

# Energy Balancing Credit Committee Minutes

## Monday 19 December 2016

### Teleconference

#### Attendees

Bob Fletcher (Chair)	(BF)	Joint Office	Non-Voting
Lorna Dupont (Secretary)	(LD)	Joint Office	Non-Voting
Adam Lane	(AL)	Shipper	Voting Member
Colette Baldwin	(CB)	Shipper	Voting Member
Pauline Babb	(PB)	Shipper	Voting Member
Mark Cockayne	(MC)	Xoserve	Non-Voting
Richard Fairholme	(RF)	Shipper	Voting Member, and Alternate for J Hill
Sandra Dworkin	(SD)	Xoserve	Non-Voting

#### Apologies received

James Hill	(JH)	Shipper	Voting Member
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Copies of all papers are available at: <http://www.gasgovernance.co.uk/ebcc/191216>

## 1. Introduction and Status Review

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

Alternate: R Fairholme for J Hill.

### 1.1 Approval of Minutes (28 November 2016)

The minutes were approved.

### 1.2 Review of Actions Outstanding

**EBC 1001:** Xoserve (MC) to investigate Fitch from a ratings approach and to discuss this with National Grid.

**Update:** MC reported that he was trying to negotiate a trial of the service, and would provide a more detailed update in January 2017. **Carried forward**

**EBC 1101:** ICOSS to be encouraged to provide EBCC members.

**Update:** CB reported that following a discussion with the Chair of ICOSS, a representative was raising this at the ICOSS December meeting, and she will update EBCC with any response received. **Closed**

**Post meeting Update:** CB advised that ICOSS members had advised that they would not be in a position to provide EBCC members as they do not believe they have the necessary skills to support the role.

## 2. Operational Update

SD provided the operational report for November 2016.

### 2.1 Cash Call Notices

During November there were 8 Cash Call Notices issued, all of which were paid on the due date. 6 were in connection with one User which resulted in the FSR process being initiated.

## 2.2 Further Security Requests (FSRs)

During November there were 2 Further Security Requests issued.

## 2.3 Settlement

The following performance was reported:

Month	Payment Due Date	Payment Due Date +2
October 2016	100%	100%
November 2016	99.45%	100%
Rolling 12 Months	99.67%	100%

There were 2 Failure To Pay Notices issued.

## 3. Modifications

### 3.1 Modification 0587 – Seasonal Energy Balancing Credit Cover

Available at: [www.gasgovernance.co.uk/0587](http://www.gasgovernance.co.uk/0587)

This was under discussion with National Grid; it was anticipated that an implementation date of 01 May 2017 might be agreed. When confirmed this will be notified through the Joint Office.

## 4. Any Other Business

### 4.1 Voluntary Discontinuances

There were two Shipper Users seeking to exit the market in the near future.

#### *Mercuria Energy Europe Trading Ltd (SEM)*

MC confirmed that this User had no live Supply Points, no Unique Supply Points, no invoices outstanding, and had exhibited no trading activity since February 2016. MC was not aware of any adjustments that will impact this User's current position.

Members were in unanimous agreement that this User be allowed to exit the market.

#### *JP Morgan Securities plc (JPN)*

MC confirmed that this User had no live Supply Points, no CSEPs, no invoices, queries or adjustments outstanding, and that its last transactions were made in April 2016. MC was not aware of any adjustments that will impact this User's current position.

Members were in unanimous agreement that this User be allowed to exit the market.

Summarising that there were no issues from an EBCC perspective and that in principle they were happy for them to voluntarily discontinue, MC confirmed that Xoserve would now conclude both Users' exit arrangements with the Transporters.

## 4.2 FGO changes

### *EBCC Rules*

MC advised that the EBCC Rules would need to be updated in response to certain changes that were being brought in under FGO, e.g. replace the term 'Transporter's Agent' with 'CDSP'. MC intended to bring revised Rules to January's meeting for the Committee to review.

### *DSC Credit Committee*

Under the DSC it was anticipated there would be a credit committee set up similar to the current EBCC and that it is possible that EBCC members would be members of the DSC Credit Committee. It was noted that the Transporters do not have representation within the current EBCC, but would have representation in the new DSC credit committee. The new arrangements need to be in place by 01 April 2017.

MC suggested that EBCC meet to consider the proposals and to affirm the arrangements associated with meeting administration, e.g. should the meetings run consecutively on the same day etc. This was briefly discussed. BF advised that the Transporters should be engaged in the discussions, and that arrangements should be agreed sooner rather than later. It was agreed that, rather than hold a separate meeting, this item would be added to the FGO agenda for 16 January 2017 (meeting being held at Dentons' offices, London), and should be the first item in order that Members could teleconference in to contribute to that part of the day's business only. MC will undertake to provide all associated documentation in advance to enable sufficient time for review.

## 4.3 Customer Survey and Profiles - Completion Reminder

SD reminded Members to complete the Customer Survey as soon as possible to enable her to complete the statistics, and also to provide completed profiles if they had not already done so.

## 4.4 Emergency Availability

SD reminded Members to provide their emergency contact details and availability over the Christmas/New Year period.

MC thanked Members for their contributions and support over the past year.

## 5. Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/Diary](http://www.gasgovernance.co.uk/Diary)

EBCC meetings are scheduled as follows:

Time Date	Venue
09:30 Monday 30 January 2017	Teleconference
09:30 Monday 27 February 2017	Teleconference
09:30 Monday 27 March 2017	Teleconference
11:00 Monday 24 April 2017	Lansdowne Gate, Solihull
09:30 Monday 22 May 2017	Teleconference

09:30 Monday 26 June 2017	Teleconference
09:30 Monday 31 July 2017	Teleconference

**Action Table (as at 19 December 2016)**

<b>Action Ref</b>	<b>Meeting Date(s)</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
<b>EBC 1001</b>	24/10/16	2.6	Xoserve (MC) to investigate Fitch from a ratings approach and to discuss this with National Grid.	Xoserve (MC)	<i>Due 30 Jan 2017</i> <b>Carried forward</b>
<b>EBC 1101</b>	28/11/16	3.5	ICOSS to be encouraged to provide EBCC members.	E.ON UK (CB)	<b>Closed</b>