

Joint Office

of Gas Transporters

July 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
0628S	Standard Design Connections: PARCA process	12 July 2018
0629S	Standard Design Connections: A2O connection process modification	12 July 2018

Urgent Modifications discussed at June 2018 Panel	
None	

New Modifications discussed at June 2018 Panel	
0659S – Improvements to the Composite Weather Variable https://www.gasgovernance.co.uk/0659	<ul style="list-style-type: none"> ▪ This Modification will follow self-governance procedures. ▪ This Modification will be considered within the UIG Workgroup. ▪ Initial representations for consideration at workgroup are requested no later than 12 July. ▪ Workgroup Report to be presented by 15 November Modification Panel.
0660S – Amendment to PARR permissions to allow PAC to update with UNCC approval https://www.gasgovernance.co.uk/0660	<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 12 July. ▪ Workgroup report to be presented by 20 September Modification Panel.
0661R – Reconciliation and Imbalance Cash Out prices https://www.gasgovernance.co.uk/0661	<ul style="list-style-type: none"> ▪ Consideration deferred until the 19 July Panel meeting.
0662 – Revenue Recovery at Combined ASEPs https://www.gasgovernance.co.uk/0662	<ul style="list-style-type: none"> ▪ This Modification will fall under Authority Direction. ▪ This Modification will be considered within the Transmission Workgroup. ▪ Initial representations for consideration at workgroup are requested no later than 12 July. ▪ Workgroup report to be presented by 18 April 2019 Modification Panel.

Workgroup Reports discussed at June 2018 Panel	
0628S – Standard Design Connections: PARCA process https://www.gasgovernance.co.uk/0628	<ul style="list-style-type: none"> ▪ Issued to Consultation which closes on 12 July 2018. ▪ The Final Modification Report will be presented (at short notice) to the 19 July Modification Panel.

<p>0629S – Standard Design Connections: A20 connection process modification https://www.gasgovernance.co.uk/0629</p>	<ul style="list-style-type: none"> ▪ Issued to Consultation which closes on 12 July 2018. ▪ The Final Modification Report will be presented (at short notice) to the 19 July Modification Panel.
<p>0639R – Review of AUGE Framework and Arrangements https://www.gasgovernance.co.uk/0639</p>	<ul style="list-style-type: none"> ▪ Panel accepted the recommendations of the Request Workgroup Report. ▪ The Request Workgroup has now been closed.
<p>0644 – Improvements to nomination and reconciliation through the introduction of new EUC bands and improvements for the ALP and DAF https://www.gasgovernance.co.uk/0644</p>	<ul style="list-style-type: none"> ▪ Panel accepted the recommendations of the Workgroup Report and determined that this Modification be returned to the Workgroup for further assessment. ▪ A Report is to be presented by the 16 August Modification Panel. ▪ Expectation is that the Modification would be withdrawn by the Proposer once the Transporters confirm that no UNC legal text is required.
<p>Variation Requests discussed at June 2018 Panel</p>	
<p>None</p>	
<p>Final Modification Reports discussed at June 2018 Panel</p>	
<p>0636 – Updating the parameters for the NTS Optional Commodity Charge https://www.gasgovernance.co.uk/0636</p>	<ul style="list-style-type: none"> ▪ No new issues were identified. ▪ Panel did not recommend 0636 was suitable for implementation by majority vote. ▪ Panel did not specify a preference for this modification (4 votes) over 0636A, 0636B, 0636C or 0636D.
<p>0636A – Updating the parameters for the NTS Optional Commodity Charge https://www.gasgovernance.co.uk/0636</p>	<ul style="list-style-type: none"> ▪ No new issues were identified. ▪ Panel did not recommend 0636A was suitable for implementation by majority vote. ▪ Panel did not specify a preference for this modification (0 votes) over 0636, 0636B, 0636C or 0636D.
<p>0636B – Updating the parameters for the NTS Optional Commodity Charge https://www.gasgovernance.co.uk/0636</p>	<ul style="list-style-type: none"> ▪ No new issues were identified. ▪ Panel did not recommend 0636B was suitable for implementation by majority vote. ▪ Panel did not specify a preference for this modification (0 votes) over 0636, 0636A, 0636C or 0636D.
<p>0636C – Updating the parameters for the NTS Optional Commodity Charge https://www.gasgovernance.co.uk/0636</p>	<ul style="list-style-type: none"> ▪ No new issues were identified. ▪ Panel did not recommend 0636C was suitable for implementation by majority vote. ▪ Panel did not specify a preference for this modification (0 votes) over 0636, 0636A, 0636B or 0636D.
<p>0636D – Updating the parameters for the NTS Optional Commodity Charge https://www.gasgovernance.co.uk/0636</p>	<ul style="list-style-type: none"> ▪ No new issues were identified. ▪ Panel did not recommend 0636D was suitable for implementation by majority vote. ▪ Panel did not specify a preference for this modification (2 votes) over 0636, 0636A, 0636B or 0636C.
<p>0658 (Urgent) – CDSP to identify and develop improvements to LDZ settlement processes https://www.gasgovernance.co.uk/0658</p>	<ul style="list-style-type: none"> ▪ No new issues were identified. ▪ Panel recommended 0658 (Urgent) was suitable for implementation by majority vote.

