

**Energy Balancing Credit Committee Minutes**  
**Friday 28 June 2013**  
**by Teleconference**

**Participants**

Bob Fletcher (Chair)	(BF)	Joint Office	Non-Voting
David Holland	(DH)	Shipper	Voting
David Trevallion	(DT)	Shipper	Voting
Dimuthu Wijetunga	(DW)	Shipper	Voting
Richard Fairholme	(RF)	Shipper	Voting
Lorraine O'Shaughnessy	(LO)	Xoserve	Non-Voting
Mark Cockayne	(MC)	Xoserve	Non-Voting

**Apologies**

Gavin Ferguson	(GF)	Shipper
Jon Costa	(JC)	Shipper

**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:** ON HOLD UNTIL SEPTEMBER

**3. Operational Update**

LO provided the following Operational update for May 2013.

**3.1 Cash Call Notices**

During May there was 1 Cash Call Notice issued which was appealed and withdrawn.

### 3.2 Further Security Requests (FSRs)

There were no FSRs issued during May 2013.

### 3.3 Settlement

The following performance was reported:

Month	Payment Due Date	Payment Due Date +2
April 2013	99.82%	100%
May 2013	100%	100%
Rolling 12 Months	99.90%	100%

There were no Failure to Pay Notices issued during May 2013.

## 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

MC advised that the Modification Panel did not recommend implementation of this modification. Ofgem will now consider the Final Modification Report and representations prior to making its decision.

### 4.2 Modification 0435—Arrangements to better secure firm gas supplies for GB customers

MC advised that development of the modification is on-going, though there is no further progress to report at this time as it is linked to the SCR.

### 4.3 Modification 0447S - Exception to Code Cut Off Date for Energy Balancing debt Recovery purposes

MC advised that this modification was implemented on 10 June and it will be removed from the agenda.

### 4.4 Modification 0461 – Changing the UNC Gas Day to Align with the Gas Day in EU Network Codes

MC advised that this modification may have a number of impacts and work is ongoing to consider the implications. The main areas of concerns were to do with termination provisions and Gemini system impacts, particularly to the timing of system communications and notices.

#### **4.5 Market Operator Security Provisions**

MC advised that the Market Operator (MO) is considered to be in a unique position as its market is fully collateralised, so security provisions were required to protect all parties but that they are not over onerous. It was felt that a pre payment agreement was the most appropriate way forward. MC asked Members note a copy of the draft prepayment agreement has been circulated for comments and that it is only intended for MO use.

DW asked if the agreement was intended to be enduring as the agreement as drafted has an end date, DW enquired how this would be extended. MC advised the aim is for an enduring agreement and he would arrange for the fixed term to be removed.

Members agreed to review the agreement and provide comments back by 05 July 2013.

#### **5. Significant Code Review – Security of Supply**

MC advised that it is unlikely that Ofgem will issue the consultation document before the end of July. He also confirmed that information has been sent to Ofgem relating to credit limits for the last 7 years, what the peak SAP prices were during this period and that no common trends were identified during the analysis. MC also advised that Xoserve have continued to meet with National Grid to keep track of current thinking on business rule and that Gemini impacts were now being considered.

#### **6. Bank Ratings Review**

No further update available.

#### **7. Enron and Independent Energy update**

MC advised that they hoped to close down the Enron and Independent Energy accounts soon, although there may be an additional final payment from Independent Energy.

#### **8. Gemini Re-platforming**

MC confirmed that GRP went live on 09 June. Some minor issues had been identified following implementation and were either resolved or are being resolved. The project implementation is considered to be a success, though post implementation support and evaluation continues. There have been no major issues identified and he thanked members for their support. It was agreed to close this agenda item.

#### **9. Any Other Business**

### **9.1 Energy Balancing Credit Rules**

The latest version was implemented and published on 10 June.

### **9.2 EU Third Energy Package Update**

MC advised that the change of the gas day from 6am to 5am is being driven by CAM code with implementation expected around 2015/16. Xoserve are monitoring progress for potential system impacts.

MC advised that the Comitology meeting for the Balancing Code is due in July, but may be postponed until September and that at this time there is no certainty around whether Balancing will require implementation in 2015 or 2016.

MC also noted that the scope of Tariffs discussion have been limited to interconnection points.

### **9.3 Voluntary Discontinuance**

LO presented details of 3 organisations that wanted to leave the market.

Where Members confirmed they had no interests in the organisations, they unanimously determined that the parties should be allowed to discontinue.

One Member confirmed an interest in one of the organisations and abstained from that particular vote.

### **9.4 Letter to EBCC Members**

MC confirmed that they had not received a response to the letter issued on behalf of the EBCC on 28 May. Members agreed to remove the item from the Agenda.

### **9.5 Summer Holidays**

Members were requested to provide their availability during the summer to LO.

## **10. Date of Next Meeting**

The next EBCC meeting will take place via teleconference on Monday 22 July 2013 at 10.30.

### Action Log – Energy Balancing Credit Committee

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
<b>EBC0401</b>	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