

## UNC European Workgroup Minutes

Thursday 03 July 2014

Energy Networks Association, 52 Horseferry Road, London SW1P 2AF

### Attendees

Les Jenkins (Chair)	(LJ)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Andrew Pearce	(AP)	BP Gas
Andy Heppel	(AH)	TGPP
Antonio Ciavolella	(AC)	BP Gas
Charles Ruffell	(CR)	RWEst
Chris Gumbley*	(CG)	National Grid NTS
Colin Hamilton	(CH)	National Grid NTS
Danielle Stoves	(DS)	Interconnector UK
David McCrone*	(DMc)	Ofgem
David Reilly	(DRe)	Ofgem
Doug Wood	(DW)	BP Gas
Francisco Goncalves	(FG)	Gazprom
Gerry Hoggan	(GH)	ScottishPower
Graham Jack	(GJ)	Centrica
Isabelle-Agnes Magne*	(IAM)	GDF Suez
Julie Cox	(JCx)	Energy UK
Kirsten Elliott-Smith	(KES)	Cornwall Energy
Lucy Manning	(LM)	Interconnector UK
Martin Connor	(MC)	National Grid NTS
Natasha Ranatunga	(NR)	EDF Energy
Nick Wye	(NW)	Waters Wye Associates
Phil Hobbins	(PH)	Gazprom
Richard Fairholme	(RF)	E.ON UK

\*via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/european/030714>

### 1. Introduction and Status Review

LJ welcomed all to the meeting.

#### 1.1 Minutes

The minutes of the previous meeting were approved.

#### 1.2 Actions

**EU0601: *Balancing Code Extension Option*** – Clarify if National Grid NTS is inclined to exercise this option.

**Update:** CH confirmed that National Grid NTS was progressing towards October 2015 and not inclined to seek an extension. CH will confirm the cut off date for making an application for an extension, prior to the next Workgroup meeting. **Closed**

**NEW ACTION EU0701: *Balancing Code Extension Option*** – Clarify the cut off date for making an application for an extension, prior to the next Workgroup meeting.

**EU0602: *Ofgem GTCR Technical Workgroup meetings*** – Confirm arrangements.

**Update:** DRe confirmed that an invitation to the first workgroup (at 14:00, 08 July 2014, Millbank) had been issued via the Joint Office, and encouraged those present to respond. **Closed**

**EU0603:** *Draft TAR NC* – National Grid NTS to provide copy of its submitted corrective text.

**Update:** CH provided a link to the to informal response that National Grid NTS sent to ENTSOG concerning the draft Tariff Code.  
<http://www2.nationalgrid.com/UK/Industry-information/Europe/Consultations/>. **Closed**

**EU0604:** *ACER Document* – Provide a link for access.

**Update:** CH provided the following link:  
[http://www.acer.europa.eu/Gas/Framework%20guidelines\\_and\\_network%20codes/Pages/Harmonised-transmission-tariff-structures.aspx](http://www.acer.europa.eu/Gas/Framework%20guidelines_and_network%20codes/Pages/Harmonised-transmission-tariff-structures.aspx). **Closed**

**EU0605:** *REMIT reporting project* - Confirm how interested parties may engage with this.

**Update:** CH reported that National Grid NTS will be hosting a workshop; details will be sent out when known and the Workgroup will be informed. NR requested a London venue. **Closed**

**EU0606:** *REMIT reporting project* - Invite Xoserve to arrange a separate meeting for interested parties.

**Update:** Not required, in light of response to Action EU0605. **Closed**

## 2. Workgroups

None for consideration.

## 3. General Update

An update was provided on the status and timelines of each of the EU Codes. It was noted that there were no major changes from the previous month.

### 3.1 EU Gas Quality Harmonisation Update

PH gave a brief update. The draft standard has been published for public consultation to national standards bodies. Tables comparing gas quality specifications were displayed and PH gave an overview of the differences. Any change implied to GS(M)R could be a matter for DECC, however the governance issues were still unclear.

There were still uncertainties regarding the Wobbe index range and how this might be applied; a compromise was likely. PH outlined the key harmonisation issues. It was questioned whether any of these standards would be likely to inhibit the development of shale gas projects. It was suggested there might be an issue with richness. It was also observed that keeping standards to the low levels might prevent some of the American LNG from coming to GB.