Distribution Workgroup Headlines

www.gasgovernance.co.uk/dist

- **Pre-Modifications**
 - None presented for discussion.
- **0647** - Opening Class 1 reads to Competition. There was further discussion of the likely process to be adopted and the impacts of transition. Consideration is needed in terms of timing, implementation readiness and if implementation should be over a period of time or on a specific day. It was noted that there is likely to be an impact on IGT UNC. Further transition impacts are to be discussed at the next meeting.
- **0649S** - Update to UNC to formalise the Data Enquiry Service Permissions Matrix. It was noted that the DSC Committees were considering the development and management of a permissions matrix that would allow the UNC to maintain high level principles and reduce the need for modifications to progress similar changes in future.
- **0651** – Replacement of the Retrospective Data Update provisions. Following consideration of the amendment modification and Suggested Legal Text and Text Commentary, the Workgroup was concluded for consideration at the 18 July Panel 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 the Modification remained 'on hold' for the time being whilst the matter is discussed in more detail with the DSC Change Management Committee for their view on the most appropriate governance route to follow.
- **0657S** - Adding AQ reporting to the PARR Schedule reporting suite. The Workgroup considered the proposers response to questions identified during the previous meeting and concluded that additional analysis was needed to ensure un-anonymised data was needed. It was suggested that AQ reporting is an oversight to the existing PAC reports and should not be considered a significant issue.
- **0660S** - Amendment to PARR permissions to allow PAC to update with UNCC approval. It was noted that this modification would significantly change the responsiveness of PAC to investigate issues and reduce the need to progress similar Modifications to UNC 0657S. However, it was noted that sufficient safeguards needed to be established to ensure parties could appeal the decision to extend reporting.
- **Issues**
 - UNCVR – Change to Outer Tolerance – The Workgroup noted that approval for this document sits with the UNC; however, there is no sub-committee tasked with providing recommendations on changes and that this Workgroup could, at best provide a consensus view on implementation.

Other Workgroups

- **0630R** - Review of the consequential changes required in UNC as a result of the Ofgem Switching Programme. The meeting on 29 June 2018 has now been cancelled and conclusion of the Request Workgroup Report is to be conducted via email.
- **0646R** - Review of the Offtake Arrangements Document. The Workgroup is making progress in reviewing a number of issues identified by Transporters and an extension to December 2018 was approved to allow for a more in-depth review to be concluded.

Transmission Workgroup Headlines	www.gasgovernance.co.uk/tx
<ul style="list-style-type: none"> • 0662 - Revenue Recovery at Combined ASEPs. The Workgroup began developing this Modification and is making progress in reviewing how to calculate any capacity-based revenue recovery charge; in particular, the parameter of “fully adjusted available entry capacity” and how to formulate a process to identify which capacity qualifies for exemption. This Modification is a “fast follower” to Modification 0621 which has implications for its decision and implementation dates. • Updates were received on EU Gas 2020 Package, EU Data Exchange solutions consultation, EU &GB Charging Project (systems implementation) and the Gemini Sustain Programme. • Workgroup briefly considered the Impact of Decommissioned Sites (ISS066) and will continue to look at this issue. 	
Charging Methodology Forums	
<p>Distribution Network Charging Methodology Forum (DNCMF)</p> <ul style="list-style-type: none"> • The quarterly DN Revenue Reports were reviewed on 26 June 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 26th September 2018. <p>NTS Charging Methodology Forum (NTSCMF) www.gasgovernance.co.uk/ntscmf</p> <ul style="list-style-type: none"> • 0653 – Updating the parameters for the NTS Optional Commodity Charge – Introducing the NTS Optional Capacity Charge (Proposer Centrica). The solution proposed by 0653 will introduce an optional <i>capacity</i> charge. A ROM response has been received from Xoserve. Business rules are beginning to be developed and National Grid have begun to provide analysis. Workgroup are requesting an extension for this Modification to report to the September Modification Panel. https://www.gasgovernance.co.uk/0653 • 0621/0621A/0621B/0621C/0621D/0621E/0621F/0621H/0621J/0621K/0621L - Amendments to Gas Transmission Charging Regime: <ul style="list-style-type: none"> • Preliminary EU consultation (under Article 26 EU Tariff Code) is underway, closing out on 13 July 2018. Please contact box.transmissioncapacityandcharging@nationalgrid.com for more details. 	
UIG Workgroup Headlines	www.gasgovernance.co.uk/UIG
<ul style="list-style-type: none"> • 0644 - Improvements to nomination and reconciliation through the introduction of new EUC bands and improvements for the ALP and DAF. It was noted that development had paused, as advice had been provided that the proposals could be achieved by amending the Demand Estimation Methodology and seeking approval from DESC and UNCC, which would allow this modification to be withdrawn. • 0652 - Obligation to submit reads and data for winter consumption calculation (meters in EUC bands 3 – 8). The Workgroup reviewed the amended modification and provided analysis. It was anticipated that a further iteration of the modification was required before a ROM and Legal text could be requested. • 0654 - Mandating the provision of NDM sample data. The Workgroup discussed the amended modification and agreed that, subject to review of the Legal Text, the Workgroup Report could be concluded at the next meeting. 	

