

DN Charging Methodology Forum Minutes

Monday 25 July 2011

via teleconference

Attendees

Tim Davis (Chair)	(TD)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Andy Manning	(AM)	British Gas
Chris Warner	(CW)	National Grid Distribution
Clare Cattle-Jones	(CCJ)	Energy Networks Association
Denis Aitchison	(DA)	Scotia Gas Networks
Gareth Evans	(GE)	Waters Wye Associates
Helen Inwood	(HI)	RWE npower
James Stone	(JS)	E.ON UK
Jo Parker	(JP)	Scotia Gas Networks
Joanna Ferguson	(JF)	Northern Gas Networks
John Edwards	(JE)	Wales & West Utilities
Julia Haughey	(JH)	EDF Energy
Simon Trivella	(ST)	Wales & West Utilities
Steve Armstrong	(SA)	National Grid Distribution
Tom Connolly	(TC)	ScottishPower
Will Guest	(WG)	Northern Gas Networks

1. Introduction and Status Review

Copies of all papers are available at: www.gasgovernance.co.uk/dncmf/250711.

1.1 Review of Minutes

The minutes of the previous meeting were approved.

1.2 Review of Actions

DN0501: DNs to provide a draft 0186 pro forma for discussion at the next meeting and consider if the UNC would require modifying to reflect the changed format.

Update: The DNs had used their upgraded formats for this quarter's information provision. TD asked Shippers for their comments, and National Grid Distribution's format appeared to be the most favoured. It was noted that the other DNs might have to go through individual internal sign off processes to move to this format. **Closed**

2. Distribution Charging Methodology Forum (DCMF)

Papers (including minutes) for this meeting can be found at:
www.gasgovernance.co.uk/dcmf/250711.

3. Workgroups

3.1 Workgroup 0368 – Smoothing of Distribution Charge Variation

The minutes for Workgroup 0368 can be found at:
www.gasgovernance.co.uk/0368/250711.

3.2 Workgroup 0382 – Reducing the capacity element of LDZ system charges for SSPs

The minutes for Workgroup 0382 can be found at:

www.gasgovernance.co.uk/0382/250711.

3.3 Workgroup 0383 – Profiling payment of LDZ transportation charges

The minutes for Workgroup 0383 can be found at:

www.gasgovernance.co.uk/0383/250711.

4. Any Other Business

4.1 Project Nexus Workgroup – Communication

CW referred to a communication circulated via the Joint Office on 21 July 2011. The Project Nexus Workgroup was developing a future UNC regime whereby Annual Quantities (AQs) would be calculated on a monthly basis, and it was questioned how the daily Supply Point Capacity (SOQ) would be derived in such an environment. Modification 0380 establishes that this would occur annually, as is currently the case. However, there were also views expressed in the Project Nexus Workgroup that the SOQ should be calculated more frequently, perhaps in line with the monthly AQ recalculation. Given the complexities of such calculations and recognising the potential for a number of significant implications within the area of charging, CW believed it would be of benefit to hold parallel discussions at the DNCFM in order to identify any concerns and enable industry pricing experts to offer an early opinion to the Project Nexus Workgroup on a practical way forward.

There was a consensus in favour of the inclusion of discussions within DNCFM, starting at the next meeting.

5. Diary Planning for Workgroup

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

It was agreed to meet again in September, on a date to be arranged by the Joint Office.

Suggested agenda items for future meetings would be welcome.

DN Charging Methodology Forum Action Log: 25 July 2011

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
DN 0501	16/05/11	6.0	Provide a draft 0186 proforma for discussion at the next meeting and consider if the UNC would require modifying to reflect the changed format	DNs (WG)	Closed