

UNC Transmission Workgroup Minutes

Thursday 01 February 2018

at Elexon, 4th Floor, 350 Euston Road, London NW1 3AW

Attendees		
Rebecca Hailes	(RHa)	Chair
Helen Bennett	(HB)	Secretary
Andrew Pearce	(AP)	BP
Anna Shrigley	(AS)	Eni Trading & Shipping
Charles Ruffell	(CR)	RWE
Elvan Akkaya*	(EA)	South Hook LNG
Gerry Hoggan	(GH)	ScottishPower
Graham Dickson	(GD)	Interconnector
Graham Jack	(GJ)	Centrica
Jeff Chandler	(JC)	SSE
Jon Dutton	(JD)	National Grid NTS
Julie Cox*	(JCx)	Energy UK
Malcolm Montgomery	(MM)	National Grid NTS
Nicola Lond	(NL)	National Grid NTS
Nick King	(NK)	CGN Services
Nick Wye*	(NW)	Waters Wye Associates
Phil Hobbins	(PH)	National Grid NTS
Robin Dunne	(RD)	Ofgem
Rowan Hazell*	(RHi)	Cornwall Insight
Shiv Singh	(SS)	Cadent
Sinead Obeng	(SO)	South Hook Gas
Steve Pownall	(SP)	Xoserve
Terry Burke	(TB)	Statoil
<i>*via teleconference</i>		

Copies of papers are available at: <https://www.gasgovernance.co.uk/tx/010218>

1. Introduction and Status Review

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

1.1 Approval of Minutes (04 January 2017)

The minutes from the previous meeting were approved.

1.2 Ofgem Update

RD talked the Workgroup through the update provided which covered the following topics:

- Ofgem Reorganisation;
- Network Innovation Competition – Project Direction for Robotic Roadworks and Excavation System;
- Network Innovation Competition – Project Direction for H21;
- Gas Network Innovation Competition Funding Direction 2017;
- Ofgem response to CMA launch of market study on heat networks;
- Electricity /Gas Initial Screening Process Pro Forma Version 2.0; and
- RIIO-2 Framework Review Workshops.

To view the update in full, please visit here:

<https://www.gasgovernance.co.uk/tx/010218>

1.3 Pre-Modification Discussions

There were no pre-modifications to discuss.

2. European Codes

CAM Auction Calendar

ENTSOG have published an auction calendar following default dates in CAM for auctions from March 2018.

Alignment of GTCs

On the 05 January 2018 ENTSOG published a report on differences between the main terms and conditions of contracts for bundled capacity. ENTSOG are developing a voluntary template for consultation, National Grid and Ofgem are minded not to use it. Please see report [here](#)

Capacity Conversion Update

Capacity Conversion is now live, there have been no requests so far but a theoretical issue has been identified:

Normally monthly auctions close out within the month that they are run, the monthly auction held in December ran on longer than normal which highlighted the concern as to what process would be followed if the auction were to continue to the end of that month. This could mean that National Grid would run out of time to run the allocation process before the next month's auction.

The initial thought is that National Grid would process what they can e.g. 29 days instead of 31, resulting in the Shipper paying for bundled and unbundled capacity.

There could be a possible change to UNC required.

New Action 0201: MM to provide more options and detail around the processing of a monthly auction scenario when the auction runs on to near the end of the month.

MM advised the Workgroup that there is a route setup where EU issues can be raised through to ENTSOG and ACER. Any stakeholder can do this, the process is called the ENTSOG Functionality Platform. Please see: <http://www.gasncfunc.eu/>

New Action 0202: MM to bring a slide to the next Workgroup on the Functionality Platform process.

TAR NC: Publication Status

National Grid NTS are now publishing information as required by the code on their website.

New Action 0203: MM to provide link to where the TAR NC information is published on the National Grid website for minutes.

Post meeting update: Link provided - <http://www.gasncfunc.eu/>

TAR NC: Monitoring Reports

There will be an ACER Revenue Reports Workshop on 08 February 2018, please see the material provided by National Grid NTS for this Workgroup for Registration details.

