

UNC Workgroup 0461 Minutes Changing the UNC Gas Day to Align with the Gas Day in EU Network Codes

Thursday 07 November 2013

Energy Networks Association, 52 Horseferry Road, London SW1P 2AF

Attendees

Tim Davis (Chair)	(TD)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Bethan Winter*	(BW)	Wales & West Utilities
Carol Spinks*	(CSp)	National Grid NTS
Charles Ruffell	(CR)	RWE npower
Chris Shanley	(CS)	National Grid NTS
Dave Addison	(DA)	Xoserve
Erika Melen	(EM)	Scotia Gas Networks
Gareth Evans	(GE)	Waters Wye Associates
Gerry Hoggan	(GH)	ScottishPower
Graham Jack	(GJ)	Centrica
Hayley Burden	(HB)	National Grid NTS
Jeff Chandler	(JCh)	SSE
Julie Cox	(JCx)	Energy UK
Kirsten Elliott-Smith	(KES)	Cornwall Energy
Les Jenkins	(LJ)	National Grid NTS
Mike Wassell	(MW)	National Grid NTS
Natasha Ranatunga	(NR)	EDF Energy
Richard Fairholme	(RF)	E.ON UK
Vanessa Sturman	(VS)	Ofgem

* via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0461/071113>

The Workgroup Report is due to the Modification Panel by 19 December 2013.

1.0 Review of Minutes and Actions (13 September 2013)

1.1 Minutes

HB requested that the following amendments be made to the previous minutes (13 September 2013):

Under "Section 2.1 Capacity Update

Update on Issues Raised at Mod 461 Meeting 5th August 2013 presentation

Whilst a consensus was reached to move the clearing allocation timing from D07:00 to D06:00, there were some concerns raised about any potential 'hidden' impacts associated with moving ~~this historic~~ the timing of capacity offers from 02:00 to 01:00 in Annex B1 3.2 as it reduces the time between capacity offers and capacity bids to 1 hour (raised by NGN T-con). Whilst advising that the National Grid NTS Capacity team had not identified any such impacts in moving the timing, HB indicated that she would be happy to double check with her colleagues and provide a view at the next meeting.

Action 0901: National Grid NTS (HB) to check whether there are potential 'hidden' impacts associated with moving the clearing allocation timing in Annex B1 3.2. "

The changes were accepted and the minutes of the previous meeting will be amended and republished.

1.2 Actions

0461/0901: National Grid NTS (HB) to check whether there are potential 'hidden' impacts associated with moving the timing in Annex B1 3.2.

Update: HB confirmed there were no impacts. **Closed**

0461/0902: BP (AP) to check whether the TPDD Annex 5.6 timing move would be expected to impact trading.

Update: HB had been advised by AP that BP's trading team had reviewed this and confirmed that no impacts were anticipated if it were to change. **Closed**

0461/0903: Centrica (GJ) to check whether there is value in retaining the timings in TPDD Annex D-1 7.

Update: Under consideration. **Carried forward**

0461/0904: National Grid NTS (DC) to investigate, with respect to TPDG Annex G-2, whether the timings within any agreements need amending.

Update: DC gave an explanation of TPDG Annex G-2. The changes to timings will be made, but historical instances can remain. **Closed**

0461/0905: National Grid NTS (DC) to check, in respect of TPDQ 7.2.1, whether the 04:00 timing is the same as the equivalent Gemini timing.

Update: DC confirmed that it is. **Closed**

0461/0906: National Grid NTS (DC) to check, in respect of TPDX 2.6.5, 2.7.1, 2.7.3, 2.7.5, 2.7.9, 2.10.3, 2.10.5, 2.10.9 and 2.10.10, whether Xoserve are happy to retain the timings.

Update: DC confirmed that Xoserve was happy to retain the timings. **Closed**

2.0 Review of Remaining Sections of UNC TPD

The spreadsheet was reviewed and DC explained the updates (marked in red) made. Particular attention was drawn to:

TPD V - The first two lines (80 and 81) were briefly discussed. Line 80 - It was suggested that this could be left as it is if it was too costly to change. Line 81 – It was commented that it should reflect what National Grid NTS actually does. It might be more prudent to state 'by' or 'no later than', rather than 'at 11:00'.

