

**Energy Balancing Credit Committee Minutes**  
**Monday 27 January 2014**  
**via teleconference**

**Participants**

Bob Fletcher (Chair)	(BF)	Joint Office	Non-Voting
David Holland	(DH)	Shipper	Voting
Dimuthu Wijetunga	(DW)	Shipper	Voting
Esther Sutton	(ES)	Shipper	Voting
Gavin Ferguson	(GF)	Shipper	Voting
Lorraine O'Shaughnessy	(LO)	Xoserve	Non-Voting
Mark Cockayne	(MC)	Xoserve	Non-Voting
Pauline Babb	(PB)	Shipper	Voting

**Apologies**

John Costa	(JC)	Shipper
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**1. Introduction**

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

**2. Minutes and Actions**

The minutes from the previous meeting were accepted.

**EBC1001 SCR** – Review 'mind maps' and submit comments/suggestions to MC for further consideration.

**Update:** MC advised that a number of topics have been identified for further analysis and these would be progressed within the team for discussion at a future meeting. **Closed**

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

**Update:** MC asked members to note that a meeting is being arranged with Xoserve's Treasury colleagues and that they should be able to present an update soon after the meeting. **Carried Forward**

**3. Operational Update**

MC provided the following Operational update for December 2013.

**3.1 Cash Call Notices**

During December there were 4 Cash Call Notices; 2 were paid on the due date, 1 was appealed and withdrawn and 1 Failure to Pay Notice was issued which was also paid.

**3.2 Further Security Requests (FSRs)**

There was 1 FSR issued during December 2013.

**3.3 Settlement**

The following performance was reported:

Month	Payment Due Date	Payment Due Date +2
November 2013	100%	100%
December 2013	100%	100%
Rolling 12 Months	99.90%	100%

There was 1 Failure to Pay Notice issued during December 2013 which was paid. This did not impact the overall cash collection performance due to the very low value involved.

**4. Modifications**

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

**4.1 Modification 0429 – Customer Settlement Error Claims Process**

MC advised that draft business rules have been developed and that these had been circulated. Discussions were still needed to develop an internal process between Xoserve’s Energy Balancing Invoicing team and the Neutrality Finance Team in order to operate the process.

**4.2 Market Operator Security Provisions**

MC asked members to note some progress has been made since the last update and that that Market Operator has advised them that they were going through their internal approval process.

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

MC advised that the likely implementation date for the recommendations in the SCR is October 2015 and that operating procedures would need to be in place prior to this date. Work was in progress to understand the likely impacts on systems, though there should be no major impacts on Gemini, although an offline database would need to be developed to manage the process.

## **6. Bank Ratings Review**

MC advised that there were no additional changes to ratings this month. Xoserve had put together a summary of the position in respect of the organisations providing security and advised that they would issue to members for review following the meeting.

## **7. Any Other Business**

### **7.1 DEC Review of Industry Security**

MC advised that Cornwall Energy have been appointed by DEC to consider the provision of credit and security across the energy market over the last 3 year - this includes default values. Xoserve were cooperating and providing information for an extensive period of time back to 2007, as they do not consider 3 years is sufficient to understand how the market has developed and providing information over a greater period would demonstrate this more effectively..

### **7.2 Voluntary Discontinuance**

MC confirmed that there were five parties requesting Voluntary Discontinuance as follows:

Party A has no recorded activity for a considerable time. They have not received an energy balancing invoice in their history. Members agreed to Party A's discontinuance;

Party B has no recorded activity for a considerable time. They have a deposit deed in place though they have not received an energy balancing invoice for some time. Members agreed to Party B's discontinuance.

Party C has no recorded activity for a considerable time. Deposit deed in place though they have not received an energy balancing invoice since 1998. Members agreed to Party C's discontinuance.

Party D has no recorded activity for a considerable time and was dissolved in 2008. They have not received an energy balancing invoice for some time, though they do have cash on account which will need to be returned. Members agreed to Party D's discontinuance. Question over cash held.

Party E has no recorded activity for a considerable time and was dissolved in 2010. They have not received an energy balancing invoice for some time and no security held. Members agreed to Party E's discontinuance.

**8. Date of Next Meeting**

The next EBCC meeting will take place via teleconference, starting at 10:30 on Friday 28 February 2014.

**Action Log – Energy Balancing Credit Committee**

<b>Action Ref</b>	<b>Meeting Date(s)</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
<b>EBC1001</b>	25/10/13	5	SCR – Review ‘mind maps’ and submit comments/suggestions to MC for further consideration.	ALL Members	<b>Closed</b>
<b>EBC1002</b>	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>