PH outlined the BSI views. Attention was drawn to the means by which interested parties might submit their comments to the BSI. Comments should be submitted by 31 August 2014. National Grid NTS will inform the Workgroup of any proposed UK comments to be put forward to CEN. PH attends the GSE/4 group and will take back comments from the Workgroup. He confirmed that he had brought Modifications 0498 and 0502 to the attention of the GSE/4 group.

The standard is expected to be published by mid 2015.

For further information, please contact Phil Hobbins ([philip.hobbins@nationalgrid.com](mailto:philip.hobbins@nationalgrid.com) or 01926 653432).

## **4. EU Code Updates**

### **4.1 Tariff Code (TAR NC) and Incremental Capacity Amendment**

#### *EU Tariff Code Update*

Public consultation on the draft TAR NC continues until 30 July 2014. The Stakeholder Workshop (25 June 2014) was focused on a number of issues (generally areas of contention/concern, not on the whole code).

CH gave a brief overview of ACER and Stakeholder feedback, outlining the main concerns from each viewpoint. Discussions continue.

JCx enquired if there was a common understanding of what a capacity reset means. CH responded that there was a good deal of uncertainty and gave a brief overview of the arguments for and against. This was being debated. ENTSOG was not putting this into code at present as it believes there to be sufficient mitigating measures in place, but the Commission had noted the expression of strong views and wants to assess any counter-arguments from TSOs.

#### *EU Incremental Capacity Amendment Update*

Public Consultation on the draft code continues until 30 July 2014. The Stakeholder Workshop (24 June 2014) was focused on a number of issues of interest and clarity.

CH gave a brief overview of ACER and Stakeholder feedback. Discussions continue.

### **4.2 Interoperability and Data Exchange Code Update**

Following the delay to Comitology, further meetings have been scheduled for July and October.

The key changes from the ENTSOG version were outlined. JCx referred to a draft of the code that DECC had received and had yet to be circulated to the Stakeholder Workgroup; DMc noted this and agreed to follow up.

## **5. UNC Modification Plans**

#### *Phase 2 UNC Modifications – potential timescales*

No major change. It was noted that a facilitating modification might be required in respect of Interconnection Agreements/Contract changes (Interoperability and Data Exchange Code).

## **6. EU Implementation Programme – System Developments Update**

In a brief presentation, CG provided an overview of the key system delivery changes, an update on current progress, an indication of the next steps, and the contact details of the Business and Systems Delivery Team.

CG confirmed that consideration was being given to what needed to be done in the event that the Balancing code was delayed; options can be developed from a practical perspective once any potential impacts are understood. Business Rules have been developed based on certain assumptions and the current view of the EU codes, but it is recognised that these may have to be revised should circumstances change; planning continues.

LJ asked how the industry was being engaged. CG responded that National Grid NTS was working with Xoserve to understand what it is all going to look like. Xoserve will be communicating Gemini changes through its normal channels and will provide example screens. Some information may be circulated next week via the Joint Office. CG will be discussing with the Xoserve Programme Manager the best way to disseminate information.

CG confirmed that information was being provided at the Operations Forum. NR suggested that it would be useful to highlight on any future slides in which forum/group and on which date(s) any detailed information was going to be communicated/discussed so that interested parties could participate/follow up.

The accuracy of the Business and System Delivery Team email address ([box.gasops.businessc@nationalgrid.com](mailto:box.gasops.businessc@nationalgrid.com)) provided on slide 35 was queried. CG agreed to check and confirm.

**Action EU0702: System Developments - Confirm the Business and System Delivery Team's email address.**

**Post Meeting Update:** It has been confirmed that the email address is correct: [Box.GasOps.BusinessC@nationalgrid.com](mailto:Box.GasOps.BusinessC@nationalgrid.com). (The reason it looks a little odd is due to the constraint of characters allowed before the @.)

For further information please contact Chris Gumbley on 01926 65407.

## 7. Draft EU Modifications

### 7.1 Reform of Gas Allocation Regime at GB Interconnection Points

A draft modification had been provided for review and discussion. MC gave a short presentation outlining the background and the aims of the modification, and initial views on whether particular information should sit in the Interconnection Agreement (IA) or the UNC. Changes will be required to both documents.

A proposed timeline for progression of the modification was illustrated, the intention being to refine and then formally submit the modification to the August UNC Modification Panel for its consideration.

### 7.2 Common Units

PH gave a presentation on a proposed modification. It is currently assumed that the Interoperability Code will require use of 0/25 reference conditions for certain areas. National Grid NTS was proposing 0/25 compliance at the IPs, while keeping other GB processes whole at 15/15.

