

Record of Determinations: Panel Meeting, 17 May 2012

Modification	Vote Outcome	Shipper Voting Members					Transporter Voting Members					Determination Sought
		AG	CH	CWr (AM1)	PB	RF	CWa	EM	JF	RCH	RH	
0422 - Creating the permission to release data to Meter Asset Provider organisations	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	Modification is related to Significant Code Review
	Is not a Self-Governance Modification - with 4 votes in favour and 6 votes against	✓	✓	X	✓	✓	X	X	X	X	X	Modification should follow Self-Governance Procedures
	Issued to Workgroup 0422 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should be referred to Workgroup
	Workgroup to report by the September 2012 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the September 2012 Panel
0423 - Removing the UNC TPD Section O requirement to publish nodal forecast data only at the same time as the Ten Year Statement	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	Modification is related to Significant Code Review
	Is a Self-Governance Modification - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Modification should follow Self-Governance Procedures
	Proposed self governance determination date is 16 August 2012 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Proposed self governance determination date to be 16 August 2012
	Issued to Consultation - with 7 votes in favour and 3 votes against	✓	✓	✓	✓	X	X	✓	✓	X	✓	Issue to Consultation
0424 - Re-establishment of Supply Meter Points – prospective measures to address shipperless sites	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	Modification is related to Significant Code Review
	Is not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	Modification should follow Self-Governance Procedures
	Issued to Workgroup 0424 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should be referred to Workgroup
	Workgroup to report by the November 2012 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the November 2012 Panel

0425 - Re-establishment of Supply Meter Points – Shipperless sites	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	Modification is related to Significant Code Review
	Is not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	Modification should follow Self-Governance Procedures
	Issued to Workgroup 0425 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should be referred to Workgroup
	Workgroup to report by the November 2012 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the November 2012 Panel
0426 - Amendment to the NTS System Entry Overrun Charge	Not related to the Significant Code Review - unanimous vote against	X	X	X	X	X	X	X	X	X	X	Modification is related to Significant Code Review
	Is not a Self-Governance Modification - unanimous vote against	X	X	X	X	X	X	X	X	X	X	Modification should follow Self-Governance Procedures
	Issued to Workgroup 0426 - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Should be referred to Workgroup
	Workgroup to report by the September 2012 Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Workgroup to report by the November 2012 Panel
0391 - Distributed Gas Charging Arrangements	Proceed to consultation - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Consultation
	Legal text is required - 4 votes in favour and 6 votes against	X	X	✓	X	X	✓	✓	✓	X	X	Legal text not required for inclusion in DMR
	Cost estimate is required by the June Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Cost estimate not required for inclusion in DMR
0414S – Discontinuation of ANS usage for Interruption Communications by Transporters	Proceed to consultation - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Consultation
	Legal text not required - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Legal text not required for inclusion in DMR
	Cost estimate not required - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Cost estimate not required for inclusion in DMR
0419 - Redefining the capacity of the Specified Exit Point used in the calculation of the NTS Optional Commodity tariffs	Proceed to consultation - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Issue to Consultation
	Legal text not required - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Legal text not required for inclusion in DMR
	Cost estimate not required - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Cost estimate not required for inclusion in DMR
0384 - UNC Modification Rules; housekeeping, clarity and minor drafting changes	Workgroup to report by August Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Extension to August requested

0394 - Legal Text for UNC Modification Proposals	Workgroup to report by August Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Extension to August requested
0410 - Responsibility for gas off-taken at Unregistered Sites following New Network Connections	Workgroup to report by August Panel - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Extension to August requested
0373 – Governance of NTS connection processes	Consideration Deferred - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Defer Consideration
0378 - Greater Transparency over AQ Appeal Performance	Consideration Deferred - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Defer Consideration
0413S - DN Adjustment of notices for the reduction of Enduring Annual NTS Exit (Flat) Capacity	Not returned to Workgroup - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	Did consultation raise new issues
	Implemented - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Whether to implement

KEY	In favour	Not in Favour	No Vote Cast	Not Present
	✓	X	NV	NP

Attendees

Voting Members:

Shipper Representatives	Transporter Representatives
A Green (AG), Total C Hill (CH), First Utility C Wright (CWr), British Gas (part) A Margan (AM1), British Gas (part) P Broom (PB), GDF Suez R Fairholme (RF), E.ON UK	C Warner (CW), National Grid Distribution E Melen (EM), Scotia Gas Networks J Ferguson (JF), Northern Gas Networks R Cameron-Higgs (RF), Wales & West Utilities R Hewitt (RH), National Grid NTS

Non-Voting Members:

