

## Governance Workstream Minutes

### Thursday 19 January 2006

### 350 Euston Road, London

#### Attendees

Tim Davis (Chair)(TD) Joint Office  
 Alison Jennings (AJ) National Grid UKD  
 Andrew Keogh (AK) Shell Gas Direct  
 Alan Raper (AR) National Grid UKD  
 Beverley Grubb (BG) Scotia Gas Networks  
 John Bradley (JB) Joint Office  
 Julian Majdanski (JM) Joint Office  
 Mike Young (MY) BGT  
 Phil Broom (PB) Gaz de France  
 Ritchard Hewitt (RH) National Grid NTS  
 Shelley Jones (SJ) Statoil  
 Steve Ladle (SL) Total  
 Sam McEwen (SM) Ofgem

#### 1. Minutes from Previous Workstream

Were accepted without amendment.

#### 2. Review of Actions

**GOV1001** The Proposer of Modification Proposal 0068 had provided a revised proposal for discussion at the January 2006 and was considering whether to issue a further revision in the light of the discussion at the Transmission Workstream. Panel has agreed that the Transmission Workstream would develop this Proposal **Action passed to Transmission Workstream**

**GOV1002** The Joint Office was awaiting the revised Modification Proposal 0068 prior to issuing the Workstream Report **Action passed to Transmission Workstream**

**GOV1003 and GOV1004** The Proposer of Modification Proposal 0070 has provided a revised proposal which was discussed under 3.4 below. **Action Closed**

**GOV1005** Ofgem was still considering the concerns of the Workstream in respect of timing of Urgent Proposals. **Action Carried Forward**

**GOV1006** Ofgem had not received any comments on the level of detail within its decision letters. **Action Closed**

#### 3. Modifications

##### 3.1. 0055 Extending established Uniform Network Code governance arrangements to include the System Management Principles

Ofgem has issued a letter stating its View that this Modification Proposal should not proceed.

##### 3.2. 0057 Extending established Uniform Network Code governance arrangements to include the Incremental Entry Capacity Release Methodology Statement (IECR)

Ofgem has issued a letter stating its View that this Modification Proposal should not proceed.

SL expressed disappointment at the lack of comment in the letter on how commercial concerns can be raised in areas related to the UNC. For example, how could Users influence the content of the licence. It was agreed that discussion on this issue should continue at the next Workstream.

##### 3.3. 0068 'Extending established Uniform Network Code governance arrangements to include the Safety Monitor Referred to in Section Q of the Code'

The Panel had referred development of this Modification Proposal to the Transmission Workstream.

### 3.4. **0070 'Removal of the SME Role and Streamlining the Modification Rules'**

RH apologised that the Proposal had not been circulated five days in advance of the meeting. To describe the changes he gave the attached presentation.

SL suggested that the Proposer might consider two or three Proposals – one for the SME role and the other for the aspect of changes to Proposals. He believed the former would receive greater support. Other Workstream Members supported this view.

RH suggested that he would consider just raising the SME aspect of the Proposal. **Action RH**

SL would raise the possibility of raising a Proposal in respect of the rules for variance and withdrawal with Shippers at a Shipper meeting. AR also indicated that National Grid UKD might consider raising a Proposal of this nature **Action SL and AR**

BG enquired about the "house keeping" aspects. RH suggested that another party might wish to raise this aspect as a separate Proposal. BG would consider raising this aspect. AR and RH would assist as necessary. **Action BG, AR and RH**

TD asked why a unanimous, rather than the usual simple majority, vote of the Panel would be required to rule on materiality. RH and AR suggested that this was a "safe" option. It was pointed out that the variation to Modification Proposal 0072 would have gone to re-consultation. RH stated that if this Modification Proposal were not Urgent, he would have argued that this route was appropriate.

BG was concerned that this might delay the progress on a Modification Proposal. AR and SL responded that the Proposer might still elect to retain the Proposal in unchanged form. The period of any reconsultation was discussed – the period could be very short. TD pointed out, however, that unless the Panel agreed to a further meeting it would add a month's delay to the process.

RH clarified that it would be the Panel by majority that would decide whether limited or full reconsultation was required.

SL struggled with the concept of having to give reasons for withdrawal. These rules would only apply after the decision had been taken to go to consultation. AK also felt that it would only "muddy the waters". RH suggested that the main benefit of this Proposal was to avoid the industry wasting its time. CS felt that this would just add another level of bureaucracy. RH stated that if there was little or no support for this view then he was happy for this aspect to be removed from the Proposal.

RH suggested that the standard time for production of a DMR on a Shipper proposal with legal text would be fifteen days. TD suggested that it may be appropriate for the Proposal and text to go to the next Panel meeting to determine whether consultation was appropriate.

To assist with progress, TD suggested a verbal Workstream Report to the next Modification panel might be sufficient given the scope for further development of Modification Proposal 0070. This was agreed.

## 4. **Topics**

### **005Gov SME Roles and Responsibilities**

The discussion on this topic is detailed above under Modification Proposal 0070.

## 5. **Any Other Business**

None.

## 6. **Next Meeting**

19 January 2005 following the UNC Committee meeting.

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**Action Log – UNC Governance Workstream 19 January 2006**


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<b>Action Ref</b>	<b>Meeting Date(s)</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner*</b>	<b>Status Update</b>
GOV 1001	15/12/05	2	Proposer of Modification Proposal 0068 to produce a revised proposal reflecting the discussion at the Workstream.	Centrica Storage Limited (SW)	Proposer raised revised Proposal and after discussion at Transmission Workstream was considering raising a further revision. Transmission now responsible for development. <b>Action Closed</b>
GOV 1002	15/12/05	2	Joint Office to circulate a draft Workstream Report and add discussion of Proposal 0068 to the next Transmission Workstream agenda.	Joint Office (JB)	Transmission Workstream now responsible for development <b>Action Closed</b>
GOV 1003	15/12/05	2	Proposer of Modification Proposal 0070 to produce a revised proposal reflecting the discussion at the Workstream and any email comments made by Workstream members.	National Grid NTS (RH)	Revised wording issued by Proposer <b>Action Closed</b>
GOV 1004	15/12/05	2	Proposer of Modification Proposal 0070 to include deletion of words “or not” in respect of 9.5.2 (b) (i) in revised proposal.	National Grid NTS (RH)	Revised wording issued by Proposer <b>Action Closed</b>
GOV 1005	15/12/05	2	Ofgem to consider concerns regarding Urgent timetables particularly that if the Panel was expected to make a recommendation, additional time should be built into the timetable.	Ofgem (SM)	<b>Action Carried Forward</b>
GOV 1006	15/12/05	2	As part of Ofgem “Project Paperless” workstream members to consider sending comments to Ofgem of the coverage of subject matter within its decision letters	All	Opportunity given but no specific comments received <b>Action Closed</b>
GOV 1007	19/01/06	3.4	Proposer of Proposal 0070 to consider limiting its proposal to the SME aspect.	National Grid NTS (RH)	
GOV 1007	19/01/06	3.4	Parties to consider raising the variance and withdrawal aspects of Proposal 0070	Total (SL) and National Grid UKD (AR)	

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner*	Status Update
GOV 1008	19/01/06	3.4	SGN to consider raising "housekeeping" aspect of Proposal 0070 assisted by National Grid NTS and UKD	Scotia Gas Networks (BG) National Grid UKD (AR) and NTS (RH)	

\* key to initials of action owners

SW – Stuart Waudby, JB – John Bradley, RH – Ritchard Hewitt, SM – Sam McEwan, AR – Alan Raper, BG – Beverley Grubb