

**UNC Workgroup 0529 Minutes
Implementation of Retrospective Adjustment arrangements
(Project Nexus transitional modification)**

Wednesday 25 March 2015

31 Homer Road, Solihull, B91 3LT

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Chris Warner	(CW)	National Grid Distribution
David Addison	(DA)	Xoserve
Edward Hunter	(EH)	npower
Emma Lyndon	(EL)	Xoserve
Emma Smith	(ES)	Xoserve
Helen Cuin	(HCu)	Joint Office
Huw Comerford	(HC)	Utilita
Leigh Chapman	(LC)	First Utility
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Michelle Downes	(MD)	Xoserve
Mike Fensome	(MF)	RWE npower
Naomi Nathanael	(NN)	Plus Shipping Services
Rachel Duke*	(RD)	EDF Energy
Steve Mulinganie	(SM)	Gazprom

*via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0529/250315>

The Workgroup Report is due to be presented at the UNC Modification Panel by 18 June 2014.

1.0 Outline of Modification

2.0 Review of Minutes and Actions

2.1. Minutes

The minutes of the previous meeting were approved.

2.2. Actions

No outstanding actions to review.

3.0 Conclusion of Workgroup Report

The Workgroup considered the communication issued by Xoserve outlining one of the UK Link Programme risk mitigation options; to defer Retrospective Adjustments and Unique Sites functionality. A set of explanatory slides and a response form had been published at <http://www.gasgovernance.co.uk/NexusSG/310315>

BF confirmed that **views are requested by 27 March 2015**, to Xoserve in order to inform a discussion at the Project Nexus Steering Group meeting on 31 March.

CW explained that this modification would only apply for Modification 0434. If Modification 0434 is deferred this Modification 0529 would also need to be deferred. He highlighted

that Modification 0529 facilitates the transition into Modification 0434 and would still be required regardless of when Modification 0434 is implemented.

SM was keen to understand the full process, the consequences, and how this may impact the system design, in order to provide an informed response to the communication. SM believed that the Unique Sites was less of a concern compared to retrospective adjustments.

MD commented that this modification is needed for retrospective updates although it is not needed for the other transition modification, as it is linked to Modification 0434 for a retrospective solution for Phase 2. MD clarified that Modification 0529 would still be needed to make the retrospective adjustments work.

MD confirmed that current arrangements would continue if retrospective adjustments were to be carved out. MD raised the point that the Shippers need to understand the solution for the Steering Group Meeting being held on 31 March. MD agreed to produce an overview paper for the Steering Group on the solution and to provide greater clarity. She confirmed if retrospection is delayed Xoserve will confirm the arrangements at the 07 April Project Nexus Meeting. She acknowledged that another modification might be required to strip out the asset update arrangements in the current legal text.

The production of the Workgroup Report was deferred.

4.0 Next Steps

BF confirmed that the Workgroup report would be deferred until the outcome of deferring retrospective adjustments had been established.

5.0 Any Other Business

None.

6.0 Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/Diary

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:30 Wednesday 07 April 2015	31 Homer Road, Solihull. B91 3LT.	Conclusion of Workgroup Report