

**Review Group 0162 Minutes**  
**Monday 15 October 2007**  
**Elxon, 350 Euston Road, London NW1 3AW**

**Attendees**

Julian Majdanski (Chair)	(JM)	Joint Office of Gas Transporters
Mike Berrisford (Secretary)	(MB)	Joint Office of Gas Transporters
Alison Russell	(AR)	Centrica
Anna Taylor	(AT)	Northern Gas Networks
Bernard Kellas	(BK)	SSE
Denis Aitchison	(DA)	Scotia Gas Networks
Dennis Timmins	(DT)	RWE npower
Eddie Blackburn	(EB)	National Grid NTS
John Edwards	(JE)	Wales & West Utilities
Sandra Spence	(SS)	Scottish Power
Lorraine Goodall	(LG)	Scotia Gas Networks
Steve Armstrong	(SA)	National Grid Distribution
Steve Marland	(SM)	National Grid Distribution
Steve Edwards	(SE)	Wales & West Utilities
Sundeep Klair	(SK)	Energy Networks Association

**1. Introduction**

JM welcomed attendees and introduced Kieran Donoghue (KD), Head of Financial Issues Group at Ofgem, who provided a brief update on the DN reporting requirements proposed for the next Price Control.

KD explained Cost Reporting will be via an Excel template and that there are no proposals to publish detailed information at this moment in time. Furthermore, the Authority is currently considering restructuring Section E of the GT Licences.

With regards to the cost reporting consultation, KD thanked the DNs and Shippers for their responses. He advised that in respect of UNC Modification Proposal 0160, "Provision of Cost Information", and specifically Regulatory Asset Value (RAV) going forward, the Authority would prefer to see as much information released as possible. He pointed out that while the DNs are concerned about the level of detail requested, the minimum level required could match the electricity DNs on items such as indicative RAV Forecasts. Templates should be finalised around the same time as the Price Control proposals.

KD asked all to be mindful of the fact that the DNs will be in their first year of reporting and there may well be some bedding-in issues.

**1.1 Minutes**

Minutes of the 17 September 2007 meeting were accepted.

## 1.2 Review of Actions

RG0162 0003 – see 2.1 below.

RG0162 0004 – Completed. JM asked, and members agreed to close this action.

**Action RG0162 0004: Closed**

## 2. Review Group Process

### 2.1 Allowed and Collected DN Revenue

SE provided a brief presentation

(available at: <http://www.gasgovernance.com/Code/Reviews/RG0162/15Oct07/>)

SE pointed out that the figures are indicative, emphasising that:

- Information may change subject to any Price Control outcomes;
- The information provided is 'K' adjusted and brought forward year-on-year;
- Information presented on the 'WWU Mod 160/162 report update for Shippers' worksheet is at the lowest level; and
- Information presented on the 'DN Initial thoughts – Appropriate level of detail with all relevant points' worksheet is the DNs preferred level (supported by a commentary).

SE went on to reiterate the DNs' concerns over the level of detail to be provided, pointing out that whilst these proposals have less granularity, the main figures remain the same and are compiled in accordance with the requirements of Network Code Modification 0698.

Both AR and DT felt that the DN proposed level of information did not sufficiently assist Shippers in their prediction of the future path of charges in the longer term. One aim of the Shippers is to be in a position to build a body of data in time for 2012/13, and to be able to take informed decisions in future.

Following further detailed discussions, AR concluded that she would like the provision of information to be a UNC obligation, as she believed that this provided Users with an appropriate level of confidence. She recognised that this could be achieved via a new Ancillary Document, referenced within the UNC.

JM provided a brief explanation of the differences between the formal Modification Rules process and the governance of an Ancillary Document. He suggested that the Ancillary Document option would provide an appropriate level of flexible governance via the Uniform Network Code Committee allowing it to be amended by Panel Majority. He suggested it could be called "The Transportation Charging Reporting Manual".

JM advised that a new UNCC sub-committee could also be established. The sub-committee could have a level of flexibility around meeting dates, but there could be a requirement for the committee to meet at minimum intervals, providing an opportunity to consider new or amended information, or proposals for change in the information to be reported.

All agreed to review the proposals outlined within the presentation and present their views at the next meeting.

**Action RG0162 0003: Carried Forward**

**2.2 UNC Modification Proposal 0160 – Completion of Workstream Report**

In light of the discussion undertaken in item 2.1, and DT's confirmation that he would be amending Modification Proposal 0160 to reflect those discussions, it was agreed to defer this item.

**3. Diary Planning for Review Group**

It was agreed to meet on the afternoon of Thursday 01 November 2007, preferably in London.

**Action RG0162 0005: Joint Office to arrange meeting on 01 November 2007.**

**4. AOB**

None.

## APPENDIX A

## ACTION LOG - Review Group 0162

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
RG0162 0003	13/08/2007	4.0	Members to review Network Code Modification 0698: consider current information availability and the additional data items required.	All (SE/AR)	Consideration is ongoing. Shipper views will be sought by AR, DN views by SE. <b>Carried Forward</b>
RG0162 0004	17/09/2007	3.0	Joint Office to arrange meeting on 15 October.	Joint Office (MB)	Completed. <b>Closed</b>
RG0162 0005	15/10/2007	3.0	Joint Office to arrange meeting on 01 November.	Joint Office (MB)	Completed 17 October 2007.