

**UNC Workgroup 0418 Minutes
Review of LDZ Customer Charges**

Tuesday 23 October 2012

ENA, 52 Horseferry Road, London. SW1P 2AF

Attendees

Tim Davis (Chair)	(TD)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Andrew Green	(AG)	Total
Bernard Kellas	(BK)	SSE
Ben Tucker	(BT)	EDF Energy
Binoy Dharsi	(BD)	EDF Energy
Clare Cattle-Jones*	(CJ)	ENA
Colette Baldwin	(CB)	E.ON UK
David Chalmers	(DC)	National Grid Distribution
Gareth Evans	(GE)	Waters Wye Associates
George Moran	(GM)	British Gas
Jens Martin	(JM)	E.ON UK
Joanna Campbell	(JC)	Ofgem
Joanne Parker	(JP)	Scotia Gas Networks
Joel Martin	(JM)	Scotia Gas Networks
John Edwards	(JE)	Wales & West Utilities
Jonathan Wisdom	(JW)	RWE npower
Steve Armstrong	(SA)	National Grid Distribution
Will Guest	(WG)	Northern Gas Networks

* via teleconference

Copies of all papers are at: www.gasgovernance.co.uk/0418/231012

1. Review of Minutes and Actions

1.1 Minutes

The minutes of the previous meeting (23/07/12) were accepted.

1.2 Actions

0418 07/002: Scotia Gas Networks (JM) to consider reporting asset related costs and energy related information using kWhs instead of SOQs.

Update: JM explained that he was unsure as to how utilising AQs rather than SOQs would actually work. After a brief discussion in which parties explained the rationale behind the action, JM explained that he believes that this action should be linked to Action 0418 07/003 below, and as a consequence, the DNs have given due consideration to the use of AQs within the modification, and do not propose to adopt this option. **Closed**

0418 07/003: All Shippers to provide any information to justify using an alternative to flat rate allocation of asset related customer charge costs.

Update: JM confirmed that there had been no information forthcoming.

Closed

0418 07/004: Scotia Gas Networks (JM) to provide some analytical information using Option 3 (energy usage) to allocate asset related costs.

Update: JM indicated that he was uncertain how to actually undertake this action. It was agreed that this be closed. JM then provided an overview of the amendments undertaken in preparing version 2.0 of the modification, as

published on 19 October 2012. It was noted that ongoing work being undertaken within Project Nexus could have an impact on the modification.

TD noted that Ofgem had requested additional supporting evidence to make the case for change. JM advised that the DNs had considered this but had not been able to identify any further justification over and above that already provided.

Closed

2. Review of Legal Text

JM confirmed that work on developing the legal text is ongoing and that this is expected to be ready by 08 November 2012. This will need to be considered at the next meeting.

3. Completion of Workgroup Report

TD agreed to prepare a draft Workgroup Report in time for consideration at the next meeting. This is due to be presented by the December Panel meeting.

Action 0418 10/001: Joint Office (TD) to prepare a draft Workgroup Report for consideration at the next meeting.

4. Any Other Business

None.

5. Diary Planning for Workgroup

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

It was agreed that the next meeting be scheduled to take place in mid to end November.

Action Log – UNC Workgroup 0418

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0418 07/002	23/07/12	1.1	Scotia Gas Networks to consider reporting asset related costs and energy related information using kWhs instead of SOQs.	Scotia Gas Networks (JM)	Update provided. Closed
0418 07/003	23/07/12	2.0	Shippers to provide any information to justify using an alternative to flat rate allocation of asset related customer charge costs.	Shippers	Update provided. Closed
0418 07/004	23/07/12	2.0	SGN to provide some analytical information using Option 3 (energy usage) to allocate asset related costs.	Scotia Gas Networks (JM)	Update provided. Closed
0418 10/001	23/10/12	3.0	Prepare a draft Workgroup Report for consideration at the next meeting.	Joint Office (TD)	Update to be provided in due course.