Line 87 – A new line added following the last meeting.

Any further comments will be welcomed for consideration.

HB then reported that she had received further comments from NR following the last meeting. Referring to Annex B-1 2.4.15, HB said that an amendment will be made to the capacity spreadsheet. NR then gave brief details of the other query she had raised regarding the effects on trading days (D-1 rather than the Gas Day), ie traders losing an hour and the subsequent reduction in their ability to trade. HB indicated that the position/impact was being considered. Other Shippers were asked to consider this with their trading teams.

Action 0461/1101: a) Shippers to consider UNC TPD D2.1.3 Trading Arrangements/ On the Day Market and Annex D-1 (5.1 and 5.6) Trading System Arrangements and

**look at the effects/benefits of movement (Views to NTS by 21 November 2013); and
b) National Grid NTS to consider the costs of changing the timing**

3.0 Review of UNC Related Documents

HB gave a presentation outlining the documents reviewed and detailing the individual assessments where need for revision had been identified. The intention was to submit formal proposals through the appropriate governance routes to amend those documents that would require revisions to take account of the Gas Day change.

The spreadsheet was briefly reviewed and those present were encouraged to reflect on the position and submit comments to HB.

Action 0461/1102: *UNC Related Documents - Shippers to consider current status and submit any further comments to NTS (HB) by 21 November 2013.*

It was suggested the spreadsheet should be updated to reflect in changes in status once amendments to the documents have been approved and the documents have been revised.

4.0 Release of NTS Exit (Flat) Capacity

HB gave a presentation on a potential change (in UNC TPD B3.5) to the latest times that allocations could be made, ie from D 02:00 to D 01:00. One party had indicated a preference for retention of D02:00; to accommodate a discretionary allocation at D02:00 would require further analysis. Current analysis indicated that it was rarely used.

JCx, looking at it holistically, gave a few example scenarios where perhaps it would be useful. In the future, more flexibility, rather than less, might well be needed. NR did not believe that change should reduce what is currently available – this would be taking away from the GB domestic market – and perhaps this needs reconsidering with a wider eye to the future. GJ added that more flexibility to obtain capacity would be welcomed by Shippers.

5.0 UNC Data Dictionary

HB gave a brief presentation. The publication times referred to in the Data Dictionary had been reviewed; some key changes had been identified (Balancing and Linepack) and these were outlined. The spreadsheet was reviewed.

The intention was to submit a formal proposal through the appropriate governance route (UK Link Committee, followed by Uniform Network Code Committee) to make the revisions to take account of the Gas Day change, as part of the implementation plan.

Action 0461/1103: *UNC Data Dictionary – All to review and submit comments to National Grid NTS (HB and CS) by 21 November 2013.*

6.0 Gemini Impact Assessment Update

HB gave a presentation. Xoserve has carried out analysis to evaluate the impacts of a Gas Day change on the Gemini system. Taken holistically the scale and complexity has led to a general assessment of low to medium impact. However the scale of testing and system validation has been assessed as high impact because of the effects of the change on system integrity. Subject to various caveats, costs were estimated to be circa £0.5m with a delivery timescale of circa 7 months. National Grid NTS will absorb the costs related to testing. Costs are being monitored and minimised as far as is possible; funding is under discussion with the Authority and a log is being kept in the meantime. NR suggested that synergies could be identified, combining costs together to reduce where possible. DA believed that economies might be possible in the testing phases.

CS indicated that thoughts on system delivery will be shared over the next few meetings. Work is being done on those aspects that require a system impact change first. NR would

welcome more details of changes that impacted Shippers and JCx suggested categorising these as early as possible. Early assessment might necessitate the setting up of a specific group to address.

Impacts on the Gemini housekeeping window were given in more detail. It was noted that in current practice, outages only made use of the first hour and if a significant reduction from 2 hours to 1 hour could be achieved, that should be seriously considered. It was also questioned why a 2 hour outage should be on a Sunday rather than a Saturday. The community's expectations were currently aligned to what was stated in UNC and this might need to change to reflect the current practice – it may need further consideration outside of this modification.

MW asked which end of the time period should change. NR believed the UNC should reflect what happens in practice – Shippers would like their hour (Monday – Saturday) returned to them. HB, CS and DA noted this for further consideration.

