

**UNC Workgroup 0418 Minutes
Review of LDZ Customer Charges
Monday 04 November 2013
via teleconference**

Attendees

Bob Fletcher (Chair)	(TD)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Alex Ross-Shaw	(ARS)	Northern Gas Networks
Ben Tucker	(BT)	EDF Energy
Colette Baldwin	(CB)	E.ON UK
Dave Chalmers	(DC)	National Grid Distribution
Dimuthu Wijetunga	(DW)	npower
Jens Martin	(JM)	E.ON UK
Joel Martin	(JMa)	Scotia Gas Networks
Julia Haughey	(JH)	EDF Energy
Rochelle Hudson	(RH)	British Gas
Steve Armstrong	(SA)	National Grid Distribution
Victoria Volossov	(VV)	Ofgem

* via teleconference

Copies of all papers are at: <http://www.gasgovernance.co.uk/0418/041113>

The Final Modification Report is due to the Modification Panel on 21 November 2013.

1. Introduction and Status Review

BF welcomed everyone to the meeting.

1.1 Review of Minutes

The minutes of the previous meeting were accepted.

1.2 Review of Actions

0418 1001: Ofgem (JT) to provide a view as to whether the DN REPEX information published for the 11 October meeting is what Ofgem expect to see included within a (revised) Final Modification Report.

Update: During a brief discussion around whether or not the Breakdown of Emergency Costs data provided, gave a clear indication of leakage costs by supply point size, VV indicated that she would like more time to fully digest the information whilst also suggesting that she would be interested to see what percentage of REPEX leakage actually made up.

In the end it was agreed to leave the action open until Ofgem (VV) has had an opportunity to review the information and provide any comments/seek clarifications in due course. **Carried Forward**

0418 1002: Scotia Gas Networks (JM) to look to provide additional supporting CAPEX information.

Update: When asked, JM agreed to provide additional clarity around the domestic/non domestic breakdown, hopefully by close of play. RH indicated that she would be uncomfortable signing off the (revised) Final Modification Report without seeing the additional information. **Carried Forward**

0418 1003: National Grid Distribution (SA) to provide a supporting volumetric breakdown around the re-laid/transferred service cost factors along with a clarification of definition for a re-laid or transferred service.

Update: SA provided a brief explanation for the difference between a re-laid and transferred service – as a rule of thumb, a re-laid service refers to the provision of a completely new service (including associated ground works) whereas, a transferred service is principally related to the swapping of an existing service from the old gas main to a new gas main, which often means ground breaking is restricted to digging a hole adjacent to the main. The differences in the nature and amount of ground work associated to these two classifications, is reflected in their respective cost indications within the report.

When asked, SA agreed to provide some additional information on the domestic costs and numbers involved. **Carried Forward**

2. Consider additional DN information/analysis – assess any material effect on either of the modifications or consultation responses

In light of the discussions undertaken on the above outstanding actions, it was agreed to defer further consideration of this item until the 12 November meeting.

3. Clarify and differentiate the User Pays elements – reflect the allocation made across different categories of Transporter User (iGTs, DNs, NTS)

Consideration deferred until the 12 November meeting.

4. Any Other Business

None.

5. Diary Planning

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

The following meetings are scheduled to take place during 2013:

Time / Date	Venue	Workgroup Programme
11:00 Tuesday 12 November 2013	Teleconference only meeting.	<i>Completion of (Revised) Final Modification Report meeting.</i>

Action Log

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0418 10/01	11/10/13	2.	Provide a view as to whether the DN REPEX information published for the 11 October meeting is what Ofgem expect to see included within a (revised) Final Modification Report.	Ofgem (JT)	Update due at 12 November meeting. Carried Forward
0418 10/02	11/10/13	2.	Look to provide additional supporting CAPEX information.	Scotia Gas Networks (JM)	Update due at 12 November meeting. Carried Forward
0418 10/03	11/10/13	2.	Provide a supporting volumetric breakdown around the re-laid/transferred service cost factors along with a clarification of definition for a re-laid or transferred service.	National Grid Distribution (SA)	Update due at 12 November meeting. Carried Forward