

**UNC Workgroup 0432 Minutes
Project Nexus – gas settlement reform**

Tuesday 02 October 2012

at 31 Homer Road, Solihull, B91 3LT

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office of Gas Transporters
Mike Berrisford (Secretary)	(MiB)	Joint Office of Gas Transporters
Adam Pearce*	(AP)	ESP Pipelines
Alan Raper	(AR)	National Grid Distribution
Anne Jackson	(AJ)	SSE
Andy Miller	(AM)	Xoserve
Brendan Murphy	(BM)	Waters Wye Associates
Cesar Coelho	(CC)	Ofgem
Cher Harris*	(CH)	SSE
Chris Warner	(CW)	National Grid Distribution
Dora Ianora	(DI)	Ofgem
Elaine Carr	(EC)	ScottishPower
Erika Melen	(EM)	Scotia Gas Networks
Gethyn Howard*	(GH)	Inexus
Jenny Rawlinson*	(JR)	GTC
Joanna Ferguson	(JF)	Northern Gas Networks
Katherine Porter	(KP)	EDF Energy
Leanne Thomas	(LT)	RWE npower
Lorna Lewin	(LL)	Dong Energy
Mark Jones	(MJ)	SSE
Michele Downes	(MD)	Xoserve
Naomi Anderson	(NA)	EDF Energy
Sean McGoldrick	(SM ^c)	National Grid NTS
Steve Mulliganie	(SM)	Gazprom
Tabish Khan	(TK)	British Gas
Tim Davis*	(TD)	Joint Office of Gas Transporters

* via teleconference link

1. Outline of Modification

BF welcomed everyone to the first meeting of the workgroup before handing over to CW to provide an overview of the modification.

In providing a brief overview of the modification, CW outlined that the next stages would be crucial with legal text production being the biggest single item of work that would be required to support development of the modification. To this end, a meeting with lawyers has been scheduled for 03 October 2012. He envisages that the meeting would take the form of an end-to-end process review supplemented by a question and challenge exercise – this would include external legal engagement, if and when required.

CW suggested that timescales and resourcing issues would also need to be considered along with the various aspects associated to the relevant objectives which he believes should be addresses sooner, rather than later.

2. Initial Discussion

When asked, CW confirmed that legal text production could be on a (standalone) modification-by-modification basis. Although unlikely to happen, he could envisage the suite of Project Nexus related modifications being submitted to the Authority as one pack – however, he expects that Modifications 0432 and 0434 would go sooner, rather than later. He also believes that care is needed to manage any potential overlaps, especially in the legal text areas and that management of implementation would be a significant work package.

CW agreed to seek a view from Ofgem on the best way of presenting the various modifications.

Parties debated whether or not the development of the various modifications should 'lock in' their respective BRDs. It was suggested that this mechanism maybe required to provide a sound (fixed) basis for legal text production and system design solutions – it is anticipated that matters such as these would be discussed at the legal review meeting on 03 October 2012.

AR suggested that the workgroup would need to adopt a two-way (flexible) approach to modification – legal text – BRD development going forward to ensure that the necessary alignments are maintained.

It was recognised that the UKLink Committee are already being actively engaged and provided with regular updates on the progress of the project and up and coming modifications.

3. Consider Terms of Reference

During a brief review of the terms of reference, BF reminded those present that the UNC Panel had requested consideration of the various topic areas.

Parties noted that consideration of any User Pays impacts and Transporter Funding arrangements along with the Ofgem review of Xoserve's role going forwards would be beneficial.

It was also noted that EU Balancing Code changes could / would impact upon Gas Day timings and that the Gemini impacts and system change requirements are already included within the Settlement BRD, especially from a system interface perspective.

The workgroup requested the removal of the term 'physical' from the 'Assessment of ~~physical~~ Gemini impacts' bullet point.

Thereafter, the Workgroup raised no further issues regarding the Terms of Reference.

4. Any Other Business

None.

5. Workgroup Process

5.1 Agree actions to be completed ahead of the next meeting

The following new actions were discussed and assigned:

New Action 0432 10/01: National Grid Distribution (CW) to seek a view from Ofgem on how best to progress the Project Nexus suite of modifications.

New Action 0432 10/02: All parties to consider the relevant objectives for UNC modifications 0432 and 0434 and provide feedback.

7. Diary Planning

The following items were agreed for inclusion on the 06/11/2012 meeting agenda:

- examination of the Settlement BRD, and
- consideration of the relevant objectives.

Workgroup meetings are scheduled to take place within the Project Nexus Workgroup, as follows:

Title	Date	Location
Project Nexus Workgroup	06/11/2012	National Grid, 31 Homer Road, Solihull, West Midlands. B91 3LT.
Project Nexus Workgroup	04/12/2012	National Grid, 31 Homer Road, Solihull, West Midlands. B91 3LT.

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0432 10/01	02/10/12	2.	To seek a view from Ofgem on how best to progress the Project Nexus suite of modifications.	National Grid Distribution (CW)	Update to be provided in due course.
0432 10/02	02/10/12	5.	To consider the relevant objectives for UNC modifications 0432 and 0434 and provide feedback.	All	Update to be provided in due course.