Modification 0621: Amendments to Gas Transmission Charging Regime

MM clarified that TAR NC is being implemented via this modification. Please see: <https://www.gasgovernance.co.uk/0621>

3. Workgroups**3.1 0628S - Standard Design Connections: PARCA process**

(Proposer Nicola Lond National Grid NTS)

(Report to Panel 17 May 2018)

<https://www.gasgovernance.co.uk/0628>

3.2 0629S - Standard Design Connections: A2O connection process modification

(Proposer Nicola Lond National Grid NTS)

(Report to Panel 17 May 2018)

<https://www.gasgovernance.co.uk/0629>

3.3 0645S - Amending the oxygen content limit in the Network Entry Agreement at South Hook LNG

(Proposer Sinead Obeng, South Hook Gas Limited)

(Report to Panel 15 March 2018)

<https://www.gasgovernance.co.uk/0645>

4. Industrial Emissions Directive Update

JD provided an overview of the Industrial Emissions Directive regarding the proposed National Grid NTS options and their draft proposals to meet the emissions requirements for their compression at St Fergus. He advised that National Grid NTS are currently finalising the minimum asset health costs required to support low utilisations running into the future; the cost benefit assessment is not expected to support significant investment at these sites, therefore, National Grid NTS proposals in May are likely to be similar to those made in 2015, i.e. retain the units on the 500 hours derogation while it is economic to do so.

JD advised that the final draft proposals for all affected sites will be presented ahead of the formal consultation that is planned for March 2018.

Feedback on the draft proposal is encouraged.

For more details, please see the material provided by National Grid NTS here: <https://www.gasgovernance.co.uk/tx/010218>

5. Issues**5.1 ISS066 – Implications of decommissioned Exit/Entry points update**

Not discussed in this meeting.

6. Any Other Business

6.1 0635 Reforms to incentivise accurate and timely DM reads for Class 2 Meter Points to improve the accuracy of Unidentified Gas allocation – Discussion on the impacts to the Transmission Network

Not discussed in this meeting. This item will be moved to the March 2018 Workgroup as there is a direct impact on Transmission.

The proposer of Modification 0635 has been invited to the next meeting to be held on 01 March 2018.

6.2 Gas Quality Consultation Update

PH shared a brief initial thinking on the next steps following the National Grid NTS consultation with a commitment to firm up proposals in the consultation report and discuss at the March Transmission Workgroup.

For more details, please see the material provided by National Grid NTS here: <https://www.gasgovernance.co.uk/tx/010218>

7. Review of Action(s) Outstanding

Action 0101: National Grid NTS (PH) to investigate whether the NEA change mechanisms apply to LDZ entry points as well as those to the NTS.

Update: PH advised that UNC TPD I2.2 currently provides two methods: 1. National Grid and a Delivery Facility Operator can amend a gas quality limit in a NEA, these are via a UNC Modification and 2. Written consent of all shippers that hold NTS Entry Capacity at the relevant ASEP.

It is National Grid's view that a UNC Modification would be required to enable a change to a gas quality limit in a NEA in respect of an LDZ System Entry point and the written consent route would not apply. **Carried Forward**

Action 0102: National Grid NTS (PH) to arrange a teleconference with JCx to discuss the 1 in 20 peak increase and to provide a further update at the February meeting.

Update: A Teleconference with the Development Modelling Team to discuss is to be setup and will report back to the March 2018 meeting. **Carried Forward.**

8. Diary Planning

Further details of planned meetings are available at:

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

Time/Date	Location
10.00, Thursday 01 March 2018	Elexon, 350 Euston Road, London NW1 3AW
10.00, Thursday 05 April 2018	Elexon, 350 Euston Road, London NW1 3AW
10.00, Thursday 03 May 2018	Elexon, 350 Euston Road, London NW1 3AW
10.00, Thursday 07 June 2018	Solihull Venue TBC
10:00 Thursday 05 July 2018	Elexon, 350 Euston Road, London NW1 3AW
10.00, Thursday 02 August 2018	Solihull Venue TBC
10.00, Thursday 06 September 2018	Elexon, 350 Euston Road, London NW1 3AW

Status Update
Closed
Carried forward <i>(March Meeting)</i>
Pending
Pending
Closed

10.00, Thursday 04 October 2018	Solihull Venue TBC
10.00, Thursday 01 November 2018	Elexon, 350 Euston Road, London NW1 3AW
10.00, Thursday 06 December 2018	Solihull Venue TBC