

**UNC Workgroup 0445 Agenda  
Amendment to the arrangements for Daily Metered Supply Point  
Capacity**

**Thursday 27 June 2013**

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

**Attendees**

Bob Fletcher (Chair)	(BF)	Joint Office
Alan Raper	(AR)	National Grid Distribution
Andrea Varkonyi	(AV)	First Utility
Andrew Margan	(AM)	British Gas
Anne Jackson	(AJ)	SSE
Chris Hill	(CH)	Cornwall Energy
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
David Addison	(DA)	Xoserve
David Mitchell	(DM)	Scotia Gas Networks
Edward Hunter	(EH)	RWE npower
Erika Melén	(EM)	Scotia Gas Networks
Gareth Evans	(GE)	Waters Wye
Hilary Chapman	(HCh)	Xoserve
Huw Comerford	(HC)	Utilita
Marie Clark	(MC)	Scottish Power
Naomi Anderson	(NA)	EDF Energy
Robert Cameron-Higgs*	(RCH)	Wales & West Utilities
Tim Davis (Secretary)	(TD)	Joint Office
Tom Breckwoldt	(TB)	Gazprom Energy

\* *via teleconference*

Copies of all papers are available at: [www.gasgovernance.co.uk/0445/270613](http://www.gasgovernance.co.uk/0445/270613)

The Workgroup Report is due to the UNC Modification Panel on 15 August 2013

**1.0 Introduction and Status Review**

**1.1. Minutes**

The minutes of the previous meeting were accepted.

**1.2. Actions**

No outstanding actions.

**2.0 Workgroup Report**

AR indicated that an issue had been identified that could allow the DM capacity reduction mechanism to be used inappropriately, creating the potential to avoid capacity payments. Three scenarios showing the impact of two options to address this were presented, and preferences invited for the approach to adopt. Xoserve indicated that the second option – a rolling 12 month period – would be simpler from a systems perspective and hence was likely to be the least expensive to implement. On this basis, some supported this as their preference. Others asked for an opportunity to take the options away for consideration

since this had not been raised in advance, and particularly wanted to consider the impact of a change of Shipper. AR confirmed that the incumbent Shipper would pick up any charge adjustment, in line with the established arrangements.

Issues were raised around the possibility of temporary capacity reductions followed by stepped increases to cover peak requirements. AR clarified that the proposal envisaged that any such behaviour would result in the charges for the reduced period being recovered subsequently, and a risk that capacity would not be available. As such, this behaviour was unlikely to occur. However, a further premium could be added if Shippers wished to further discourage this, probably unlikely, scenario arising.

AR confirmed that the modification would be amended to reflect the Workgroup's preference following an indication of views at the next meeting.

### **3.0 Any Other Business**

None.

### **5.0 Diary Planning**

*Further details of planned meetings are available at: [www.gasgovernance.co.uk/Diary](http://www.gasgovernance.co.uk/Diary)*

The next meeting will take place within the Distribution Workgroup on:

Monday 15 July 2013 at 10:30, Consort House, 6 Homer Road, Solihull, B91 3QQ.