

Governance Workstream Minutes

Thursday 16 June 2005

10 Old Bailey, London.

Attendees

Tim Davis	Chairman	Joint Office
Julian Majdanski	Secretary	Joint Office
Christiane Sykes		E.ON UK plc
Steve Ladle		Total Gas & Power Ltd
Mike Young		BGT
Phil Broom		Gaz de France
Sam Parmar		Statoil
Beverley Grubb		Scotia Gas Networks
Steve Mulinganie		BP
Simon Howe		RWE
Chris Warner		UKD
Ritchard Hewitt		UKT
Jon Dixon		Ofgem
Sam McEwen		Ofgem
Stephanie Gott		Gemserv

1 Minutes from previous workstream

No comments received. Minutes approved.

2 Review of workstream's current Modification Proposals

Mod Prop	Title	Comment / Status
003(0716)	Revision of the Modification Rules	Retain in workstream.
004(0719)	Changes to the Network Code to facilitate the sale of Distribution Networks.	Retain in workstream.
004(0731)	Specific Amendments to the Modification Rules.	Rejected 10/6
010(0735)	Amendment to the minimum notice required for UK Link changes.	FMR sent to Ofgem 25/02/05.
020	Proposal to establish a review group to assess whether any changes are needed to UNC Governance in the light of the imminent introduction of the Appeals mechanism against Authority UNC modification decisions	Discussed at 9 June meeting. To be finalised today.

3 Topics

3.1 Topic ref 003Gov Appeals Process

The workstream considered the issues raised at the previous meeting:

- a) Should the Modification Rules be changed to avoid the potential of an appeal where the Panel and Ofgem were agreed that a Proposal should not be implemented? This would arise if a Panel vote to recommend implementation did not receive majority support.

The workstream considered that a vote for implementation equates to a recommendation whereas a failed vote for implementation should be recorded as no recommendation, rather than a vote for non-implementation.

- b) Should clause 9.5.5 (equal Panel votes for and against) be reviewed?

The workstream considered this should be removed and the report to the Modification Panel will reflect this.

- c) Should the implementation process be clarified and specified in the Modification Rules?

The workstream considered this does not need clarification and there was no desire to incorporate this in the Modification Rules as the Modification Report should already detail any implementation issues and timescales.

- d) Should the Modification Rules be amended to allow proposals to be varied to reflect a Competition Commission decision?

The workstream considered this would be sensible and the report to the Modification Panel will reflect this.

The Chairman will prepare the report to the Panel and circulate it to members for comment. The workstream agreed the topic could be removed from the Topic Log.

3.2 Topic ref 004Gov Panel Processes and timings.

To assist with the scheduling of Panel meetings to enable consideration and approval of final Modification Reports including the possibility of making a recommendation, the timescales prescribed in the Modification Rules were examined.

The Chairman gave a presentation (attached) on various timescales, standard, fastest and an alternative of 10 Business Days for each stage. The workstream is to consider these and make a conclusion and recommendation at the next meeting. Points to consider are:-

- a) Amending the format of the Modification Proposal to include extra information to help clarity.
- b) Only using the alternative timescale for proposals which have been subject to workstream scrutiny with a report back to the Panel, as much of the work has been achieved and clarity given.
- c) Assisting the SMEs with a framework or guidelines to speed up production of modification Reports

- 4 Any other business.** As they agreed at the meeting held on 9 June, NGT have submitted a paper on the appeals process. As it was not possible to circulate it prior to the meeting it will be circulated with the minutes.

5 Next Meeting

Date: Thursday 21 July 2005

Start Time: Following Modification Panel

Venue: 10 Old Bailey