7.0 Customer Contracts - Initial Impact Assessment

HB gave a presentation on the results of the analysis carried out in relation to contractual change. It had been identified that changes would be required to around 100 contracts, and these were detailed. Legacy contracts were still under review.

JCx referred to ARCAs, some of which may still be extant and perhaps should be checked.

Action 0461/1104: Customer Contracts – Check status of any ARCAs still extant and whether changes are required.

National Grid NTS proposed to make contractual changes via an enabling UNC Modification or by Bi-Lateral Agreement. Proposed contractual changes would be discussed with impacted Users to clarify the approach to changes. A full impact assessment of all contracts was expected to be complete by the end of December.

If the option to make changes via an enabling UNC modification is selected, the modification will be raised by June 2014.

Future updates were to be provided through Ofgem's wider impacts Workstream. Ofgem was asked for its view on any Licence changes going forward. VS responded there may/may not be a Workshop, but if appetite exists it could be considered. JCx, NR and HB believed that a meeting covering Licence changes and wider impacts would be extremely useful. VS noted this for internal consideration and suggested that any specific agenda items be passed to her as soon as possible.

8.0 Completion of Workgroup Report

Next Steps

HB will revise the modification to take account of the discussions, and will combine the spreadsheets to reflect agreed changes.

Legal Text

TD pointed out that the whole of the legal text would be required for the Workgroup to review and approve for inclusion in its report. HB hoped to have this available for the next meeting in December.

Workgroup Report

Following a brief review, TD encouraged the Workgroup to consider the relevant objectives *before* the next meeting and to provide comments to the Joint Office by 21 November 2013.

HB will advise TD by the time of the next Modification Panel meeting on 21 November 2013, if she believed that an extension to the Workgroup's reporting deadline should be requested in order to allow time for preparation of the legal text.

9.0 Any Other Business

None raised.

10.0 Diary Planning

Please note the venue. The next Workgroup meeting will be accommodated within the Transmission Workgroup on Thursday 05 December 2013, at **Energy UK, Charles House, 5-11 Regent Street, London SW1Y 4LR.**

Action Table – Workgroup 0461

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0461/0901	13/09/13	2.1	Check whether there are potential 'hidden' impacts associated with moving the timing in Annex B1 3.2.	National Grid NTS (HB)	Closed
0461/0902	13/09/13	2.2	Check whether the TPD D Annex 5.6 timing move would be expected to impact trading.	BP (AP)	Closed
0461/0903	13/09/13	2.2	Check whether there is value in retaining the timings in TPD D Annex D-1 7.	Centrica (GJ)	Carried forward
0461/0904	13/09/13	2.3	Investigate, with respect to TPD G Annex G-2, whether the timings within any agreements need amending.	National Grid NTS (DC)	Closed
0461/0905	13/09/13	2.3	Check, in respect of TPD Q 7.2.1, whether the 04:00 timing is the same as the equivalent Gemini timing.	National Grid NTS (DC)	Closed
0461/0906	13/09/13	2.3	Check, in respect of TPD X 2.6.5, 2.7.1, 2.7.3, 2.7.5, 2.7.9, 2.10.3, 2.10.5, 2.10.9 and 2.10.10, whether Xoserve are happy to retain the timings.	National Grid NTS (DC)	Closed
0461/1101	07/11/13	3.0	a) Shippers to consider UNC TPD D2.1.3 Trading Arrangements/On the Day Market and Annex D-1 (5.1 and 5.6) Trading System Arrangements and look at the effects/benefits of movement; and b) National Grid NTS to consider the costs of changing the timing.	a) All Shippers and b) National Grid NTS (HB)	All views to NTS by 21/11 Pending

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0461/1102	07/11/13	4.0	<i>UNC Related Documents</i> - Shippers to consider current status and submit any further comments to NTS (HB) by 21 November 2013.	ALL	All comments to NTS by 21/11 Pending
0461/1103	07/11/13	6.0	<i>UNC Data Dictionary</i> – All to review and submit comments to National Grid NTS (HB and CS) by 21 November 2013.	ALL	All comments to NTS by 21/11 Pending
0461/1104	07/11/13	8.0	<i>Customer Contracts</i> – Check status of any ARCAs still extant and whether changes are required.	National Grid NTS (HB)	Pending