

**UNC Energy Balancing Credit Committee Minutes**  
**Tuesday 18 December 2018**  
**via teleconference**

**Attendees**

Chris Shanley (Chair)	(CS)	Joint Office	Non-Voting
Helen Cui (Secretary)	(HCu)	Joint Office	Non-Voting
Adam Lane	(AL)	Centrica	Voting
Brendan Gill	(BG)	Xoserve	Non-Voting
Lorraine O'Shaughnessy	(LO)	Xoserve	Non-Voting
Pauline Babb	(PB)	SSE	Voting
Pin Sandhu	(PSa)	Xoserve	Non-Voting
Sallyann Blackett	(SB)	E.ON	Voting
Sandra Dworkin	(SDw)	Xoserve	Non-Voting

Copies of all papers are available at: <http://www.gasgovernance.co.uk/dsc-credit/181218>

**1. Introduction and Status Review**

**1.1. Apologies for absence**

None received.

**1.2. Note of Alternates**

None.

**1.3. Approval of Minutes (19 November 2018)**

Minutes approved.

**1.4. Review of Outstanding actions**

No actions outstanding.

**2. Operational Update**

**2.1. Cash Call Notices**

During November there was 1 Cash Call Notice issued and withdrawn.

**2.2. Further Security Requests (FSRs)**

During November there were no Further Security Requests issued.

**2.3. Cash Collection**

The following performance was reported:

<b>Month</b>	<b>Payment Due Date</b>	<b>Payment Due Date +2</b>
November 2018	99.62 %	100%
Rolling 12 Months	98.52 %	100%

There was one late payment this month which had been paid in full for River Yarr.

### 3. Modifications

No EBCC related modifications to report.

### 4. Any Other Business

#### 4.1. December Termination

LO provided an update regarding a Shipper Termination in December for Utility Professional Business Operations Ltd, Shipper Short Code UPB (River Yare). The termination was actioned on 27 November at 4.59am.

BG confirmed that the Deed of Undertaking would take effect from 27 November for 25 days, and that approximately 92,000 sites will be migrated to a new supplier. BG confirmed that Scottish Power is the Supplier of Last Resort.

LO confirmed that the Xoserve are assessing the total exposure and have engaged with the insolvency practitioner which was appointed on the 04 December 2018 to put forward the proof of debt form. LO advised that the security held was £590k and also some funds had been held in the Cash Call account of which some had been used to pay the October Energy Balancing Invoice and the Amendment Invoice. LO reported that Xoserve are currently looking at what security and cash is held in place and what the outstanding debt is likely to be for the November Energy Balancing invoice issued in January 2019. The initial estimate is expected to be around £1.9m of which approximately £1.4m will need to be smeared back through the neutrality account; this will be based on throughput (adjusted UDQI and UDQO). A further update will be provided at the next meeting.

LO explained the way in which indebtedness is monitored. This is based on invoiced and un-invoiced exposure and accruals for a period of 10 days considering past trends. LO reported that Xoserve have undertaken a review of the procedures, looking at cash out charges, if actions could have been taken earlier, and what early warning triggers maybe possible. Part of this review involved reviewing rejected UNC Modification 0233/0233V - Changes to Outstanding Energy Balancing Indebtedness Calculation (<http://www.gasgovernance.co.uk/0233>) for how balancing indebtedness is calculated.

It was suggested that the industry may wish to review the balancing indebtedness calculation as there may be an ability to minimise debt with earlier intervention for users that may go into a default position. However, LO stressed in this case no further action could have been taken under the current UNC rules.

It was agreed that the committee would review the rejected modification next month.

#### 4.2. Voluntary Discontinuances

SDw advised of one voluntary discontinuance, Electric de France with no invoices outstanding. Approval was unanimously provided for the discontinuance.

#### 4.3. Key Messages

None at this stage.

### 5. Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Time / Date	Venue	Workgroup Programme
11:00 Monday 21 January 2019	Radcliffe House, Blenheim Court Warwick Road Solihull B91 2AA	Standard agenda items Emergency Procedure Overview Changes to Outstanding Energy Balancing Indebtedness Calculation (0233V)

		Winter Preparation
14:30 Monday 18 February 2019	Teleconference	Standard agenda items

<b>Action Table (as at 18 December 2018)</b>					
<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
			No actions		