

## Workgroup 0381 Minutes

### Removal of the NTS Exit (Flat) Capacity “deemed application” process

Thursday 07 July 2011

Elxon, 350 Euston Road, London NW1 3AW

#### Attendees

Tim Davis (Chair)	(TD)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Alan Raper	(AR)	National Grid Distribution
Andrew Fox	(AF)	National Grid NTS
Asma Jalal	(AJ)	Centrica
Charles Ruffell	(CR)	RWE npower
Chris Wright	(CW)	Centrica
Dave Adlam	(DA)	National Grid Distribution
Dave Corby	(DC)	National Grid NTS
Derek Jamieson	(DJ)	ESBI
Dora Ianora	(DI)	Ofgem
Elizabeth Ng	(EN)	E.ON UK
Jacopo Vignola	(JV)	Centrica Storage
Jill Brown	(JB)	RWE npower
Julie Cox	(JCx)	AEP
Lewis Hodgart	(LH)	Ofgem
Malcolm Arthur	(MA)	National Grid NTS
Mike Thorne	(MT)	National Grid NTS
Mike Wassell	(MW)	National Grid NTS
Nick Wye	(NW)	Waters Wye Associates
Paul Mott	(PM)	EDF Energy
Richard Fairholme	(RF)	E.ON UK
Rob Cameron-Higgs	(RCH)	Wales & West Utilities
Steve Howells	(SH)	Scotia Gas Networks
Steve Pownall	(SP)	National Grid NTS

*Copies of all papers are available at [www.gasgovernance.co.uk/0381/070711](http://www.gasgovernance.co.uk/0381/070711).*

#### 1. Outline of Modification 0381 – Removal of the NTS Exit (Flat) Capacity “deemed application” process

RCH gave a presentation, outlining the background and intent of the modification, and indicated that further comments would be welcomed. The modification seeks to rely on the overrun regime to maintain the ticket to ride principle rather than supplementing it with a deemed application process.

#### 2. Discussion

The modification was believed to be clear. TD observed that deliberate overruns were not apparent and asked if all agreed that the additional process is unnecessary. MW commented that if perverse behaviours did occur in practice, National Grid would review the position - otherwise it was broadly supportive of the change.

MW then went on to question the proposed User Pays split, believing that the 50% share apportioned to National Grid NTS was too high. In his view the modification did not confer a 50% benefit to National Grid NTS. TD reminded that if the raising of an alternative modification, with a different User Pays split, was being considered it would need to be submitted to the Joint Office by tomorrow (Friday 08 July 2011).

### **3. Next Steps**

The Workgroup Report is due for submission to the September UNC Modification Panel and, subject to legal text being provided, will be completed at the next meeting (04 August). Legal text, including any ACS change, will be required for the Workgroup to consider and review (RCH confirmed that National Grid NTS had been requested to provide the necessary legal text). The relevant objectives will also be considered, and reference may be made to the User Pays guidance to establish and agree an appropriate allocation of costs.

### **4. Diary Planning for Workgroup**

*Further details of planned meetings are available at: [www.gasgovernance.co.uk/Diary](http://www.gasgovernance.co.uk/Diary)*

The next Workgroup 0381 meeting will take place during the Transmission Workgroup day on Thursday 04 August 2011 at Elexon, 350 Euston Road, London NW1 3AW.