

Transmission Workgroup Minutes
Thursday 03 August 2017
Elxon, 350 Euston Road, London NW1 3AW

Attendees

Aisling Jensen-Humphreys	(AJH)	Conoco Phillips
Andrew Pearce	(AP)	BP
Anna Shrigley	(AS)	Eni UK
Bob Fletcher	(BF)	Chair
Charles Ruffell	(CR)	RWE
Colette Baldwin	(CB)	E.ON
David Cox*	(DC)	London Energy Consulting
Graham Dickson	(GD)	Interconnector
Graham Jack	(GJ)	Centrica
Jeff Chandler	(JCh)	SSE
Jen Randall*	(JR)	National Grid NTS
John Costa	(JC)	EDF Energy
Karen Visgarda	(KV)	Secretary
Malcolm Montgomery	(MM)	National Grid NTS
Nick Wye*	(NW)	Waters Wye
Richard Fairholme*	(RF)	Uniper
Sarah Carrington	(SC)	National Grid NTS
Sean Hayward	(SH)	Ofgem
Steve Britton*	(SB)	Cornwall
Steve Pownall	(SP)	Xoserve
Terry Burke	(TB)	Statoil

*via teleconference

Copies of papers are available at: <https://www.gasgovernance.co.uk/tx/030817>

1. Introduction and Status Review

BF welcomed all to the meeting and confirmed the order of the agenda.

1.1 Approval of Minutes (06 July 2017)

The minutes of the previous meeting were approved.

1.2 Ofgem Update

Referring to the Ofgem Summary document, SH gave a brief update on the three main topics as below:

Capacity Methodology Statements decision letter

SH explained that on the 05 July 2017 Ofgem had approved changes to NGG's five Entry and Exit Capacity Methodology Statements and Capacity Release Methodology Statements. The changes were made to implement the incremental capacity allocation processes set out in Capacity Allocation Mechanism Network Code.

Statutory consultation under section 23 of the Gas Act 1986 – changes to National Grid Gas's transporter licence as a result of the CAM Network Code

SH said that on the 01 August 2017 Ofgem had launched a consultation on changes to NGG's gas transporter licence which are required as a result of the EU Capacity Allocation Mechanism (CAM) Network Code incremental capacity arrangements. The proposed changes will allow fees and costs related to Planning and Advanced

Reservation of Capacity Agreements (PARCAs) described in the licence to apply to the allocation of incremental capacity at interconnection points.

Update on our initial consultation on implementing the CMA's recommendations for industry code governance: Responses summary and next steps

SH explained that on the 27 July 2017 Ofgem had published an update on their initial consultation on implementing the CMA's recommendations for industry code governance. He said that the update provided a summary of the 41 consultation responses received and set out Ofgem's next steps in terms of policy development. A workshop to discuss their strategic direction for industry codes, and the proposed consultative board was planned for the Autumn 2017.

In closing, he said for further information on any topics as referred to above, to contact him directly at: Sean.Hayward@ofgem.gov.uk

1.3 Pre-Modification Discussions

1.3.1 Treatment of Capacity at Combined ASEPs – National Grid NTS

MM said the draft modification was regarding the 'Treatment of Capacity at Combined ASEPs', and he reminded everyone that this modification was designed to complement the review of charging arrangements and although it was not charging specific, as it applied to sites such as storage and production. He also explained that Rough was still needed in regards to a storage site, and this would continue, as well as considering the 'abandoned' capacity classification.

MM explained that National Grid NTS wished to use this specific modification as a trial to process through their evolving new 'Rapid Modification Development' process, which would involve a more in-depth pre modification process. He stated that a Webex would be held on Tuesday 29 August 2017 to discuss this approach and the solution with the Industry, and that an invite would be circulated in the next few days.

CB wanted to know how this 'Rapid Modification Process, would be filtered and communicated to the Industry as a whole, if it was being managed internally by National Grid NTS, why wasn't the Joint Office capturing the discussion and management of the process? MM said that the Webex and associated meetings would be minuted and these would be made available to interested parties. He also explained that the whole process would be further discussed in depth at the next Transmission Workgroup meeting on 07 September 2017.

NW said he was in support of this proposal, but he said he found it a bit strange that this was interlinked with Modification 0616S due to its complexities and he asked what would happen in the situation, where the modification was further amended once it had been formally proposed. MM said that the overall development would not be completed until after Modification 0616S was finalised.

BF said that the pre development phase would be beneficial and could help reduce the overall time period, and he added that using Modification 0616S would be a challenge due to the complexities involved in this specific modification.

1.3.2 Modification process for Routine Modifications – National Grid NTS

(This matter was deferred until the September Meeting.)

2. European Codes

2.1 EU Codes update

MM presented the Code Status Update and explained that was 'as is' carrying on from last month's update, with regards to the Tariffs (TAR), Transparency (TRA) and CAM amendments.

