

**Workgroup 0442 Minutes
Amendment to the implementation date of the Allocation of Unidentified
Gas Statement for the 2013/14 AUG Year**

Friday 01 February 2013

via teleconference

Attendees

Tim Davis (Chair)	(TD)	Joint Office
Mike Berrisford (Secretary)	(MiB)	Joint Office
Alan Raper	(AR)	National Grid Distribution
Andrew Margan	(AM)	British Gas
Angela Love	(AL)	ScottishPower
Fiona Cottam	(FC)	Xoserve
Gareth Evans	(GE)	Waters Wye
Jon Dixon	(JD)	Ofgem
Lorna Lewin	(LL)	Dong Energy
Marie Clark	(MC)	ScottishPower
Mark Jones	(MJ)	SSE
Mike Bagnall	(MB)	British Gas

1. Introduction

TD welcomed all to the meeting and provided a brief explanation behind the rationale for arranging this second short notice meeting. He pointed out that since the Panel meeting, further amendments to each modification had been provided by the respective Proposers, and legal text had been produced.

A Panel meeting is scheduled to take place at 10:00 on 04 February to consider the Workgroup Report.

1.1 Review of Minutes

The minutes of the previous meeting were accepted.

1.2 Review of Actions

No actions to consider.

2. Review of Legal text

Whilst no representative from Scotia Gas Networks was in attendance to provide an explanation behind the legal text they had provided, both MC and MB provided brief explanations of how their modifications now include the legal text, as provided by SGN's lawyers.

MC confirmed that in her latest round of amendments to 0442A, and specifically point 2 in the Solution, it now states that *"the AUG Expert will prepare a proposed AUG Methodology by 12 March 2013"*, which is in essence an earlier provision of the information than that prescribed by 0442 – this matches the dates provided within the AUG's letter and provides sufficient time for the AUG to collate responses and prepare the methodology accordingly.

In considering the legal text for 0442 and comparing this to the amended modification's solution section, TD observed that the dates in the two documents do not align. Following a brief discussion around the process, MB confirmed that British Gas would be amending the modification to ensure that it aligns with the legal text as provided.

GE again reiterated his concerns around the impacts associated with the compressed process for these modifications, especially when bearing in mind that the modifications are constantly being amended and the legal text was only provided late yesterday – in his opinion, this is insufficient time to give due consideration to the matter.

3. Completion of Workgroup Report

In seeking to complete the Workgroup Report, TD made changes to the document inline with discussions.

During the discussions, MC requested that the report should state that no one present appeared to be unhappy with the (latest) amendments to the modifications, or the supporting legal text. TD suggested that it could be prudent to note that parties have had little time to consider the latest round of amendments and allied to the late provision of legal text, it would not be unreasonable to expect that further questions may be posed in due course.

In moving on to consider the User Pays aspects of the report, AR advised that discussions with Xoserve have confirmed that no delay in implementation would be required to allow for systems implementation and that any changes could be delivered during the period between direction to implement and calculation of the invoices concerned. When asked for an indication on the costs involved in implementing the changes, FC advised that these would be in the range of £0 to £50K (a small cost). When it was suggested by AL that provision of additional detail around the cost prediction would be beneficial, TD pointed out that waiting for such information would cause delay – consensus was that the cost indication provided would suffice.

When asked whether or not those present now felt that the Workgroup report as amended, is suitable for submission to the Panel for consideration, some parties requested that additional caveats should be included to cater for concerns around the compressed process timelines and the apparent delay in the provision of legal text and that the report should note that neither modification's intent had changed during the various amendments. It was also accepted during discussions that the legal text reflects the wording as used at present within the UNC.

The consensus view was that, placing the various concerns to one side, the Workgroup report was now suitable for presentation to the Panel and could recommend consultation as the next step.

4. Any Other Business

None.

5. Diary Planning

It is not anticipated that no further Workgroup meetings would be required.