

NTS Charging Methodology Forum (NTSCMF) Minutes**10:00 Tuesday 06 February 2018****at St Johns Hotel, Warwick Road, Solihull, B91 1AT**

Attendees		
Rebecca Hailes	(RHa)	Chair
Helen Bennett	(HB)	Secretary
Adam Bates	(AB)	National Grid NTS
Andrew Pearce	(AP)	BP
Anna Shrigley*	(AS)	Eni Trading & Shipping
Charles Ruffell	(CR)	RWE
Colin Williams	(CW)	National Grid NTS
Danishtah Parker	(DP)	Cadent
Debra Hawkin	(DH)	TPA Solutions Ltd
Gerry Hoggan	(GH)	ScottishPower
Graham Jack	(GJ)	Centrica
Jeff Chandler	(JCh)	SSE
Joanne Parker	(JP)	Scottish Gas Networks
John Costa*	(JCo)	EDF Energy
Julie Cox	(JCx)	Energy UK
Kirsty Ingham	(KI)	ESB
Matt Hatch	(MH)	National Grid NTS
Mehah Shah*	(MS)	ExxonMobil
Nahed Cherfa*	(NC)	Statoil
Nick Wye	(NW)	Waters Wye Associates
Nigel Sisman	(NS)	Sisman Energy Consultancy Ltd
Paul Toole*	(PT)	NGN
Pavanjit Dhesi	(PD)	Interconnector
Phil Lucas	(PL)	National Grid NTS
Richard Fairholme	(RF)	Uniper
Richard Miller	(RM)	Ofgem
Robert Wigginton	(RW)	Wales & West Utilities
Sinead Obeng	(SO)	South Hook Gas
Steve Pownall *	(SP)	Xoserve
*via teleconference		

1. Introduction and Status Review**1.1. Approval of 0621 Minutes (23 January 2018)**

RH flagged to the Workgroup that at the last meeting, at that time, the first 2 alternative modifications had been received, 0621A and 0621B, after that there were

4 pre-modifications and the numbering has slightly changed from that quoted in the minutes.

Currently the Alternative Modifications on the table are as follows:

0621A	submitted by Storengy
0621B	submitted by SSE
0621C	submitted by Centrica
0621D	submitted by Wales & West Utilities
0621E	submitted by Uniper
0621F	submitted by Interconnector

RH reminded the Workgroup that the word Alternate relates to voting and Alternatives relates to Alternative Modifications.

The minutes from 23 January 2018 were approved.

2. Standard NTSCMF topics

2.1. Long Term Revenue Forecasts (including January prices)

CW confirmed that the next Long-Term forecast is due in May.

CW explained that the drop in allowed revenue showing for 2018/19 with a value of 67.1 can be mainly attributed to funding for Avonmouth and Fleetwood coming out of the calculation and therefore it has reduced the allowed revenue.

The Workgroup agreed this is a useful level of information but asked for more detail around what is driving the change(s).

When asked, CW said that change relating to the DN Pension Charges will be seen in May 2018.

CW directed the workgroup to where the money for the Network Innovation is shown and confirmed this is all TO.

JCx asked why updates take up to 6 months after Ofgem have given their direction/finalising their numbers.

RW confirmed that the DNs do this 4 times a year and have devised a timetable of when is the most sensible times to publish and suggested this could be done for Transmission charges too.

The Price Control Financial Model (PCFM) for RIIO price controls is the financial model which derives the incremental changes to base revenue (MOD) during the RIIO price control period.

JCx asked for clarification on the -99 which is the Forecast (April 18) indicative. CW confirmed that this number is an estimate and correlated well to Ofgem's published number (which was -100). The PCFM tool is working well for estimating.

JCx asked for clarification as to how this will affect 0621 and CW clarified that the CWD Model will be updated.

GJ asked if alignment of the tariff year and the gas year is on the table as part of RIIO-T2.

New Action 0201: Ofgem to confirm if alignment of the tariff year and the gas year is on the table as part of RIIO-T2.

RW commented that given the level of debate, this is a valuable agenda item and should remain as a regular update on the NTSCMF agenda.

AB will submit a timetable to Joint Office of NTS Charging publication timings.

JP asked if known changes can be made in the interim, so the forecast is as up to date as possible.

When asked, CW confirmed a new CWD Model will be updated for 20 February 2018.

JCx suggested that the increase in the forecast for SO MOD from 189 to 247 is quite a significant change and asked for clarification on what it relates to.

New Action 0202: CW to expand on what is driving the change from 189 to 247 on the SO MOD Revenue Forecast and Main Changes.

CW then took the workgroup through slides 5&6.

3. Workgroups

3.1. 0621 – Amendments to Gas Transmission Charging Regime

(Report to Panel March 2018)

<http://www.gasgovernance.co.uk/0621>

3.2. 0621A – Amendments to Gas Transmission Charging Regime

(Report to Panel March 2018)

<http://www.gasgovernance.co.uk/0621>

3.3. 0621B – Amendments to Gas Transmission Charging Regime

(Report to Panel March 2018)

<http://www.gasgovernance.co.uk/0621>

4. Review of Outstanding Action(s)

None.

5. Any Other Business

6. Diary Planning

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

Time / Date	Venue	Workgroup Programme
10:00 Tuesday 06 March 2018	Energy UK, Charles House, 5-11 Regent Street London SW1Y 4LR	<ul style="list-style-type: none"> Modification 0621
10:00 Tuesday 04 April 2018	Solihull venue TBC	<ul style="list-style-type: none"> Modification 0621
10:00 Tuesday 01 May 2018	Elxon	<ul style="list-style-type: none"> TBC
10:00 Tuesday 05 June 2018	Solihull venue TBC	<ul style="list-style-type: none"> TBC

As at 06 February 2018

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
NTSCMF 0201	06/02/18	2.1	Ofgem to confirm if alignment of the tariff year and the gas year is on the table as part of RIIO T2.	National Grid (CW)	Pending
NTSCMF 0202	06/02/18	2.1	CW to expand on what is driving the change from 189 to 247 on the SO MOD Revenue Forecast and Main Changes.	National Grid (CW)	Pending