EU Tariffs Code Update

MM provided a brief review of the 'ENTSOG Planned Activities for the remainder of 2017' slide, and explained the second Implementation Workshop was planned for the 11 October 2017, however, as yet the exact location had not yet been confirmed. He also said the revised Implementation Document had been published and updated to reflect feedback from the Stakeholders and this had included sections regarding; Storage, CWD/Forecasted Contracted Capacity, Existing Contracts, Publication requirements and Cost Allocation Assessment and Justification (from ACER)

EU Gas Regulatory Change Programme

SC provided a high-level update of the EU Phase 4a CAM Amendments, Transparency and Incremental Changes Business Change programme. She overviewed the Gemini Changes that would be going live on Sunday 13 August and explained the detail regarding the Shipper information, which encompassed the following:

- Four auctions for IP Quarterly Capacity replaces one auction
- IP Annual Yearly Auction is moving from March to July
- 2 new reports will be available to view
- Capacity versus Energy Allocation Report
- Utilisation Monitoring Report
- Negative Implied Flow Rates (Bacton IP only)
- All the implementation activities will now take place in the planned Gemini Maintenance Window (03:00-05:00)

SC explained that all these changes had been extensively communicated previously, but if anyone had any system issues to then contact the existing Gemini Service Desk: 0845 600 0506 and that the National Grid EU Gas Regulatory Change team via email for any other issues relating to these changes.

SC then overviewed the next step and explained that the Industry would continue to be updated via the EU Gas Regulatory Change E-Mail Distribution List and MIPI, and that a Gemini Screen Pack had been circulated to UK Link Committee and to contacts on the National Grid distribution list. She also explained that a User Guidance would be developed and circulated prior to go live date.

Any questions should be directed to the link: box.gasops.businessc@nationalgrid.com

Future Topics

MM advised that the following current topics would be updated monthly; - Tariff Code, Transparency requirements, CAM Amendment and Incremental.

3. Workgroups

3.1 Modification 0616S – Capacity Conversion Mechanism for Interconnection Points

The minutes of this meeting are available at:

<https://www.gasgovernance.co.uk/0616/030817>

The Workgroup's Report is due to be made to the September UNC Modification Panel.

4. Issues

4.1 (ISS066 – Implications of decommissioned Exit/Entry points)

It has previously been agreed that this item should remain on the agenda, to be kept 'in sight', although it would only be actioned as and when appropriate.

There was no further consideration of this item at the meeting.

5. Any Other Business

5.1 Gas Demand Side Response Methodology Consultation

MM explained that National Grid NTS were seeking views on whether the DSR Methodology meets the principles of National Grid's NTS Transporter Licence Special Condition (SC) 81 – 'Development and Implementation of a Demand Side Response Methodology for use after a Gas Deficit Warning. He said the consultation had opened on 20 July 2017 and that it would close on 18 August 2017 and it could be assessed via the links below:

- The questionnaire is available at <https://www.surveymonkey.co.uk/r/CJRXYJC>
- If you prefer to respond by email please contact Debbie Brace at box.gas.market.devel@nationalgrid.com for the consultation questions to be sent to you directly
- The responses to this consultation, along with our recommendations will be sent to the Authority for a decision on 25th August

6. Review of Outstanding Action(s)

Action TR0602: National Grid NTS (JR) to provide what options are available for 'Real Time' or 2-5 minutes data and the cost to get this on to the GCS and MIPI and process it.

Update: JR explained that the publishing of the Gas Quality Data was still under discussion internally, together with the publishing of Real Time Gas Data and information on pressure. She said that discussions had taken place with Energy UK regarding this matter and that a Workshop was being hosted by Energy UK on 02 October 2017 at Energy UK to discuss this matter in greater depth to develop a satisfactory solution with the Energy UK Members and that other individuals were welcome to register direct with Julie Cox, via: julie.cox@energy-uk.org.uk.

GJ said that there were some Upstream issues with this request as to what was actually feasible and appropriate. JR said that this was being taken into account and investigated. AP also added that there was an issue with the LNG data and no capacity holding, and the 3rd party cargo holding into a terminal aspect, which also needed to be discussed.

The Workgroup agreed that this action should be deferred until the October meeting to allow feedback and discussion following the Energy UK meeting on 02 October 2017. **Carried forward**

7. Diary Planning

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

Agenda items (and any associated papers) for the 07 September 2017 meeting should be submitted to the Joint Office by close of play on 29 August 2017.

Time/Date	Location
10:00, Thursday 07 September 2017	Elaxon, 350 Euston Road, London NW1 3AW
10:00, Thursday 05 October 2017	Elaxon, 350 Euston Road, London NW1 3AW
10:00, Thursday 02 November 2017	Elaxon, 350 Euston Road, London NW1 3AW
10:00, Thursday 07 December 2017	Elaxon, 350 Euston Road, London NW1 3AW

Action Table (as at 03 August 2017)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
TR0602	01/06/17	5.2	National Grid NTS (JR) to provide what options are available for 'Real Time' or 2-5 minutes data and the cost to get this on to the GCS and MIPI and process it.	National Grid NTS (JR)	Carried forward <i>(Deferred until October Meeting)</i>