

**UNC Workgroup 0434 Minutes
Project Nexus – Retrospective Adjustment**

Monday 18 March 2013

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
Alan Raper	(AR)	National Grid Distribution
Alex Ross-Shaw	(ARS)	Northern Gas Networks
Alison Jennings	(AJe)	Xoserve
Andy Miller	(AM)	Xoserve
Anne Jackson*	(AJa)	SSE
Chris Warner	(CW)	National Grid Distribution
Darren Lindsay	(DL)	E.ON UK
Ed Hunter	(EH)	RWE npower
Elaine Carr*	(EC)	ScottishPower
Gethyn Howard	(GH)	Inexus
Huw Comerford	(HC)	utilita
Jenny Rawlinson*	(JR)	GTC
Julie Varney	(JV)	National Grid NTS
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Michele Downes	(MD)	Xoserve
Mike Payley	(MP)	Xoserve
Peter Thompson	(PT)	Customer Representative
Steve Mullinganie*	(SM)	Gazprom
Sue Cropper	(SC)	British Gas
Tabish Khan	(TK)	British Gas

* *via teleconference*

1. Introduction

BF welcomed all to the meeting.

1.1 Review of Minutes

The minutes of the previous meeting were accepted.

1.2 Review of Actions

Action 0434 01/01: Ofgem (JD) to discuss the Project Nexus funding arrangements with his colleagues and provide a view on what has, or has not, been included within the current Price Control allowance.

Update: JD advised that he had discussed this action with his Price Control colleagues, and the details are still unclear and he hopes to provide an update in due course. Furthermore, Ofgem expects to review the Xoserve funding arrangements post Project Nexus.

The initial view expressed by the Price Control Team suggests that Project Nexus funding should have already been 'covered' under the various Price Control submissions.

At this time Ofgem do not anticipate any User Pays impacts and anticipate that costs would be addressed via the appropriate funding arrangements – whilst AR indicated that there could be some funding re-opener impacts, JD indicated that he would be keen to avoid such matters. AR went on to suggest that he believes that year 1 funding aspects are clear, it is the arrangements for the years beyond that that need consideration – JD preferred to await his Price Control Teams view before committing one way or another. He hopes to provide a better view at the 10 April 2013 meeting, possibly in the form of a single page outline of the rationale. SM suggested that care is needed to avoid a ‘black hole’ with modifications held in limbo.

Carried Forward

Action 0434 03/01: ICoSS (SM) to prepare a draft response letter encapsulating the Workgroup discussion ‘key’ points (from a Suppliers perspective) and thereafter circulate it to the Workgroup for review and comments.

Update: In the absence of G Evans (GE), Waters Wye Associates, SM advised that an update would be provided in due course, although he remains hopeful that a document would be available in time for consideration at the 10 April 2013 meeting.

When asked whether or not it is expected that the document to be provided by GE would feed into the Workgroup / Final Report, SM indicated that in his view it would, most probably in the form of an appendices (similar to UNC Modification 0432) – it was suggested that the final decision on how best to present the information (depending upon the size of the document for starters) could always be considered at a later date.

It was then agreed to amend the action to place the onus for providing an answer on GE.

Carried Forward

2. Discussion

In the absence of any materials for the meeting it was agreed to defer further discussion.

3. Any Other Business

None.

4. Workgroup Process

4.1 Agree actions to be completed ahead of the next meeting

No new actions were assigned.

5. Diary Planning

BF pointed out that from 02 April onwards, all Joint Office meetings held in Solihull would be convened at Consort House, Princes Gate Buildings, 6 Homer Road, Solihull. B91 3QQ - Tel: 0121 288 2107.

For directions please utilise the following link:

<http://maps.google.com/maps/ms?ie=UTF8&hl=en&oe=UTF8&msa=0&msid=204025608697846105430.0004d835bee9dc6b1d1bc>

The following meetings are scheduled to take place:

Title	Date	Location
Project Nexus Workgroup (dedicated legal text review)	10/04/2013	Consort House, Princes Gate Buildings, 6 Homer Road, Solihull. B91 3QQ.
Project Nexus Workgroup (dedicated legal text review)	23/04/2013	Location to be confirmed.
Project Nexus Workgroup (inc. 0432 & 0434 Workgroups)	07/05/2013	Consort House, Princes Gate Buildings, 6 Homer Road, Solihull. B91 3QQ.
Project Nexus Workgroup (inc. 0432 & 0434 Workgroups)	20/05/2013	Energy UK Office, Charles House, 5–11 Regent Street, London. SW1Y 4LR.

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0434 01/01	08/01/13	2.	To discuss the Project Nexus funding arrangements with his colleagues and provide a view on what has, or has not, been included within the current Price Control allowance.	Ofgem (JD)	Update to be provided in due course. Carried Forward
0434 03/01	05/03/13 (amended) 18/03/13	2.	To prepare a draft response letter encapsulating the Workgroup discussion 'key' points (from a Suppliers perspective) and thereafter circulate it to the Workgroup for review and comments.	ICoSS (SM) <u>ICoSS (GE)</u>	Update to be provided in due course. Carried Forward