

# Energy Balancing Credit Committee Minutes

## Monday 30 January 2017

### Teleconference

#### Attendees

Bob Fletcher (Chair)	(BF)	Joint Office	Non-Voting
Helen Cuin (Secretary)	(HC)	Joint Office	Non-Voting
Adam Lane	(AL)	Shipper	Voting Member
Colette Baldwin	(CB)	Shipper	Voting Member
James Hill	(JH)	Shipper	Voting Member
Pauline Babb	(PB)	Shipper	Voting Member
Mark Cockayne	(MC)	Xoserve	Non-Voting
Richard Fairholme	(RF)	Shipper	Voting Member
Sandra Dworkin	(SD)	Xoserve	Non-Voting

#### Apologies received

Gemma Truran	(GT)	Shipper	Voting Member
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Copies of all papers are available at: <http://www.gasgovernance.co.uk/ebcc/300117>

## 1. Introduction and Status Review

BF welcomed the members to the meeting, which was quorate.

### 1.1 Approval of Minutes (19 December 2016)

The minutes were approved.

### 1.2 Review of Actions Outstanding

**EBC 1001:** Xoserve (MC) to investigate Fitch from a ratings approach and to discuss this with National Grid.

**Update:** MC reported that some information on costs and experience of using the Fitch rating service have been obtained. Although the services are comparable, the costs are significantly more than those compared to S&P and Moody's. Although the cost provided by Fitch was significantly lower than their list price services for the first year, it was still more than the cost for S&P and Moody's. Additionally, experience/feedback from National Grid suggested that although the first year costs were lower than list price these subsequently increase by a significant margin year on year. CB enquired if Xoserve have looked at other service providers. MC explained there are other service providers some of whom Xoserve have dealt with but the services are not necessarily comparable for example Gradon and Experian. **Closed**

## 2. Operational Update

SD provided the operational report for December 2016.

### 2.1 Cash Call Notices

During December there were 8 Cash Call Notices issued, 4 of which were appealed, the remaining 4 were paid on the due date.

### 2.2 Further Security Requests (FSRs)

During December there were 2 Further Security Requests issued.

### 2.3 Settlement

The following performance was reported:

Month	Payment Due Date	Payment Due Date +2
November 2016	99.45%	100%
December 2016	98.11%	100%
Rolling 12 Months	99.61%	100%

SD confirmed that there were 2 Failure To Pay Notices issued. The larger one of these the payment came through as a BACs instead of CHAPs which delayed the payment by one day. The smaller payment had been overlooked over the Christmas period and was paid late.

CB enquired about the slow increase trend for Failure to Pay Notices in respect of Cash Collection as illustrated on page 5 of the EBCC stats. MC explained that several factors have had an affect for example new approaches in collection methods and a change of individuals within some organisations not fully understanding the process

MC offered to provide some more detailed information on cash collection. PB asked if this could include the values.

**Action EBC0101: Xoserve to provide detailed analysis on historical cash collections including values.**

### 3. Modifications

#### 3.1 Modification 0587 – Seasonal Energy Balancing Credit Cover

Available at: [www.gasgovernance.co.uk/0587](http://www.gasgovernance.co.uk/0587)

MC confirmed an implementation date of 01 May 2017 and that the User Pays elements are being looked at.

### 4. Any Other Business

#### 4.1 Voluntary Discontinuances

There were 3 Shipper User(s) seeking to exit the market.

Shipper Short Code: BCL – Barclays Bank Plc

Shipper Short Code: MSC - Morgan Stanley Capital Group Inc

Shipper Short Code: BGN - BG International Limited

The voluntary discontinuances were approved.

#### 4.2 Energy Balancing Credit Rules

MC confirmed that Xoserve have reviewed the Energy Balancing Credit Rules against the current FGO UNC 0565A legal drafting and expect a final version to be available for the next meeting for these to be reviewed and approved. Due the timing of meetings the committee agreed that two-month notice period would need to be waived.

MC confirmed that at the FGO/UNC 0565 meeting in January, a pragmatic approach had been agreed to enable the DSC Credit Committee to be established with an initial population of members from the EBCC and from Transporters in the absence of a formal process. A meeting will be held on 16 February with the primary objective to ratify the DSC credit rules.

### 5. Diary Planning

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

EBCC meetings are scheduled as follows:

Time/Date	Venue
09:30 Monday 27 February 2017	Teleconference
09:30 Monday 27 March 2017	Teleconference
11:00 Monday 24 April 2017	Lansdowne Gate, Solihull
09:30 Monday 22 May 2017	Teleconference
09:30 Monday 26 June 2017	Teleconference
09:30 Monday 31 July 2017	Teleconference
09:30 Tuesday 29 August 2017	Teleconference
09:30 Monday 25 September 2017	Teleconference
09:30 Monday 30 October 2017	Lansdowne Gate, Solihull
09:30 Monday 27 November 2017	Teleconference
09:30 Monday 18 December 2017	Teleconference

**Action Table (as at 30 January 2017)**

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
<b>EBC 1001</b>	24/10/16	2.6	Xoserve (MC) to investigate Fitch from a ratings approach and to discuss this with National Grid.	Xoserve (MC)	<b>Closed</b>
<b>EBC 0101</b>	30/01/17	2.3	Xoserve to provide detailed analysis on historical cash collections including values.	Xoserve (MC)	<b>Pending</b>