

Workgroup 0621 Summary of Outcomes
Thursday April 26 2018
at St Johns Hotel, 651 Warwick Road, Solihull, B91 1AT

Attendees	
Rebecca Hailes (Chair)	Joint Office
Helen Bennett (Secretary)	Joint Office
Andrew Pearce	BP
Anna Shrigley*	ENI
Charles Ruffell	RWE
Colin Williams	National Grid NTS
Danishtah Parker	Cadent
Debra Hawkin	TPA Solutions
Emma Buckton*	NGN
Gerry Hogan	Scottish Power
Graham Jack	Centrica
Joanne Parker	SGN
Kirsty Ingham	ESB
Julie Cox	Energy UK
Matthew Hatch	National Grid NTS
Nick Wye	Waters Wye Associates
Paul Orsler*	Xoserve
Penny Jackson	nPower
Paul Toole*	NGN
Paul Youngman*	Drax
Phil Lucas	National Grid NTS
Richard Fairholme	Uniper
Robert Wigginton	On behalf of Wales & West Utilities
Sean Hayward	Ofgem
Smitha Coughlan	Wales & West Utilities
William Webster	Oil and Gas UK

Key Points/Decisions

1. Joint Office welcomed everyone to the meeting.
2. The material provided for the meeting can be accessed here:
<https://www.gasgovernance.co.uk/0621/260418>
3. No Pre-Mod discussion.
4. Workgroup went through the Workgroup Report Drafting document, a change marked version is published on the website as version 5.0. Through discussion Workgroup participants suggested amendments and comments which were noted in the document to the following topics:

NTS Optional Charge

- Updating costs for RPI;
 - Use of a distance cap;
 - Enduring arrangements;
 - Methodology for the NTS Optional Charge.
5. Following the mornings UNC Panel meeting, which was held to consider new alternative Modification 0621L, Julie Cox provided a brief description of the difference in this Modification against 0621 Modification which is to include historical contracts in the calculation of the FCC and the RPM.
 6. The Workgroup agreed that with the addition of 0621K and 0621L the proposers of these and all alternative Modifications need to assist in the Workgroup Report Drafting to advise of any wording amendments or additions on the topics that have been covered so far.
 7. Danishtah Parker and Joanne Parker provided an update on Action 120418: 0416 - GDN Workgroup participants to update workgroup for Modification 0621 on how NTS pricing changes will change DN Charges and articulate the potential impact on consumers. The material can be found on today's meeting web page: <https://www.gasgovernance.co.uk/0621/260418>.
 8. There were some concerns expressed in terms of some of the wording around consumers, therefore an amendment to the Summary slide was requested, this has been noted on the published Action Table.
 9. Joanne Parker talked the Workgroup through the recent NTS Charging Methodology update which highlights the changes that are under discussion in the industry regarding changes to the NTS Charging Methodology and is being issued to circulated this to some of the consumer groups to which we have a link (Citizens Advice, EEF, MEUC). There were some concerns expressed in terms of some of the wording around consumers, therefore an amendment was requested, this has been noted on the published Action Table.
 10. Continuing with v5.0 Workgroup Report Drafting the Workgroup revisited the document, through discussion Workgroup participants suggested amendments and comments which were noted in the document to the following topics:

Specific Capacity Discounts

- Justification for 86% over the minimum 50% capacity charge discount
 - Storage
 - LNG
 - IPs
 - Why the need for change
 - The solution and how it has sought to address the feedback of stakeholders
 - Relevant objectives for the proposed discount.
11. Proposers of alternatives must ensure they are familiar with the wording in the Workgroup Report Drafting and keep themselves up to date with the amendments, noting where the text is applicable to their Alternative or not. Please send this to Joint Office as soon as possible.

Critical Actions

The actions are now published on the website as a separate document here:

<https://www.gasgovernance.co.uk/0621/260418>

The next meeting will be held on Friday 27 April 2018 at St Johns Hotel, Solihull, B91 1AT. Please note that the meeting will start at 9:30am and finish at 4pm. Agenda and papers can be found on the website here: <https://www.gasgovernance.co.uk/0621/270418>.

Workgroup Schedule as at 26 April 2018

Update table

	9:30 - 13:00	13:30 - 17:00
23-Apr	Capacity Reference Price	Forecasted Contracted Capacity
24-Apr	FCC, including historical contracts Revenue Recovery Charge (Transition), including historical contracts	Revenue Recovery Charge (Enduring) including historical contracts
25-Apr	Legal Text (0621)	EU Compliance Non-Transmission Service Charges Publication of variables
26-Apr	NTS Optional Charge Combined DN Impacts Individual DN Impacts	Reserve Price - Specific Capacity Discounts Interruptible Capacity
27-Apr	Introduction to Relevant Objectives Introduction to Modification 0621L Analysis for Alternative Mods Material for 0621D square root distance; removal optional charge; publication of forecasts NTS Optional Charge Action Update	
30-Apr	Relevant Objectives	Relevant Objectives
01-May	NTSCMF (including 0621 Workgroup) Legal Text (0621 Alternatives) GDN Action Updates	NTSCMF (including 0621 Workgroup) Legal Text (0621 Alternatives)
02-May	Finalise Workgroup Report	Finalise Workgroup Report
03-May	Relevant Objectives	Relevant Objectives
04-May	Relevant Objectives and/or Finalise Workgroup Report	Relevant Objectives and/or Finalise Workgroup Report
08-May	Finalise Workgroup Report	Finalise Workgroup Report
09-May		Submit Workgroup Report to Panel (no meeting – JO admin activity)