

## UNC Workgroup 0432 Minutes Project Nexus – gas settlement reform

Thursday 07 November 2013

at Consort House, 6 Homer Road, Solihull B91 3QQ

### Attendees

Helen Cuin (Chair)	(HC)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Alan Raper	(AR)	National Grid Distribution
Alex Ross-Shaw	(ARS)	Northern Gas Networks
Andrea Bruce*	(AB)	ScottishPower
Bob Fletcher*	(BF)	Joint Office
Brian Durber	(BD)	Waters Wye Associates
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
Elaine Carr*	(EC)	ScottishPower
Huw Comerford	(HC)	Utilita
Jonathan Kiddle	(JK)	EDF Energy
Julie Varney	(JV)	National Grid Transmission
Kathryn Allen	(KA)	RWE npower
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Michele Downes	(MD)	Xoserve
Robert Cameron-Higgs*	(RCH)	first utility
Stephanie Shepherd	(SS)	npower
Steve Mullingan	(SM)	Gazprom
Sue Cropper	(SC)	British Gas

\* via teleconference

### 1. Introduction

HC welcomed all to the meeting.

#### 1.1 Review of Minutes

The minutes of the previous meeting were accepted.

#### 1.2 Review of Actions

**Action 0432 10/07:** Ofgem (JD) to provide a view as to whether or not they believe that relevant objective a) is applicable for 0432 in regard to any potential system balancing related benefits, especially when bearing in mind the equivalent electricity system balancing model under P0272.

**Update:** Please refer to item 2.0 below. **Closed**

**Action 0432 10/08:** Ofgem (JD) to look to set up a discussion between interested parties to ascertain what Gemini costs have, or have not been allowed for and to come back to the Workgroup with a view on any potential future incremental Gemini funding arrangements.

**Update:** JV advised that, due in part to various holiday commitments, work remains ongoing on this action. Please refer to item 2.0 below. Action transferred to the main Project Nexus Workgroup for further consideration and monitoring. **Closed**

**Action 0432 10/09:** National Grid Transmission to confirm what the actual Gemini Winter Operation Rule restrictions are.

**Update:** JV understood that this had been covered at the previous meeting. SM advised that his challenge remains that Gemini is not a critical infrastructure component, unlike IGMS. **Closed**

**Action 0432 10/11:** Xoserve (AM/MD) to compile an Issue/Risk Register and an associated management process for review.

**Update:** MD advised that work has commenced on compiling the document and she anticipates being able to publish it in the forthcoming week(s). Action transferred to the main Project Nexus Workgroup for further consideration and monitoring. **Closed**

**Action 0432 10/12:** All parties to consider risks and how these might be captured within the Workgroup's report.

**Update:** Please refer to item 2.0 below. **Closed**

## 2. **Workgroup Report Completion**

### Amended Modification (v3.0, dated 05 November 2013)

CW provided a brief overview of the recent amendments made to the modification, as published on 05 November. Following some concerns relating to the note (AUGE statement) on page 13, CW indicated that he would be happy to reflect the views within the Workgroup Report, especially as it reflects the fact that any Code party may raise an AUGE related modification in due course.

CW pointed out that the legal text remains unchanged from the previous meeting, whilst the new implementation dates also reflect discussions undertaken during the previous meeting.

### Workgroup Report Completion & Sign Off

The Workgroup noted that 'A Future of the Role of the AUGE' statement should be added in the appropriate place(s) within the report.

In reviewing the Relevant Objectives section and especially the potential improvements in system balancing actions statement on page 25, JV pointed out that whilst investigations had highlighted potential magnitude impacts, there is little evidence to suggest that it would actually reduce the likelihood of intervention by the system operator.

The Workgroup reviewed the P272 'Mandatory Half Hourly Settlement for Profile Classes 5-8' Final Modification Report paying particular attention to the reduced balancing costs and market benefits aspects. It was agreed that the changes made to the relevant objectives statements within the Workgroup Report were acceptable.

CW explained that Dentons lawyers do not support the approach whereby the legal text would reside in the main Code TPD sections, as they do not believe this to be a workable option. The Workgroup considered how best to present the 'current' and 'future state' legal text within the various impacted Code sections. MB suggested that one option could be to extend the footnotes to include a direct link to the 'future state' Code legal text from within the 'current' Code legal text. However, MB pointed out that this facility would only apply to the Project Nexus related modifications and only for the interim period up and until implementation (go-live date) for Project Nexus. CW advised that the legal text would be updated to reflect this new arrangement.

The Workgroup approved the amendments made to the Workgroup Report for submission to the 21 November 2013 Panel meeting for their consideration.

## 3. **Any Other Business**

None.

## 4. **Diary Planning**

At this time, no more Workgroup meetings are planned.

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**Action Table**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
0432 10/07	22/10/13	1.2	To provide a view as to whether or not they believe that relevant objective a) is applicable for 0432 in regard to any potential system balancing related benefits, especially when bearing in mind the equivalent electricity system balancing model under P272.	Ofgem (JD)	Update provided. <b>Closed</b>
0432 10/08	22/10/13	2.1	To look to set up a discussion between interested parties to ascertain what Gemini costs have, or have not been allowed for and to come back to the Workgroup with a view on any potential future incremental Gemini funding arrangements.	Ofgem (JD)	Update provided and transferred to PN WG. <b>Closed</b>
0432 10/09	22/10/13	2.2	To confirm what the actual Gemini Winter Operation Rule restrictions are.	National Grid Transmission (JV)	Update provided. <b>Closed</b>
0432 10/11	30/10/13	1.2	Xoserve to compile an Issue/Risk Register and an associated management process for review.	Xoserve (AM/MD)	Update provided and transferred to PN WG. <b>Closed</b>
0432 10/12	30/10/13	2.0	All to consider risks and how these might be captured within the Workgroup's report.	ALL parties	Update provided. <b>Closed</b>