

**Energy Balancing Credit Committee Minutes**  
**Friday 28 March 2014**  
**via teleconference**

**Participants**

Bob Fletcher (Chair)	(BF)	Joint Office	Non-Voting
David Holland	(DH)	Shipper	Voting
Pauline Babb	(DT)	Shipper	Voting
Gavin Ferguson	(GF)	Shipper	Voting
James Hill	(JH)	Shipper	Voting
Lorraine O'Shaughnessy	(LO)	Xoserve	Non-Voting
Mark Cockayne	(MC)	Xoserve	Non-Voting

**Apologies**

Dimuthu Wijetunga	(DW)	Shipper
Esther Sutton	(ES)	Shipper
John Costa	(JC)	Shipper

**1. Introduction**

BF welcomed the members to the meeting, which was quorate.

**2. Minutes and Actions**

The minutes from the previous meeting were accepted.

**EBC1002 Future Failures 'outside Europe'** - Consider how to manage foreign exchange (FX) risks/exposures going forward

**Update:** MC advised that a meeting had been held with the Treasury department on 12 March to consider financial exchange risk. A scenario study is being developed to consider the risks, actions under taken at the time and what other steps could have been taken.

**Carried Forward**

**3. Operational Update**

LO provided the following Operational update for February 2014.

**3.1 Cash Call Notices**

During February 2014 there were no Cash Call Notices issued.

**3.2 Further Security Requests (FSRs)**

There were no FSRs issued during February 2014.

**3.3 Settlement**

The following performance was reported:

Month	Payment Due Date	Payment Due Date +2
January 2014	100%	100%
February 2014	100%	100%
Rolling 12 Months	99.90%	100%

There was 1 Failure to Pay Notice issued during February 2014, which was paid. The invoice value was less than £20.00 and was due to a clerical error.

**4. Modifications**

An update was given on the status of the modifications of interest to the EBCC; of particular note were:

**4.1 Modification 0474S – Inclusion of the guidelines relating to the “Customer Settlement Error Claims Process” within UNC governance**

MC advised that draft guidelines have been developed and discussed in the Workgroup. The Workgroup has concluded its reports for consideration at the April Panel meeting. The invoicing team has put in place a process should a claim be submitted. Both adjustments will go out as part of the current month reconciliation invoice.

MC asked that once claims have been made, should updates be provided to the EBCC for their consideration. Members felt this would be useful exercise.

**4.2 Market Operator Security Provisions**

MC confirmed the Prepayment Agreement had been received and that this has been reviewed and returned to correct a minor error. LOS confirmed that a Deposit Deed is now in place.

**5. Significant Code Review Update – Security of Supply**

MC confirmed that National Grid had provided a change order and a project team has been set up to manage the process of enacting the requirements of the SCR.

**6. Bank Ratings Review**

MC advised that two banks had been down graded in the last month – National Westminster and Royal Bank of Scotland. Three Users were impacted by the downgrade and proactive actions have been taken to advise the Users to put in place sufficient cover prior to next month.

**7. Any Other Business**

**7.1 Mod 0640 Adjustments**

MC advised that the Mod 0640 adjustments were in the process of being prepared. Those that would trigger a cash call notice were being identified so that parties would be given as much notice as possible. The values this year were larger than in previous years due to a number of sites having an AQ value of 1 being adjusted up. MC advised that six Users were directly impacted and that the total value of charges was approximately £42m. As this is an ongoing exercise, there are likely to be similar impacts next year.

**8. Date of Next Meeting**

The next EBCC meeting will take place at 31 Homer Road, Solihull B91 3LT, starting at 10:30 on Wednesday 30 April 2014.

**Action Log – Energy Balancing Credit Committee**

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
EBC1002	25/10/13	6	<i>Future Failures 'outside Europe'</i> - Consider how to manage foreign exchange (FX) risks/exposures going forward.	Xoserve (MC)	<b>Carried Forward</b>