

Energy Balancing Credit Committee Minutes
Friday 24 May 2013
by Teleconference

Participants

Bob Fletcher (Chair)	(BF)	Joint Office	Non-Voting
David Holland	(DH)	Shipper	Voting
David Trevallion	(DT)	Shipper	Voting
Richard Fairholme	(RF)	Shipper	Voting
Loraine O'Shaughnessy	(LO)	Xoserve	Non-Voting
Sam Moody	(SM)	Xoserve	Non-Voting

Apologies

Dimuthu Wijetunga	(DW)	Shipper
Gavin Ferguson	(GF)	Shipper
Mark Cockayne	(MC)	Xoserve

1. Introduction

BF welcomed the members to the meeting, which was quorate.

2. Minutes and Actions

The minutes from the previous meeting were accepted.

EBC0401 Emergency Credit Rules - Xoserve to develop a draft structure for review and discussion.

Update: SM advised the process is being reviewed and an update should be provided at the September meeting.

Carried Forward

3. Operational Update

LO provided the following Operational update for April 2013.

3.1 Cash Call Notices

During April there were 10 Cash Call Notices issued; 8 were paid on the due date, and 2 were appealed and withdrawn.

3.2 Further Security Requests (FSRs)

There were 2 FSRs issued during April 2013 and both have been settled.

3.3 Settlement

The following performance was reported:

Month	Payment Due Date	Payment Due Date +2
March 2013	99.09%	100%
April 2013	99.82%	100%
Rolling 12 Months	99.86%	100%

1 Failure to Pay Notice was issued during April 2013 and settled by the due date.

4. Modifications

An update was given on the status of the modifications of interest to the EBCC. Of particular note were:

4.1 Modification 0429 - Customer Settlement Error Claims Process

This Modification has been issued to consultation and members are encouraged to respond by 07 June close out date.

4.2 Modification 0447S - Exception to Code Cut Off Date for energy Balancing debt Recovery purposes

This modification has been implemented and the EBCR have been amended to become effective from 10 June 2013.

4.3 Modification 0435–Arrangements to better secure firm gas supplies for GB customers

Development of the modification is on-going, no further progress to report.

4.4 Market Operator Security Provisions

LO advised that prepayment agreement is being prepared and should be issued for comments by next week.

5. Significant Code Review – Security of Supply

RF advised that progress is being made with one meeting being held since the last EBCC meeting. It is proposed that the cash out price is to be set by demand side auction with the highest bidder setting the price. The VoLL is likely to be around £14 rather than £20 as previously proposed. Ofgem will be making its recommendations soon, with implementation following soon after.

6. Bank Ratings Review

LO advised that MC and LO had attended a Standard and Poor's conference,

which provided an update on the review of bank ratings and that it had been indicated that French Banks were on watch. The credit team have been monitoring any impacts on Banks but none of the daily ratings have changed.

7. Lehmans, Enron and Independent Energy- Update

Members agreed to close this item as the sale has been agreed and monies were distributed.

8. Gemini Re-platforming

LO advised that the go live date is still on target for 09 June.

9. Any Other Business

9.1 Energy Balancing Credit Rules

SM confirmed that the changes required as a result of the implementation of Modifications 0446S and 0447S had been made and that members prior to the meeting had approved these by email. Implementation is 10 June 2013. Members approved the publication of the amended version of the EBCR.

9.2 EU Third Energy Package Update

SM advised that consultation is ongoing for the data and interoperability code and members are encouraged to respond.

9.3 Voluntary Discontinuance

LO presented details of 1 organisation that wanted to leave the market.

Members confirmed they had no interests in the organisation and unanimously determined that the party should be allowed to discontinue.

9.4 Letter to EBCC Members

LO gave an overview of a letter and associated paper from organisation River Tummel which had been circulated to EBCC members by the Joint Office prior to the meeting. A discussion resulted in members agreeing to respond to the organisation on behalf of the EBCC based upon the issues raised. Members were asked if a separate meeting should be arranged to discuss the paper, however, members agreed to await a response from River Tummel and if required a further meeting could be rescheduled.

New Action EBC 0501 - Members agreed to review the response letter and provide comments to LO – post meeting note : Response issued 28 May 2013

9.5 Summer Holidays

LO agreed to write out to members asking them to provide their availability during the Summer period.

10. Date of Next Meeting

The next EBCC meeting will take place via teleconference on Friday 28 June 2013 at 10.30.

Action Log – Energy Balancing Credit Committee

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
EBC0401	26/04/2013	10	<i>Emergency Credit Rules</i> - Xoserve to develop a draft structure for review and discussion.	Xoserve (MC)	Carried Forward to be reviewed at the September meeting
EBD0501	24/05/2013	9.4	Review the response letter and provide comments to LO	Members	Closed Post meeting note: letter reviewed and issued 28 May 2013