Ofgem Representative	Terminal Operators' Representative	Chairman
	R Monroe (RM), Centrica Storage	T Davis (TD), Joint Office

Also in Attendance:

A Miller (AM2), Xoserve; A Miller (AM3), Centrica Storage; B Fletcher (BF), Panel Secretary; D Mitchell (DM), Scotia Gas Networks; D Ianora (DI), Ofgem

Record of Discussions

125.1 Note of any alternates attending meeting

A Margan for C Wright (from Modification 0391)

E Melen for A Gibson (Scotia Gas Networks)

R Cameron-Higgs for S Edwards (Wales & West Utilities)

125.2 Record of Apologies for absence

A Gibson and S Edwards

TD advised that R Hall, the Consumer Representative, has resigned from the Panel, as he is unable to attend Panel Meetings on a regular basis. Consumer Focus will not be putting forward an alternative in the foreseeable future. DI advised that Ofgem is considering the options and may appoint a Consumer representative.

125.3 Minutes of the Last Meeting

The minutes of the last meeting were approved.

125.4 Consider New, Non-Urgent Modifications

- a) Modification 0422 - Creating the permission to release data to Meter Asset Provider organisations

RF introduced the modification and its aims. AM2 added further detail regarding why the modification has been raised. JF thought a SPAA change had recently been implemented and that the information needed by MAPs should flow through that route. Given this, she was keen to avoid a dual governance situation. AM2 advised that it has been suggested that the SPAA process is not working effectively, and this modification seeks to facilitate an enduring and more comprehensive process. RH asked if the solution as set out in the Summary could be clarified – what data is required, define MAP, and that SPAA organisations should not be precluded as these in some cases are UNC parties.

For Modification 0422, Members determined:

- The modification is not related to the Significant Code Review as it is not a related subject;
- The criteria for Self-Governance are not met as this modification may have a material impact on the provision of information to non code parties;
- Workgroup Assessment is required, with a report presented to Panel by the September 2012.

The Modification Panel requested that the Workgroup assess the potential implications of dual governance between UNC and SPAA.

- b) Modification 0423 - Removing the UNC TPD Section O requirement to publish nodal forecast data only at the same time as the Ten Year Statement

RH introduced the modification and its aims.

For Modification 0423, Members determined:

- The modification is not related to the Significant Code Review as it is not a related subject;
- The criteria for Self-Governance are met as this modification is removing a timing restriction in the UNC and, as such, is unlikely to have a material impact on consumers or competition;
- The Proposed Self-Governance determination date is 16 August 2012;
- The modification should be issued to consultation.

- c) Modification 0424 - Re-establishment of Supply Meter Points – prospective measures to address shipperless sites

CWa introduced the modification and its aims.

For Modification 0424, Members determined:

- The modification is not related to the Significant Code Review as it is not a related subject;
- The criteria for Self-Governance are not met as this modification could have a material impact on Transporters, Users and Consumers;
- Workgroup Assessment is required, with a report presented to Panel by November 2012.

- d) Modification 0425 - Re-establishment of Supply Meter Points – Shipperless sites

AM1 introduced the modification and its aims. RCH asked if the topic could be included within the 0424 Workgroup. AM1 felt that the topic might be more controversial, so it would be beneficial to keep them separate. DI agreed with this view, although Ofgem felt it would be an advantage to discuss them at the same time and for the timetables to be aligned if possible.

AG asked why the process should include meters procured by consumers? AM1 advised that a deemed contract is in place and the meter should be removed if no supply contract is in place and any charges recovered from the consumer.

RH suggested clear definitions are needed in the Solution, for example what constitutes a “successful outcome”. CWa added that business rules would be needed to clarify exactly what is proposed.

For Modification 0425, Members determined:

- The modification is not related to the Significant Code Review as it is not a related subject;
- The criteria for Self-Governance are not met as this modification could have a material impact on Transporters and specific types of Consumer;
- Workgroup Assessment is required, with a report presented to Panel by November 2012

The Modification Panel requested the Workgroup to consider the application of deemed contracts in this situation.

e) Modification 0426 - Amendment to the NTS System Entry Overrun Charge

RH introduced the modification and its aims. PB asked if the solution is consistent with the exit overrun regime. RH advised that typically these are different as there is no associated auction process.

CWr recalled that a similar issue had been raised by Modification 0199, which had been rejected by Ofgem. He suggested that this previous decision should be reviewed, as parties would want to know what has changed to require this modification to be implemented.

For Modification 0426, Members determined:

- The modification is not related to the Significant Code Review as it is not a related subject;
- The criteria for Self-Governance are not met as this modification could have a material impact on Shippers;
- Workgroup Assessment is required, with a report presented to Panel by September 2012.

