

**Record of Determinations: Panel Meeting, 01 May 2015**

Modification	Vote Outcome	Shipper Voting Members					Transporter Voting Members					Consumer Representative	Determination Sought	
		AM	AG	PB	RF	SM (AG)	CWa	EM	JF	RP	FH	CA		
0536 - Project Nexus – deferral of implementation of elements of Retrospective Adjustment arrangements	The Panel did not recommend that the modification should follow Urgent procedures with 1 vote in favour, 1 abstention and 9 votes against	✓	X	NV	X	X	X	X	X	X	X	X	X	Recommend to the Authority that the modification should follow Urgent procedures
0537 - Change of Project Nexus Implementation Date to 1st April 2016	The Panel did not recommend that the modification should follow Urgent procedures with 1 vote in favour, 1 abstention and 9 votes against	✓	X	NV	X	X	X	X	X	X	X	X	X	Recommend to the Authority that the modification should follow Urgent procedures
0501 - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations	Variation is not material - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	X	Is the Variation material
0501A - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulation including capacity return option	Variation is not material - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	X	Is the Variation material
0501B - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulation including a restricted capacity return option	Variation is not material - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	X	Is the Variation material
0501C - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulation including a capped capacity return option and an aggregate overrun regime	Variation is not material - unanimous vote against	X	X	X	X	X	X	X	X	X	X	X	X	Is the Variation material
0501 0501A 0501B 0501C - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations	Varried FMR and Legal Text to be returned to the Authority - unanimous vote in favour	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Return varried FMR and Legal text to the Authority

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<b>KEY</b>	In favour	Not in Favour	No Vote Cast	Not Present
	✓	X	NV	NP

**UNC Modification Panel**

**Minutes of the 175<sup>th</sup> Meeting held on Friday 01 May 2015 via teleconference**

**Attendees**

**Voting Members:**

<b>Shipper Representatives</b>	<b>Transporter Representatives</b>	<b>Consumer Representative</b>
A Margan (AM), British Gas A Green (AG), Total and alternate for S Mulinganie P Broom (PB), GDF Suez R Fairholme (RF), EON UK	C Warner (CWa), National Grid Distribution E Melen (EM), Scotia Gas Networks J Ferguson (JF), Northern Gas Networks R Pomroy (RP), Wales & West Utilities F Healey (FH), National Grid NTS	C Alexander (CA), Consumer Futures

**Non-Voting Members:**

<b>Ofgem Representative</b>	<b>Terminal Operators' Representative</b>	<b>Chairman</b>
A Rooney (AR)		A Plant (AP)

**Also in Attendance:**

A Love (AL), ScottishPower; A Miller (Ami), Xoserve; A Shrigley (AS), Eni; H Chapman (HC), Xoserve; J Rawlinson (JR), GTC; Kirsten Elliott-Smith (KES), Statoil; L Jenkins (LJ), Joint Office; R Fletcher (RF) Joint Office; S Simpson (SS), Xoserve; S Witter (SW), Eni; T Burke (TB), Statoil.

## **Record of Discussions**

### **175.1 Note of any alternates attending meeting**

A Green for S Muliganie (Gazprom)

R Pomroy for S Edwards (Wales & West Utilities)

### **175.2 Record of Apologies for absence**

S Mulinganie and S Edwards.

### **175.3 Consider New, Urgent Modifications**

- a) Modification 0536 - Project Nexus – deferral of implementation of elements of Retrospective Adjustment arrangements

AP explained the Urgent Modification procedures and the qualifying criteria.

LJ provided an overview of the discussion at the recent Project Nexus Steering Group (PNSG) meeting as he felt this would influence the Modification Panel consideration and recommendation on Urgency for Modifications 0536 and 0537. He explained a report from the Project Assurance Manager (that is to be published later today) concluded that the risk to market trials was now too significant to guarantee effective implementation on 01 October 2015.

LJ provided an extract of a statement from the PNSG minutes as follows:

“The Project Nexus Steering Group is fully committed to entering market trials by 01 October 2015 (or earlier) and is examining how such trials should then be conducted to establish the earliest appropriate go-live date. This is subject to confirmation following detailed consideration by Xoserve and the PN Project Assurance Manager.”

LJ confirmed that ‘consideration’ should take around three to four weeks and the output will be tabled at the next PNSG meeting on 02 June. He also confirmed the view of the PNSG’s is that Urgency is not appropriate given the recent developments, and that Modifications 0536 and 0537 should be assessed by the Project Nexus Workgroup.

PB asked if Barringa or PWC had presented the report? LJ confirmed it was the project assurance manager PWC.

FH asked if implementation was still possible for 01 October 2015, and if not is Modification 0536 still required? LJ advised that the risk set out in PWCs report advised that implementation would not be feasible for 01 October 2015. In light of this, Proposers would need to consider their modifications and make appropriate amendments or withdrawn them if they wished too.

AMa was concerned that urgency was being put in doubt as a number of Shippers were preparing for market testing in June, so a decision on any amended date should be made as soon as possible. LJ advised that the PNSG recommended that June market testing is deferred. The connectivity trial planned for next week is to continue and Xoserve is to review the impacts on market trials and present an amended schedule.

Members then determined not to recommend that Modification 0536 should follow Urgent procedures.

- b) Modification 0537 - Change of Project Nexus Implementation Date to 1st April 2016

See the discussion for Modification 0536.

Members then determined not to recommend that Modification 0537 should follow Urgent procedures.

#### **175.4 Variation Requests**

- a) Modification 0501 - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations

AP presented the supplemental report, explaining that the Workgroup recommendation was that the Variation Requests for Modifications 0501, 0501A, 0501B and 0501C should be considered immaterial, as they were proposing to change the effective date for implementation to allow the time for an Authority Impact Assessment to be undertaken. Therefore, the changes were unlikely to change respondent's views to the consultation.

Following discussion, Members unanimously determined that the Modification 0501 Variation Request is not material.

Modification 0501 will therefore be deemed withdrawn and replaced by Modification 0501V.

Modification 0501V will therefore continue through the modification process from the point reached by Modification 0501.

- b) Modification 0501A - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations including capacity return option

Following discussion, Members unanimously determined that the Modification 0501A Variation Request is not material.

Modification 0501A will therefore be deemed withdrawn and replaced by Modification 0501AV.

Modification 0501AV will therefore continue through the modification process from the point reached by Modification 0501A.

- c) Modification 0501B - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations including a restricted capacity return option

Following discussion, Members unanimously determined that the Modification 0501A Variation Request is not material.

Modification 0501B will therefore be deemed withdrawn and replaced by Modification 0501BV.

Modification 0501BV will therefore continue through the modification process from the point reached by Modification 0501B.

- d) Modification 0501C - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations including a capped capacity return option and an aggregate overrun regime

Following discussion, Members unanimously determined that the Modification 0501C Variation Request is not material.

Modification 0501C will therefore be deemed withdrawn and replaced by Modification 0501CV.

Modification 0501CV will therefore continue through the modification process from the point reached by Modification 0501C.

### **175.5 Consideration of Final Modification Reports**

- a) 0501V 0501AV 0501BV 0501CV - Treatment of Existing Entry Capacity Rights at the Bacton ASEP to comply with EU Capacity Regulations

Following discussion, Panel Members determined unanimously to return the Final Modification Report and amended Legal text to the Authority for a decision.

**175.6 Any Other Business**

None raised

**175.7 Conclude Meeting and Agree Date of Next Meeting**

10:30 21 May 2015, at the ENA.