Current arrangements at IUK, BBL and Moffat were described. It was noted that the difference between energy quoted at 15/15 and 0/25 conditions is small (~0.999 conversion factor), and a practical approach to achieving compliance would be favoured.

Clarity and consistency was needed on how the difference will be managed between TSO-TSO and between TSO-Shipper.

PH outlined the various issues associated with Capacity and Energy, clarified the proposals in each case and then summarised the position.

There appeared to be no Licence changes required. Systems impacts would require assessment, as would the scope of a UNC Modification to deliver the necessary changes.

A discussion ensued. It was commented that just keeping it at the IPs adds a great deal of complexity, and it was asked, why not 0/25 across GB? PH indicated that this would mean changing all the measuring equipment. LJ suggested converting on receipt of information. Concerns were expressed regarding opportunities for errors, and the introduction of a tiny metering bias. NW suggested rounding up to 1.00 would be more sensible. LJ suggested that PH might consider providing some examples of how the difference in the quality of gas might be addressed. PH noted these views for further consideration.

A draft modification will be developed.

## 8. Any Other Business

### 8.1 Industrial Emissions Directive Workshop

CH reported that National Grid NTS would be hosting a workshop on 16 July 2014 in London. Attendance should be registered with [hannah.kirk-wilson@nationalgrid.com](mailto:hannah.kirk-wilson@nationalgrid.com).

## 9. Diary Planning

In order to ease pressure on the primary European Workgroup meeting and to more efficiently address the business related to individual Workgroups, additional European Workgroups Days have been arranged. Please see below for further details.

**Next Meeting 07 August 2014 (10:00) - *Please note that on this date the business of the Transmission Workgroup (including combined Workgroup 0498/0502) will be conducted in advance of the European Workgroup.***

*UNC European Workgroup meetings scheduled for 2014*

Please note the start time of 10:00 for ALL meetings.

Date	Location
Friday 11 July 2014 <b>European Workgroups Day: 0493, 0500 and 0501</b>	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
Thursday 07 August 2014	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
Tuesday 12 August 2014 <b>European Workgroups Day: 0493, 0500 and 0501</b>	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
Thursday 04 September 2014	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
Tuesday 16 September 2014 <b>European Workgroups Day: 0493, 0500 and 0501</b>	31 Homer Road, Solihull B91 3LT
Thursday 02 October 2014	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
Wednesday 08 October 2014 <b>European Workgroups Day: 0493, 0500 and 0501</b>	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
Tuesday 21 October 2014 <b>European Workgroups Day: 0493, 0500 and 0501</b>	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
Wednesday 05 November 2014 <b>European Workgroups Day: 0493, 0500 and 0501</b>	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

Thursday 06 November 2014	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
Thursday 04 December 2014	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

### Action Table – UNC European Workgroup: 03 July 2014

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
EU0601	05/06/14	3.	<i>Balancing Code Extension Option</i> – Clarify if National Grid NTS is inclined to exercise this option.	National Grid NTS (CH)	<b>Closed</b>
EU0602	05/06/14	4.2	<i>Ofgem GTCR Technical Workgroup meetings</i> – Confirm arrangements.	Ofgem (DRe)	<b>Closed</b>
EU0603	05/06/14	4.2	<i>Draft TAR NC</i> – National Grid NTS to provide copy of its submitted corrective text.	National Grid NTS (CH)	<b>Closed</b>
EU0604	05/06/14	4.2	<i>ACER Document</i> – Provide a link.	National Grid NTS (CH)	<b>Closed</b>
EU0605	05/06/14	4.3	<i>REMIT reporting project</i> - Confirm how interested parties may engage with this.	National Grid NTS (CH)	<b>Closed</b>
EU0606	05/06/14	4.3	<i>REMIT reporting project</i> - Invite Xoserve to arrange a separate meeting for interested parties.	Joint Office (LJ)	<b>Closed</b>
EU0701	03/07/14	1.2	<i>Balancing Code Extension Option</i> – Clarify the cut off date for making an application for an extension, prior to the next Workgroup meeting.	National Grid NTS (CH)	<b>Pending</b>
EU0702	03/07/14	6.	<i>System Developments</i> - Confirm the Business and System Delivery Team's email address.	National Grid NTS (CG)	<b>Completed</b> <i>(post meeting update provided)</i>