

UNC Workgroup 0497 Minutes
Introduction of Annual update to the AQ values within the CSEP
NExA table

Friday 06 June 2014
at 31 Homer Road, Solihull B91 3LT

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Alan Raper	(AR)	National Grid Distribution
Alex Ross-Shaw	(ARS)	Northern Gas Networks
Ami Charalambous	(AC)	RWE npower
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
Dave Addison	(DA)	Xoserve
Dave Mitchell	(DM)	Scotia Gas Networks
Elly Laurence*	(EL)	EDF Energy
Hilary Chapman	(HCh)	Xoserve
Kirsten Elliott-Smith	(KES)	Cornwall Energy
Lorna Lewin	(LL)	DONG Energy
Maria Hesketh	(MH)	ScottishPower
Mark Jones*	(MJ)	SSE
Martin Connor	(MC)	National Grid NTS
Tahera Choudhury	(TC)	Xoserve
Thora Gram	(TG)	Statoil

* via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0497/060614>

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 July 2014.

1.0 Review of Minutes and Actions**1.1 Minutes**

The minutes of the previous meeting were accepted.

1.2 Actions

No outstanding actions to consider.

2.0 Discussion**2.1. Pre/Post Nexus considerations**

Consideration of Proposed Changes to the Modification (based on v1.0, dated 04 April 2014)

AC undertook an onscreen review of her proposed amendments to the (draft) modification (applied to v1.0, dated 04 April 2014) during which the focus of discussion centred on the new business rules (in **RED**) added to Section 3 – Solution. AC apologised for inserting ‘Jan or March 2014’ rather than 2015. Following a brief discussion, AC agreed to amend the wording in Step 1 to simply state March in each year and to also identify that the

Transporters will then automatically update their equivalent table – this will then enable CW to ensure that the legal text matches this requirement when it is produced. CW also indicated that he would discuss the matter with AC offline.

CW then pointed out that Ofgem had delayed their decision on UNC Modification 0440 'Project Nexus – iGT Single Service Provision' pending the licence changes consultation. He suggested that the question then becomes do the Workgroup hold fire progressing the modification until such a time that Ofgem makes a decision on 0440, on the grounds that the Proposer (AC) wishes to keep the post Project Nexus go-live aspects within the modification.

BF highlighted that all the National Grid Distribution could do with regard to producing legal text is to provide text for the CSEP NExA for pre Project Nexus (which is not Code text) and have some post Project Nexus (0440 based) Code text ready in the wings. He also reminded those present that because the modification is related to an equivalent iGT modification, it CANNOT be a Self-Governance modification.

BF then suggested that should the delay in a decision (i.e. beyond November 2014) on 0440 become an issue, the Proposer would need to consider splitting the modification into its pre and post Project Nexus aspects. AC indicated at this stage she would prefer NOT to split the modification to account for the pre and post Nexus regime. However, she did acknowledge that should the Project Nexus implementation be delayed it is highly likely that two interim modifications may be required to update the AQ table for 2015 and 2016 respectively and a further modification post Project Nexus 'go-live' for it to be automated. Ultimately her aim was to consider the most efficient way forward and ensure that pricing is reflective to benefit the customer.

It was agreed to review the modification again in July along with the outcomes of Modification 0440 if known.

3.0 Any Other Business

None.

4.0 Diary Planning

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

The next meeting will take place within the Distribution Workgroup on:

Monday 07 July 2014 at 10:30, 31 Homer Road, Solihull B91 3LT.