

**Transmission Workgroup Minutes**  
**Thursday 06 July 2017**  
**Elxon, 350 Euston Road, London NW1 3AW**

**Attendees**

Andrew Pearce	(AP)	BP
Anna Shrigley	(AS)	Eni UK
Colette Baldwin	(CB)	E.ON
Colin Hamilton	(CH)	National Grid NTS
Graham Dickson	(GD)	Interconnector
Graham Jack	(GJ)	Centrica
Jeff Chandler	(JCh)	SSE
Jen Randall	(JR)	National Grid NTS
Julie Cox*	(JC)	Energy UK
Les Jenkins	(LJ)	Joint Office
Liam Drummond-Clark	(LDC)	Ofgem
Malcolm Montgomery	(MM)	National Grid NTS
Mike Berrisford	(MB)	Secretary
Nicola Lond	(NL)	National Grid NTS
Paul Brennan	(PB)	Waters Wye Associates
Rebecca Hailes	(RH)	Chair
Robin Dunne*	(RD)	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/060717>

**1. Introduction and Status Review**

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

**1.1 Approval of Minutes (01 June 2017)**

The minutes of the previous meeting were approved.

**1.2 Ofgem Update**

Referring to the summary presentation provided, LDC gave a brief update on the four main topics whilst MM also pointed out that as of 05 July, the Capacity Methodology Statements decision letter is also now available on the Ofgem web site.<sup>1</sup>

**1.3 Pre-Modification Discussions****1.3.1 Treatment of Capacity at Combined ASEPs – National Grid NTS**

In referring to the initial pre-modification discussions undertaken at the June Workgroup meeting regarding the 'Treatment of Capacity at Combined ASEPs', CH reminded everyone that this modification is designed to complement the review of charging arrangements and is not charging specific, as it only applies to Easington aspects.

<sup>1</sup> A copy of the Capacity Methodology Statement documentation is available to view and/or download from the Ofgem web site at: <https://www.ofgem.gov.uk/publications-and-updates/capacity-methodology-statements-decision-letter>

During a brief onscreen review of the accompanying presentation, CH explained that the aim is to align the effective date for the modification with that of UNC Modification 0621 'Amendments to Gas Transmission Charging Regime'.

Workgroup attention then moved on to focus on the 'Points to consider' aspects, whereupon CH confirmed that one of the main drivers behind raising the modification is related to the treatment of capacity. This includes but is not limited to the possible treatment of abandoned capacity, accompanied by the development of a set of generic rules especially when bearing in mind that the issues are not simply related to Rough and Easington aspects. He also anticipates that development of the modification would help to 'tease out' other considerations.

Some parties felt that the proposed second option could be difficult to achieve on the grounds that it could potentially involve some complex monitoring requirements, and suggested that further clarification around this option would be beneficial.

### **1.3.2 Modification process for Routine Modifications – National Grid NTS**

In providing a verbal update on the National Grid NTS proposals seeking to look to develop a more streamlined approach to aid a quicker progression through the modification process, CH advised that NTS would welcome views that they can then consider during their own internal review and assessment stage to be undertaken shortly.

When asked, CH confirmed that the aim was to put the Modification proposal "Treatment of Capacity at Combined ASEPs", discussed in section 1.3.1, through as a pilot with a report to the November 2017 Panel.

In considering the proposals, LJ observed that what is being described is not very different to the approach undertaken by the industry currently in the case of complex modifications. In reminding everyone that it is the Panel that controls the timeline (for this or any other non urgent modification), LJ suggested that it would be potentially better to undertake the workshop development approach (as suggested by NTS), at the pre-modification discussion stage (i.e. outside of the modification process per se). Responding, CH agreed to consider the suggestion and confirmed that he does not envisage any industry engagement related issues at this time.

As a consequence of the positive feedback, and mindful of the fact that some industry parties may choose to not attend the workshop, CH explained that he would now be looking to run the workshop before the September Transmission Workgroup meeting, and once developed to a suitable level, would formally raise the UNC modification thereafter.

When asked whether or not it might be preferable to host the proposed workshop immediately after a Transmission Workgroup meeting (i.e. straight after, on the same day, in order to ensure the correct participants are involved), LJ outlined the current Panel timeframe before reminding those in attendance that a Workgroup assesses a modification, it does not develop it. He went on to point out that normally delays occur where there are complex development issues to consider and resolve and/or a lack of legal text on which to base informed decisions – in short, good preparation from National Grid in this instance could/would prove beneficial in reducing the overall process time.

In recognising the points raised and the feedback provided, CH advised that he expected that National Grid NTS would continue with its own internal review workshop (possibly July / early August) and that he expected to provide a further progress update at the August Transmission Workgroup meeting.

## **2. European Codes**

### **2.1 EU Codes update**

CH presented the National Grid NTS plan, highlighting the Code Status Update and corresponding key milestones on the Draft Indicative Timeline schematic for CAM Incremental, and explained the timeline and progress has not undergone any significant change since the June meeting.

### ***EU Tariffs Code Update***

Focusing attention on the internal TSO and ACER/NRAs workshop, CH explained that the TSOs remain reluctant to discuss the finer details around aspects such as capacity related matters (i.e. products, bookings and reserve prices etc.), within an open forum.

When asked, CH confirmed that the workshop had focused on establishing a common understanding of the proposals, although this did not include any Article 35 aspects. Some parties remained of the opinion that the industry also needs to reconsider some of the GB contract elements. When asked whether or not ENTSOG is tracking TSO progress, CH made reference to the final bullet point on slide 14 relating to the implementation and effect monitoring reports.

