

Uniform Network Code Committee

Minutes of the 109th Meeting held on Thursday 18 July 2013

at ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

Attendees

Voting Members:

| Shipper Representatives | Transporter Representatives | Consumer Representative |
|--|---|--------------------------------|
| A Barnes (AB), Gazprom C Baldwin (CB), E.ON UK C Wright (CWr), British Gas P Broom (PB), GDF Suez and alternate for A Green | A Raper (AR), National Grid Distribution E Melen (EM), Scotia Gas Networks Joanna Ferguson (JF), Northern Gas Networks R Cameron-Higgs (RCH), Wales & West Utilities R Hewitt (RH), National Grid NTS | C Hill (CH), Consumer Focus |

Non-Voting Members:

| Chairman | Ofgem Representative |
|----------------------------|-----------------------------|
| T Davis (TD), Joint Office | |

Also in Attendance:

E Thorburn (ET), Ofgem; F Cottam (FC), Xoserve and R Fletcher (RF), Secretary

109.1 Note of any alternates attending meeting

A Raper for C Warner (National Grid Distribution)
C Baldwin for R Fairholme (E.ON UK)
E Melen for A Musgrave (Scotia Gas Networks)
P Broom for A Green (Total)
R Cameron-Higgs for S Edwards (Wales & West Utilities)

109.2 Apologies for Absence

A Green, A Musgrave, C Warner, R Fairholme and S Edwards.

109.3 Minutes and Actions from the previous meeting

The Minutes from the previous meeting were approved.

109.4 Matters of Implementation

None raised.

109.5 AUG Process – Lesson Learnt

FC advised that, for the end of year review, eight responses had been received (published alongside the report with the exception of one confidential response).

The majority of the comments raised concerns around the AUGE decision to use the previous year's values. There were additional comments about the process adopted and the availability and quality of data to support the consumption based analysis. FC felt that, in hindsight and given the scale of the undertaking, changing the methodology to the consumption basis should probably have been managed over a two year period to allow sufficient time to fully analyse the data.

FC advised that the rules in the guidelines do not allow Xoserve or any other non code party to propose changes to the guidelines and therefore it would be down to code parties to propose these. In addition, the lessons learnt could not easily be implemented this year as the process is ongoing and any change will take time to work through the governance process. RCH asked if all the proposed changes would be held back in these circumstances. FC thought this may be desirable, as the process was underway and analysis being carried out – changing the process part way through ran the risk of derailing things.

AR agreed with this view but suggested this does not preclude parties from considering what changes they would like in future prior to the next review taking place.

TD summarised the comments in the responses and suggested they did not identify any substantial changes that should be made to the guidelines. There were a number of suggestions to tidy up the process, largely put forward by the AUGE, and these might be relatively easy to update. ScottishPower had proposed a more material change, such that implementation of a methodology would be earlier once the development process is complete, but this would require modification of the UNC rather than the guidelines.

TD explained that ScottishPower had also raised the constitution of the Panel, questioning whether parties should vote on matters in which they have no direct interest –eg whether Transporters should vote on AUG related issues. CH indicated that he would oppose this since he valued the views of impartial parties.

PB thought it would be useful to have an update on progress of the AUGS at each UNCC meeting to reassure all concerned that target dates were being achieved.

TD reminded Members that Ofgem had accepted that the Annual Review would be expected to meet their suggestion that the UNCC review the AUGE Guidelines. The changes put forward in review responses were not radical, and could be proposed by any UNC party that wished to pursue them. While Ofgem had drawn attention to the rollover provision, no other party had suggested this should be changed. TD noted that this is unlikely ever to be used, being a fall-back provision to ensure values do not default to zero if the AUGE fails to provide values.

Asked whether Ofgem were happy with the Review outcome or wished to see anything further, ET indicated he had nothing further to raise.

109.6 Any Other Business

None raised.

109.7 Next Meeting

Thursday 15 August 2013, at the ENA, immediately after the Modification Panel meeting.