The Modification Panel requested the Workgroup to consider the implications of the decision to reject Modification 0199.

125.5 Consider Legal Text

a) Modification - 0417S - Notice for Enduring Exit Capacity Reduction Applications

No issues were raised regarding the text, and Modification 0417S will therefore be issued to consultation.

125.6 Consider Workgroup Issues

Workgroup Reports for Consideration

a) Modification 0391 - Distributed Gas Charging Arrangements

RH asked if the DNO entry points would have access to Gemini. JF confirmed this was correct, as Shippers would need to nominate entry. TD advised that National Grid NTS had provided the Workgroup with written confirmation that no NTS charges would be applied with respect to DN entry points. RH was concerned that this may create a subsidy from NTS to DN entry points.

Members accepted the Workgroup Report and determined that Modification 0391:

- should proceed to consultation;
- that legal text is required for inclusion in the draft Modification Report; and
- that a cost estimate is required to be provided for inclusion in the draft Modification Report.

b) Modification 0414S – Discontinuation of ANS usage for Interruption Communications by Transporters

Members accepted the Workgroup Report and determined that Modification 0414S:

- should proceed to consultation;
- that legal text is not required for inclusion in the draft Modification Report; and
- that a cost estimate is not required for inclusion in the draft Modification Report.

c) Modification 0419 - Redefining the capacity of the Specified Exit Point used in the calculation of the NTS Optional Commodity tariffs

DI reminded members that additional information had been requested by Ofgem at the Workgroup, this has yet to be provided and it may prove difficult for them to make a decision without it.

Members accepted the Workgroup Report and determined that Modification 0419:

- should proceed to consultation;
- that legal text is not required for inclusion in the draft Modification Report; and
- that a cost estimate is not required for inclusion in the draft Modification Report.

Consider Workgroup Report Dates

The Panel reviewed the work plan for modifications currently under assessment and unanimously agreed to amend the following Workgroup reporting dates:

- a) Modification 0384 - UNC Modification Rules; housekeeping, clarity and minor drafting changes is to report to the August Panel.
- b) Modification 0394 - Legal Text for UNC Modification Proposals is to report to the August Panel.
- c) Modification 0410 - Responsibility for gas off-taken at Unregistered Sites following New Network Connections is to report to the August Panel.

125.7 Existing Modification Proposals for Reconsideration

- a) Modification 0373 - Governance of NTS connection processes

For Modification 0373, Members determined that consideration should be deferred.

- b) Modification 0378 - Greater Transparency over AQ Appeal Performance

For Modification 0378 Members determined that consideration should be deferred.

125.8 Consider Final Modification Reports

- a) Modification 0413S - DN Adjustment of notices for the reduction of Enduring Annual NTS Exit (Flat) Capacity

The Panel Chair summarised that the modification seeks to allow DNO Users to reasonably revise Enduring Annual NTS Exit (Flat) capacity reduction requests for Gas Years Y+1 to Y+6 rather than Y+4 to Y+6, as presently permitted.

Allowing DNO Users to more accurately express their requirements for exit capacity will provide more accurate information to National Grid NTS for use in system planning decisions. By facilitating economic and efficient investment in the network, and reducing the risk of some sterilised NTS Exit capacity, implementation would therefore facilitate achievement of National Grid NTS' licence obligations. Similarly, DN licence obligations with respect to economic and efficient system operation and development may be facilitated since exit capacity holdings and hence costs may be reduced.

Members then voted and unanimously determined that Modification 0413S should be implemented.

125.9 Consents to Modify

None.

125.10 Any Other Business

Codes Governance Review

DI reminded Members that Ofgem had issued an open letter regarding the second phase of the Codes Governance Review. Ofgem would particularly welcome views from a Panel perspective regarding what is, or is not, working well following the changes introduced following the first phase. The closing date for responses is 24 May 2012.

Submissions of Workgroup Agenda Items

In light of difficulties experienced ahead of the Transmission Workgroup, RH asked if the Panel would welcome clarification of the timescales in which items need to be submitted to allow the Joint Office time to prepare and publish material prior to the established closing date of 5 days prior to the meeting.

TD explained the recent difficulties in meeting the required timelines, where draft Workgroup Reports had been prepared and published but a subsequent amendment to the modification was received on the final day for publishing material, which did not allow time for the reports to be amended and republished ahead of the deadline.

Members felt this should be managed on a case by case basis rather than amending the current approach.

125.11 Conclude Meeting and Agree Date of Next Meeting

10:30 21 June 2012, at the ENA.