

UNC Workgroup 0374 Minutes
Interruptible to Firm – Supply Point Transition
Thursday 24 March 2011
at Elexon, 350 Euston Road, London NW1 3AW

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Tim Davis (Secretary)	(TD)	Joint Office
Alan Raper	(ARa)	National Grid Distribution
Alex Ross	(ARo)	Northern Gas Networks
Alison Jennings	(AJ)	Xoserve
Andrew Wallace	(AW)	Ofgem
Beverley Viney	(BV)	National Grid NTS
Brian Durber	(BD)	E.ON UK
Chris Hill	(CH)	First Utility
Clare Cattle-Jones	(CCJ)	ENA
Dave Turpin	(DT)	Xoserve
David Watson	(DW)	British Gas
Edward Coleman	(EC)	E.ON UK
Karen Kennedy	(KK)	Scottish Power
Jemma Woolston	(JWo)	Shell
Joanna Ferguson	(JF)	Northern Gas Networks
Joel Martin	(JM)	Scotia Gas Networks
Jonathan Wisdom	(JWi)	RWE npower
Stefan Leedham	(SL)	EDF Energy
Steve Mulinganie	(SM)	Gazprom

1. Introduction

BF welcomed all to the meeting.

2. Outline of Modification

SM introduced the modification. He explained that this adds a soft landing to Modification 0367, such that ratchet charges are not applied for the first 12 months. This is consistent with the approach taken elsewhere. This protects consumers who have no option but to see their status changed to firm on 1 October.

3. Consider Terms of Reference

No further comments were received on the Terms of Reference.

4. Discussion

The draft legal text was reviewed and it was agreed that it is clear.

SM questioned why there would be any costs to implement the change and presumed the approach used to suppress ratchets under DME could be adopted. Xoserve confirmed that no cost estimate was available at this stage but would be provided for the next meeting.

It was questioned whether a carve out would be needed for those who had already switched to firm and who, consequently, are subject to ratchets. It was clarified that there was no intention for the soft landing to apply only to those that change status on 1 October, but to all who are subject to regime change. SM agreed to check whether the modification and legal text needed to be modified to reflect this. SL suggested it might be better to refer to the date of implementation of the modification rather than 1 October in the legal text.

DW asked if there would be a risk that Shippers would do nothing in order to avoid being ratcheted. SM clarified that this was not the intention and he would ensure the modification is drafted to avoid this. The redraft would also exclude the elements that are common to 0367, focussing solely on the soft landing.

Action 0374 001: Gazprom (SM) to revise Modification 0374.

Action 0374 002: Xoserve (AJ) to provide a cost estimate for the April meeting.

5. AOB

None raised.

6. Diary Planning for Review Group

Next meetings:

28 April 2011, at 31 Homer Road, Solihull, B91 3LT, during the Distribution Workgroup

ACTION LOG – Workgroup 0374

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0374/001	24/03/2011	4	Revise modification 0374	Gazprom (SM)	Pending
0374/002	24/03/11	4	Provide a cost estimate	Xoserve (AJ)	Pending