Committees Updates

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

- The June meeting was canceled due to lack of members in attendance.

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

- Following the recommendation by the DESC Technical Workgroup on the 9th July, the DESC have now approved the Non-Daily Metered (NDM) Demand Estimation proposals for the forthcoming gas supply year.
- The proposals are now available to all Users electronically via the Xoserve secure internet site, accessed by clicking on UKLink Secured Documentation link on webpage <http://www.xoserve.com/index.php/our-systems/extranet-secured-sites/>. The proposals are in Folder 18, under 2018-19 Gas Year, 3. Demand Estimation Parameters. Users may submit representations to Xoserve (xoserve.demand.estimate@xoserve.com), no later than Tuesday 17th July 2018.

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

- At the meeting on the 12 June 2018, The Performance Assurance Committee (PAC) key points included:
 - Following approval by UNCC of amendments to the PAC Terms of Reference, two newly-appointed Shipper Members were welcomed to the meeting.
 - The CDSP (Central Data Service Provider) provided an update on the letter sent to all Daily Metered (DM) Shippers still with outstanding actions relating to Pot 1 consumption adjustments.
 - The PAC discussed the draft modification wording for transfer of sites with low read submission performance from Classes 2 and 3 into Class 4 with a view of raising the modification in the near future.
 - A Modification Panel update was provided for Modification 657S - Adding AQ reporting to the PARR Schedule reporting suite, stating that this will be considered by the Distribution Workgroup.
 - Modification 660 - Amendment to PARR permissions to allow PAC to update with UNCC approval, will be presented to the Modification Panel at its 21 June 2018 meeting.
 - The PAFA presented two new proposed risks for the Performance Assurance Framework (PAF) Risk Register associated with Correction Factor for sites >732,000kWh and domestic sites respectively.
 - The PAFA presented the three finalised PARR reports with analysis on trends.
 - The CDSP stated that 9 of 10 PARR reports will be ready to be published for the August 2018 PAC meeting.
- The next face to face meeting will take place on 10 July 2018.

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

- **DSC Change Management Committee**
 - At the June meeting 12 new change proposals were raised and approved.
 - Release 2 is on track for delivery at the end of June.
 - Release 3 is currently tracking to plan but current overall RAG status is AMBER:
 - Track 1 (13 Changes) – Detailed Design Complete. Build commenced, on track to complete as per plan.
 - Track 2 (XRN4454 – Cadent/NGT Separation) – a full assessment of the requirements and design, build components is being completed but the build plan is now impacted by a delay in defining the reporting and file format requirements.
- **DSC Credit Committee**
 - Continues to monitor payment performance with no significant issues being reported.
- **DSC Contract Management Committee**

- The Committee is working with CDSP on the budget amendments required to support preparation for the introduction of the Central Switching Service (“CSS”). This has three elements:
 - DCC’s tender process including the review of documents and responding to bidders’ questions.
 - Undertaking analysis of the CSS consequential change.
 - Preparing to bid to become the CSS.

Things to Note...

- **2018-19 UNC User Representatives Process**
 - We are pleased to announce that 35 Shipper Single Points of Contact (SPoCs) have been established. The list of registered representatives can be found at: <https://www.gasgovernance.co.uk/elections>
 - Nominations for User Representatives have now been invited for the following:
 - Panel & Uniform Network Code Committee (UNCC) (Nominations for Panel include the UNCC)
 - Demand Estimation Sub-Committee (DESC)
 - Energy Balancing Credit Committee (EBCC)
 - Performance Assurance Committee (PAC)
 - DSC Change Management Committee
 - DSC Contract Management Committee
 - DSC Credit Committee
 - For more information about representing the industry by sitting on the UNC Modification Panel or one of these important Committees, please refer to the guidelines published at: <https://www.gasgovernance.co.uk/elections>
 - The deadline for submitting User Representative nominations is 5pm 20 July 2018.
- **Panel Membership** - Following the resignation of a Shipper User Member, Jeff Chandler has been appointed as a new Panel Member until 30 September 2018.
- **PAC Membership** – Following approval of the amended PAC Terms of Reference by the UNCC, SPoCs were requested to nominate up to four additional Shipper Members. Mark Bellman and Sallyann Blackett have been appointed as a new PAC Members until 30 September 2018.

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