be presented by 19 July Modification Panel.

Workgroup Reports discussed at April 2018 Panel

0631R – Review of NDM algorithm post-Nexus https://www.gasgovernance.co.uk/0631	<ul style="list-style-type: none"> ▪ Panel accepted the recommendations of the Request Workgroup Report. ▪ The Request Workgroup has now been closed.
0636 0636A 0636B 0636C – Updating the parameters for the NTS Optional Commodity Charge https://www.gasgovernance.co.uk/0636	<ul style="list-style-type: none"> ▪ Panel determined that these Modifications be returned to the Workgroup for further assessment. (see also 0636D above) ▪ A Report is to be presented by 23 May Modification Panel (extraordinary meeting).
0641S – Amendments to Modification 0431 – Shipper/Transporter – Meter Point Portfolio Reconciliation rules and obligations https://www.gasgovernance.co.uk/0641	<ul style="list-style-type: none"> ▪ Issued to Consultation which closes on 11 May 2018. ▪ The Draft Modification Report will be presented (at short notice) to the 17 May Modification Panel.

Variation Requests discussed at April 2018 Panel

None

Final Modification Reports discussed at April 2018 Panel

None

Distribution Workgroup Headlines

www.gasgovernance.co.uk/dist

- **Pre-Modifications**
 - Draft Request - Reconciliation Imbalance Cash Out Request. The Workgroup considered the Request required further information to demonstrate the need for a review. It was noted that the subject area was relevant to both Distribution and Transmission Workgroups and of sufficient complexity to warrant a stand-alone Workgroup meeting.
- **0647** - Opening Class 1 reads to Competition. The Workgroup reviewed the Modification, and concluded that further assesment was required to consider potential AUGÉ and PAC impacts and transistional rules.
- **0649S** - Update to UNC to formalise the Data Enquiry Service Permissions Matrix. 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 are to be explored further with the relevant DSC Committees before the Mofification is developed or amended further.
- **0651** – Replacement of the Retrospective Data Update provisions. The Modification was reviewed by the Workgroup and it was agreed a comparision table was needed to highlight which Modification 0434 process would be removed and those that would remain. The Modificaiton is to be assessed further at the next meeting
- **0655** - Requiring a Meter Reading following a change of Local Distribution Zone or Exit Zone
- The Workgroup considered the Modification and agreed that it would be beneficial if it the Modification were to be put 'on hold' for the time being whilst the matter is discussed in more detail with the DSC Committees for their view on the most appropriate governance route to follow.

Other Workgroups

- **0630R** - Review of the consequential changes required in UNC as a result of the Ofgem Switching Programme. It was agreed that the focus of the next meeting on 29 June 2018

would be to consider updates from the DSC Committees, DSG and Ofgem Consultation. Consideration would also be given to concluding the Workgroup Report.

- **0639R** - Review of AUGE Framework and Arrangements. The Workgroup agreed that consequential changes to the AUGE Framework Guidelines and associated timeline could be progressed through the UNCC. However, a reporting extension is to be requested to allow the Workgroup to review the contractual framework .

Transmission Workgroup Headlines

www.gasgovernance.co.uk/tx

- Transmission workgroup was rescheduled to 16 May 2018 to allow for enhanced consideration of the time-constrained 0621 suite of charging Modifications.

Charging Methodology Forums

Distribution Network Charging Methodology Forum (DNCMF)

- 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

- **0621/0621A/0621B/0621C/0621D/0621E/0621F/0621H/0621J/0621K/0621L - Amendments to Gas Transmission Charging Regime:**
 - Two additional alternatives, 0621K (Gateway LNG) and 0621L (Shell) were assessed at short notice by Extraordinary Panel meetings on Wednesday 25 April and Thursday 26 April 2018. See:
 - <https://www.gasgovernance.co.uk/panel/250418>
 - <https://www.gasgovernance.co.uk/panel/260418>
 - Both have been added to the suite of Modifications being considered by Workgroup 0621.
 - Workgroup 0621 has been meeting daily, aiming for submission of the Workgroup report by close of play on Wednesday 09 May. The final workgroup meeting will be on Tuesday 08 May 2018.
- **0636/A/B/C/D - Updating the parameters for the NTS Optional Commodity Charge.**
 - At the meeting on the 09 May 2018, the Workgroup considered UNC 0636D, including analysis, a ROM response and Legal Text. The Workgroup then completed the workgroup report and this has now been submitted to the 23 May 2018 UNC Panel, which is expected to issue it to consultation.

UIG Workgroup Headlines

www.gasgovernance.co.uk/UIG

- **0644** - *Improvements to nomination and reconciliation through the introduction of new EUC bands and improvements in the CWV.* A ROM has been provided which highlighted a number of concerns around change scheduling and it was agreed that a DSC Change Proposal would be raised to seek a view on the proposed implementation timeline.
- **0654** - *Mandating the provision of NDM sample data.* The Workgroup discussed the proposed mandating of NDM samples data, the monitoring of performance by PAC and potential impacts on the AUGE process and new market entrants. It was agreed to review the business rules at the next meeting.

Committees Updates

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

- EBCC had sought additional User Representatives in April. However, no nominations were received.

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

- At the May meeting, the DESC Technical Workgroup reviewed the results from the proposed modelling runs to take forward based on aggregations/WAR band definitions.

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

- At the meeting on the 08 May 2018, The Performance Assurance Committee (PAC) considered and agreed the proposed amendment to its Terms of Reference which will be taken forward to the Uniform Network Code Committee (UNCC) at its next meeting in May. Other key points included:
 - The PAC discussed the draft modification wording for adding Annual Quantity (AQ) reporting to the Performance Assurance Reports Register (PARR) reporting suite.
 - The Assurance Framework Administrator (PAFA) presented wording on a draft modification for the amendment of PARR permissions to allow update requests from PAC with UNCC approval.
 - Conversations were had by the PAC around incentivisation of positive performance in the industry and challenges to be addressed for an effective process to be in place
 - Xoserve presented a draft letter to be sent to all Daily Metered (DM) Shippers still with outstanding actions relating to Pot 1 consumption adjustments for PAC consideration
- The next face to face meeting will take place on 12 June 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**
 - The 5 new Key Value Indicators (KVI) to support the existing suite of KPIs, went live on the 01 May 2018.
 - It was noted that a Shipper Member has resigned from the Committee and expressions of interest are currently being sought from other Class A shippers that may like to undertake the role.

Things to Note...

- **Withdrawn Modification(s)**
 - 0621G – Amendments to Gas Transmission Charging Regime.



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