

UNC Workgroup 0585 Minutes
Separation of NTS and National Grid owned networks -
Calculation of Code Credit Limit and Value at Risk
Thursday 07 July 2016
at Elexon, 4th Floor, 350 Euston Road, London. NW1 3AW

Attendees

Amrik Bal	(AB)	Shell
Andrew Blair	(AB)	Interconnector UK
Andrew Malley	(AM)	Ofgem
Andrew Pearce	(AP)	BP Gas
Andy Clasper	(AC)	National Grid Distribution
Angharad Williams*	(AW)	National Grid NTS
Anna Shrigley	(AS)	Eni
Charles Ruffell	(CR)	RWE
Colin Hamilton	(CH)	National Grid NTS
Craig Dean	(CD)	National Grid LNG
David Eastlake	(DE)	CVSL
Elaine Calvert*	(EC)	National Grid NTS
Gerry Hoggan	(GH)	ScottishPower Energy Management
Graham Dickson	(GD)	Interconnector UK
Graham Jack	(GJ)	Centrica
Jeff Chandler*	(JCh)	SSE
Jennifer Randall*	(JR)	National Grid NTS
John Burke	(JB)	National Grid Distribution
John Costa	(JCa)	EDF Energy
Julie Cox	(JCx)	Energy UK
Karen Visgarda (Secretary)	(KV)	Joint Office
Les Jenkins (Chair)	(LJ)	Joint Office
Lucy Manning	(LM)	Gazprom
Mark Johnson	(MJ)	National Grid LNG
Marshall Hall	(MHI)	Oil & Gas UK
Matt Hatch	(MH)	National Grid NTS
Nick Wye	(NW)	Waters Wye Associates
Phil Lucas*	(PL)	National Grid NTS
Phil Hobbins	(PH)	National Grid NTS
Richard Fairholme	(RF)	Uniper
Sarah Chleboun*	(SC)	National Grid NTS
Sean Hayward	(SH)	Ofgem
Sinead Obeng*	(SO)	South Hook Gas
Steve Pownall	(SP)	Xoserve
Steven Britton*	(SB)	Cornwall Energy
Terry Burke	(TB)	Statoil

*via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0585/070716>

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 July 2016.

1.0 Outline of Modification

AC explained that the modification sought to introduce temporary Transportation Credit related changes to the UNC Transition Document to enable the calculation of the Code Credit Limit and determination of the Value at Risk immediately following the hive-across date. He said it was not currently considered as Self-Governance. Modification 0582 – effecting UNC changes associated with the DN sale - had been paused to allow 0585 to catch-up at the July Panel.

AC further explained that the transitional requirement would be for the duration of one month only and this was being discussed with Shippers on a one to one basis.

2.0 Initial Discussion

2.1. Initial Representations

None received.

2.2. Issues and Questions from Panel

None raised.

3.0 Discussion

Starting with the Self Governance statement, LJ drew attention to the report made at the Distribution Workgroup meeting on 23 June that only a few Shippers, 2% out of 113, faced a potential increase in credit requirements. He queried whether participants viewed this as a material impact to competition, with the general view being that the exact impact was unknown because the detail was confidential. Participants asked if the 3 Shippers affected knew this and AC said that at the moment they did not. General discussion took place regarding the importance of the affected Shippers being made aware prior to the consultation process and JB indicated that, based on these views, communication would be brought forward.

LJ then overviewed the Workgroup Report that had been provided as an output from the assessment at the prior Distribution Workgroup, highlighting the amendments and changes that had made.

RF asked if National Grid NTS could do some analysis whether any Transmission Shipper was likely to be affected and if so, to get in touch with them. PL agreed to investigate this matter.

4.0 Next Steps

LJ agreed he would update the specific wording in the Workgroup Report following the discussions in the meeting and then confirmed this would subsequently be submitted to the July Panel.

5.0 Any Other Business

None.