In quickly reviewing the 'ENTSOG Planned Activities for 2018 slide, CH provided a brief insight into some of the ENTSOG discussions.

Moving on to examine slide 17 'Implementation Monitoring', CH once again reminded parties that as far as Part A implementation is concerned, some elements would not be in place until 2019.

### ***EU Gas Regulatory Change Programme***

CH provided a high-level update of the EU Phase 4a CAM Amendments, Transparency and Incremental Changes Business Change during which MM pointed out that the August 13 implementation would include some AQ auction changes as well.

During a brief review of the 'Next Steps' slide, RH advised that references to the UK Link Committee are now incorrect and should be amended to read as the DSC Change Management Committee. She then went on to suggest that as far as she is aware, the DSC Change Management Committee has not seen the Gemini Screen Pack.

### ***Capacity Methodology Update***

Not specifically covered at the meeting.

### ***Future Topics***

CH 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:  
<http://www.gasgovernance.co.uk/0616/060717>

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 Project CLoCC – National Grid NTS**

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NL provided a brief overview of the Project CLoCC (Customer Low Cost Connections) presentation.

When asked, NL confirmed that National Grid NTS is discussing DN system connection aspects (i.e. current vs. GSMR specifications etc.) with the DNs via ENA and stakeholder day engagements. When NL went on to confirm that she would also consider providing an update at a forthcoming Distribution Workgroup meeting, it was suggested that perhaps an update at the Distribution Networks Charging Methodology Forum (DNCFM) would also prove beneficial, especially as there are innovation funding aspects involved (via tariffs).

In considering the 'Commercial Arrangements under review' slide, NL advised that the oxygen specifications are included within National Grid's 10 year statement. When asked, NL explained that she could foresee a number of UNC modifications being raised to address several areas in due course.

Moving on to examine the 'Capacity example – PARCA' slide, and specifically the bullet point relating to no ad hoc / PARCA windows required in accelerated process reference, it was suggested that from a shipper perspective the existing provisions are extremely useful, and as a consequence, care would be needed when looking to propose any changes to the current provisions.

Some parties questioned whether the user commitment aspects would actually work under these proposals, as they appear to be too onerous to be realistically viable.

When asked whether National Grid NTS are still looking to keep within the GSMR limits as far as oxygen relaxation aspects within the GTYS (gas ten year statement) are concerned, NL indicated that whilst this is the case, these instances would be considered on a case-by-case basis. She also pointed out that there are no limits specified within the UNC hence the focus on the ten year statement and bi-lateral agreements.

During a brief review of the 'Next Steps' slide, NL was asked to consider providing suitable pre-modification discussion materials in time for consideration at the August 2017 Transmission Workgroup meeting. Some parties believe that this has potentially wider industry impacts and consideration should be given to potential charging impacts.

## **5.2 Negative Implied Flow Rate – National Grid NTS**

JR provided a brief overview of the NIFR presentation, explaining that a 'glitch' had been identified during the testing phase that has led to this information update being prepared.

When asked, JR confirmed that the most likely dates for the National Grid Webinar are 26, 27 or 28 July 2017. She confirmed that not only has this matter been discussed at a recent Operational Forum meeting, but a UNC modification would not be required in this instance on the grounds that the matter was identified as an issue during the testing phase.

Closing, JR confirmed that she would be provided an industry communication (mail out) which would be issued via the Joint Office in due course.

## **5.3 Planning Code Update – National Grid NTS**

JR read out a brief statement on behalf of National Grid.

A copy of the Operational Forum Webinar update presentation from which the verbal update was provided is available to view under today's meetings papers.

## **5.4 CAM Licence Change – National Grid NTS**

MM confirmed that this is close to being ready.

## **5.5 New Joint Office Web Site**

RH pointed out that the new Joint Office web site was now up and running and requested that parties please provide feedback where appropriate.

## 6. Review of Outstanding Action(s)

**Action TR0601:** National Grid NTS (CH) to produce draft modification for review at the July meeting.

**Update:** It was agreed that this action could now be closed. **Closed**

**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 following discussion at a recent Operational Forum, views offered by those in attendance were varied and diverse, depending upon whether those concerned were an upstream or downstream party.

Having considered the feedback, National Grid NTS has some reservations around the information provisions (i.e. what can or cannot reasonably be published). Additionally, National Grid colleagues have voiced concerns relating to the potential risk aspects, and as a consequence, JR is considering providing an additional update at the August Workgroup meeting. JR went on to explain that it might be possible to introduce the system changes in a short timescale. At present the high level view on costs is circa £100k - £200k, although this is subject to further consideration of the actual solution. JR explained that for the avoidance of doubt, GCS is an internal National Grid system, whilst MIPI is an external National Grid system, neither of which are Xoserve systems.

Some parties then suggested that it is the entry point information aspects that are the most concerning, to which JR replied by acknowledging that National Grid needs to consider what and how information can, or should be, provided especially for elements of the information that they (National Grid) do not own. It was noted that upstream gas quality agreements contain confidential information aspects. **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 03 August 2017 meeting should be submitted to the Joint Office by close of play on 25 July 2017.

Time/Date	Location
10:00, Thursday 03 August 2017	Elaxon, 350 Euston Road, London NW1 3AW
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 06 July 2017)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
TR0601	01/06/17	1.3	National Grid NTS (CH) to produce draft modification for review at the July meeting.	National Grid NTS (CH)	Update provided. <b>Closed</b>

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**Action Table (as at 06 July 2017)**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
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)	<b>Pending</b>