

UNC Workgroup 0628S Minutes
Standard Design Connections: PARCA process
Thursday 02 November 2017
at Elexon, 350 Euston Road, London NW1 3AW

Attendees

Rebecca Hailes	(RH)	Chair
Mike Berrisford	(MB)	Secretary
Andrew Pearce	(AP)	BP
Anna Shrigley	(AS)	ENI UK
Charles Ruffell	(CR)	RWE
Colin Hamilton	(CH)	National Grid NTS
Gerry Hoggan	(GH)	ScottishPower
Graham Jack	(GJ)	Centrica
Jeff Chandler	(JCh)	SSE
John Costa	(JC)	EDF Energy
Julie Cox*	(JCo)	Energy UK
Nick King	(NK)	CNG Service Ltd
Nick Wye	(NW)	Waters Wye Associates
Nicola Lond	(NL)	National Grid NTS
Richard Fairholme*	(RF)	Uniper
Robin Dunne	(RD)	Ofgem
Shiv Singh*	(SS)	Cadent
Steve Britton*	(SB)	Cornwall Energy
Steve Pownall	(SP)	Xoserve
Tomas Dangarembizi	(TD)	National Grid NTS

**via teleconference*

Copies of papers are available at: <https://www.gasgovernance.co.uk/628/021117>

1. Outline of Modification

In providing a brief overview of the rationale behind raising the modification, NL explained that the main aim is to look to reduce the fees.

NL then provided an overview of the supporting presentation slides whereupon the main focus of discussion settled on the diagrams on slides 24 and 25.

Focusing on slide 24, when asked NL confirmed that a PARCA window of 20 days is, or should be, included. She also confirmed that as far as the inclusion of the new sites provisions specified within the licence are concerned, these are catered for prior to capacity being allocated and whilst this is a separate area, National Grid NTS are looking into this as well.

Moving on to examine the diagram elements on slide 25, NL pointed out that National Grid NTS are also looking at other processes in parallel, especially elements that might impact on the Green, Amber and Red triggers.

Parties suggested that it would also be beneficial to consider consultation mechanism and process timeline improvements and impacts. When asked, NL explained that National Grid NTS are also looking to speed up the 6 month process timeline, although she asked parties to

note that this can be heavily influenced by other factors such as capacity allocation and associated processes. It was noted that this is why we currently have the PARCA 'window' provisions.

When asked whether or not the accelerated route potentially impacts upon the 20 day stage 1 window, NL suggested that the view of the Workgroup members present would suggest that this is still required going forwards.

When asked whether substitution would be a viable option, NL responded by explaining that this forms the basis of the process behind the Green indicator.

When asked whether or not the new process proposals would be 'codified' and the modification amended to include these, NL acknowledged that at this point in time, the modification is quite 'light' in terms of actual solution detail, although as Proposer National Grid NTS would be reviewing the level of required detail in due course. JCx suggested that, if the proposed timeline aspects are deemed feasible, then they would benefit from being 'codified'. In referring to the green elements, SP suggested that further process practicalities would need to be considered and that some form of disclaimer would also prove beneficial. It was noted that care is needed around clarifying the process timelines and especially any assessment and decision related aspects.

When asked how long it would normally take to obtain Ofgem approval of any substitution aspects, NL responded by advising that this normally involves a 28 day lead time, although National Grid NTS can always offer more options to the customer in parallel with the Ofgem approval aspects which is no different to the current process.

It was suggested that provision of a guide on how parties can gain (obtain) capacity would potentially prove helpful.

2. Initial Discussion

2.1 Issues and Questions from Panel

Consideration of the definition of the PARCA Application Fee (*inc. proportionality aspects*)

During a brief discussion it was noted that the existing PARCA fee is NOT in Code and the modification is not looking to change this.

NL explained that presently National Grid NTS does not have a clear view on this matter, although she did confirm that in theory the fee could change should the process status move from green to red for instance – in short, there could be two levels of fees involved.

When asked how the capacity booking proposals compare with the current shipping (ad-hoc) route, JCx reminded those present that PARCA provisions relate to formal obligated capacity and as a consequence, she believes the Workgroup would need to consider all possible routes for obtaining capacity.

New Action 1101: Reference the PARCA Application Fee - National Grid NTS (NL) to look to identify the high-level routes for obtaining capacity and where these (0628S) new proposals reside in the overall picture, including any potential costs and timescales.

Consideration of Self-Governance Status

During a brief onscreen review of the self-governance guidelines, Workgroup participants indicated that they believe that at this point in time the self-governance status remains appropriate.

It was agreed to revisit/reconsider the self-governance question during the January 2018 Workgroup meeting.

2.2 Initial Representations

None.

2.3 Terms of Reference

RH conducted a brief onscreen review of the Individual Terms of Reference for the modification, the detail of which was discussed under item 2.1 above. Concluding discussions, the Workgroup accepted the Terms of Reference.

3. Next Steps

Consideration of amended modification (if appropriate) and development of Workgroup Report at the 07 December 2017 Workgroup meeting.

4. Any Other Business

None.

5. Diary Planning

Agenda items (and any associated papers) for the 07 December 2017 meeting should be submitted to the Joint Office by close of play on 28 November 2017.

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

Time/Date	Location
10:00, Thursday 07 December 2017	Elaxon, 350 Euston Road, London NW1 3AW

Action Table (as at 02 November 2017)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1101	02/11/17	2.1	<i>Reference the PARCA Application Fee - National Grid NTS (NL) to look to identify the high-level routes for obtaining capacity and where these (0628S) new proposals reside in the overall picture, including any potential costs and timescales.</i>	National Grid NTS (NL)	Pending