

JOINT GOVERNANCE ARRANGEMENTS COMMITTEE
MINUTES OF THE 33rd MEETING HELD ON WEDNESDAY 14 January 2015

Attendees:

Representatives: A Musgrave (AM), Scotia Gas Networks; N Jamieson (NJ), National Grid NTS; P Rogers (PR), (Chair) National Grid Distribution, S Edwards (SE), Wales & West Utilities and S Parker (SP) Northern Gas Networks

Joint Office: L Jenkins (LJ) and R Fletcher (RF)

Also in attendance: None

33.1. Introductions**33.2. Minutes of last meeting and actions arising**

The minutes from the last meeting were approved.

JGAC2303: Representatives to provide a view on moving to the JO managing a centralised service for legal text provision.

Update: See item 33.5 below. **Closed**

JGAC3201: LJ to arrange a meeting to discuss the provision of legal text including, JGAC, commercial and legal representatives from transporters.

Update: See item 33.5 below. **Closed**

JGAC3202: All to provide views on the provision of legal text to LJ for compilation and circulation ahead of the next meeting.

Update: See item 33.5 below. **Closed**

33.3. JO circulation of non UNC-related documents

PR asked members if they were happy for the JO to continue circulate non UNC related information on behalf of Transporters.

SE asked if there were any concerns relating to the type of information being circulated as the JO does a good job within its wider scope at present.

LJ advised that the JO circulates a significant amount of email each week and parties are requesting if this could be filtered or reduced so that they can identify what is important to them in terms of UNC related subjects. He suggested that the ENA might be best placed to offer this service to Transporters going forward and that it may be possible to provide them with an appropriate circulation list.

NJ asked for clarity around the types of information (particularly FGO) to be circulated by which organisation? LJ suggested an email is circulated to current subscribers advising them of what is to happen in future and who will manage each type of email. SP asked who was going to contact the ENA and get their

views/support?

PR/SE advised that they would contact the ENA to get their views on the process proposed and would look for a discussion at the next GRG meeting.

New Action 3301: PR/SE to ask the ENA if they would be able to circulate non UNC related emails on behalf of Transporters.

Once agreed, PR will advise LJ so that arrangements can be finalised ahead of advising the industry.

33.4. JGAA Update post appointment of Alex Plant

PR advised that NG Legal had ratified the analysis done by LJ on a number of proposed changes to the JGAA following the appointment of Alex Plant. The views had been circulated to members for comment ahead of commencing drafting.

AM asked if the SPAA representative table could be extend at this time as it would time out soon so it was an ideal opportunity for it to be updated.

Members agreed with the principles proposed in the JGAA high-level amendments circulated by PR and asked for a copy of the proposed detailed amendments to be provided in a changed marked version for comment and/or approval.

LJ suggested that as Nexus is to be implemented in the near future, should the JGAA be reviewed to consider if it is appropriate to include iGTs as they will be voting Panel members. SP felt there wouldn't be an impact as iGTs won't have a license condition to provide the JO.

LJ provided an update on the recent Panel meeting Chaired by Alex Plant and that the feedback he had received was positive.

New Action 3302: AM to provide an updated SPAA table for inclusion in the JGAA.

New Action 3303: PR to provide a detailed change marked version of the JGAA for comment and/or approval after final comments received from NJ and SP

33.5. Provision of Legal Text

PR advised that National Grid (both Distribution and NTS) has discussed the provision of legal text, including central provision of legal resource and a User Pays mechanism. A position paper is being developed for consideration over the next few weeks. PR then asked for views on options from the other members.

NJ advised that although NGD and NGT held similar views, they were not fully aligned and further discussions were required to reach a common understanding on the central provision of legal text. They also had concerns about identifying and tracking legal costs against allowed revenues.

SP advised that from an NGN perspective, it would be useful to have a user-payment mechanism for legal text provision, although this is not likely to succeed due to the impact on smaller shippers and the complications associated with the administration of User Pays costs.

SP would support the central provision of legal text, particularly as they have to use external lawyers due to complications around Nexus legal text and would support the process being managed by the JO.

SPs main concern still lies around the use of lawyers for the development of the modifications. This may be more controllable and easier to adopt a common approach through central provision.

PR suggested that legal costs could be recorded to evidence against future price controls and allowances.

AM supported a mechanism for identifying and possibly recovering legal costs. He did support centrally provided legal text and although there would still need to be a lead Transporter to advise on technical development for the modification prior to legal text being requested. He would like to see more work being done to develop modifications before legal text is requested.

SE agreed with the views expressed above and in particular the transparency of actual costs/time for the development of legal text.

LJ provided an overview of text provision by other Codes and the positive views in feedback from industry participants in terms of the central provision of legal text.

SP asked if everyone could consider how costs information is to be provided? LJ suggested that it may be more beneficial to record the hours spent providing legal text rather than actual costs as this information may be commercially sensitive.

New Action 3304: Members to consider ways of tracking the costs for providing legal text or time employed.

New Action 3305: PR/NJ to circulate a copy of the NG Legal Text discussion paper to Members.

33.6. KPIs and Customer Satisfaction

LJ provided an overview of the KPI report and Customer Satisfaction survey results.

PR noted that 45% of respondents were from large Transporters and asked if the responses were based on head count rather than organisations. LJ confirmed this was correct. PR asked if it is possible to increase the number of Shipper responses to ensure there isn't a disproportionate impact on the results. LJ provided an overview of the process used for engagement and how participation was encouraged.

PR asked if there is going to be follow up on the issues raised so that parties can identify the changes made. LJ confirmed that the reports/responses will be reviewed soon and actions issued to team members to seek improvements.

SP wanted to understand why the number of workgroup extensions still appeared high, although he noted they were lower than the previous year. LJ agreed keep the focus on Panel to manage the Workgroup reporting schedule.

Members agreed to feedback any comments to LJ by exception ahead of a planned publication of the reports on 23 January 2014. LJ also advised that the annual KPI report would be placed on the February Panel agenda for consideration by members, as required by the CACoP.

33.7. Any Other Business

a) FGO review going live from April 2016

SE asked if this should be a standing item on the JGAC call in future as developments are likely to be quick.

b) JO Staff number

LJ advised that the recent addition to the JO team had not settled into the role and he had decided to return to a role in National Grid. LJ added that he would be seeking to backfill the role possibly from an external source.

AM was supportive of the employment of a contractor to take on the role being vacated.

c) JGAC Chair

LJ asked members to note that the JGAC chair would rotate at the end of February, with PR standing down and NJ being appointed as chair for the next year.

33.8. Date Planning and Content of Next Meeting

Next meeting Tuesday 03 March commencing at 15.00hrs by teleconference.

Action Summary

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
JGAC 2303	13/09/13	23.6	Representatives to provide a view on moving to the JO managing a centralised service for legal text provision	Representatives	Closed
JGAC 3201	22/10/14	32.2	Arrange a meeting to discuss the provision of legal text including, JGAC, commercial and legal representatives from transporters	Joint Office (LJ)	Closed
JGAC 3202	22/10/14	32.2	All to provide views on the provision of legal text to LJ for compilation and circulation ahead of the next meeting.	ALL	Closed
JGAC 3301	14/01/15	33.3	PR/SE to ask the ENA if they would be able to circulate non UNC related emails on behalf of Transporters	NGD (PR) WWU (SE)	Pending

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
JGAC 3302	14/01/15	33.4	SP to provide an updated SPAA table for inclusion in the JGAA.	NGN (SP)	Pending
JGAC 3303	14/01/15	33.4	PR to provide a detailed change marked version of the JGAA for comment and/or approval after final comments received from NJ and SP.	NGD (PR)	Pending
JGAC 3304	14/01/15	33.5	Members to consider ways of tracking the costs for providing legal text or timed employed..	ALL	Pending
JGAC 3305	14/01/15	33.5	PR/NJ to circulate a copy of the NG Legal Text discussion paper to Members	NGD (PR) NGNTS (NJ)	Pending