

Energy Balancing Credit Committee Meeting By Teleconference 16 December 2008

Participants

Joint Office (Non voting)

John Bradley (JB) Chair

xoserve (Non Voting)

Sarah Blewer (SB)

Sandra Dworkin (SD)

Shippers

Gavin Ferguson (GF)

David Trevallion (DT)
(Non Voting)

Julie McNay (JM)

Centrica

Scottish and Southern Energy

Scottish and Southern Energy

Apologies

Gary Russell (GR)

Mark Cockayne (MC)

Richard Fairholme (RF)

Simon Howe (SH)

Corona Energy

xoserve

E.ON

RWE

1. Introduction

JB welcomed the members to the meeting, which was not quorate.

2. Minutes from the Previous Meeting

The minutes from the previous meeting held on 21 November 2008 were approved, with the exception that SD was present.

3. Actions Update

EBC11/01: xoserve (MC) to circulate revised EBCRs for approval by email, which would also ask for notice of implementation to be waived such that it would be immediate.

SD advised the committee that these would be circulated shortly

Carried Forward

EBC11/02: xoserve (MC) to clarify to whom the neutrality impact notice had been sent.

MC had sent the circulation list to the Joint Office so that specific queries can be addressed. JB explained that the Joint Office is not authorised to reveal email addresses generally unless specific permission has been given. **Closed**

EBC11/03: xoserve (MC) to Draft a Modification Proposal to address the identified exposure from Users who are traders at the NBP.

It had been recognised that development of this should await Ofgem's decision on Modifications 0233, 0234 and 0235.

JM asked about progress with committee membership. JB responded that the Gas Forum had been contacted and subsequently the executive members for ScottishPower and EDF Energy. As a result, ScottishPower had indicated that it wished Ed McDonald (EM) to be the representative and EDF Energy also advised that it had a nominee to replace Lee Selway. These changes and the election for the vacant post is the responsibility of the Gas Forum but until these changes had been conducted, the nominees could serve as alternates. It was pointed out that EM had recently been participating in EBCC meetings.

4. Operational Update

SD provided the following Operational update:

The EBCC Pack was issued on 15 December 2008 and placed on the Joint Office website a minor revision was required which would replace the current document.

Cash Call Notices:

During November 2008, there were twenty nine Cash Call Notices (CCN) issued. Nineteen were paid on the due date, five were appealed and withdrawn. There were five Failure to Pay Cash Call Notices.

Further Security Requests:

Five further Security Requests were issued during November 2008.

Settlement:

The following performance was reported:

Month	Payment Due Date	Payment Due Date +2
October	100.00%	100.00%
November	95.79%	100.00%
Year to date	98.79%	100.00%

5. Potential Changes to Energy Balancing Credit Rules

It was agreed that email approval would be requested once the revised rules had been circulated. The normal notice period for changes would be waived.

6. Potential UNC Modification Proposals

JB advised that the December Modification Panel would be deciding whether to approve Proposals 0233, 0234 and 0235. Legal text had been provided for 0234 and was being prepared for 0233 and 0235.

7. Any Other Business

xoserve had circulated the audit report that reviewed the Termination of Lehman Brothers. This had concluded that the Termination was performed in accordance with legal and regulatory requirements. Members had not been given much opportunity to read the report so it was agreed that it be discussed in more detail at the January meeting.

GF expressed his appreciation at the way xoserve had handled the various events in recent months including Termination of Lehman Brothers. This was endorsed by JM and DT. SD responded that xoserve had been reviewing these events as well and wanted to ask the Committee whether anything should have been done differently.

GF repeated the comments that he had made. In particular when there had been any doubt on whether the EBCC should be convened he believed that xoserve had done the right thing in calling a teleconference. Both he and JM suggested that this practice be continued. This was agreed

8. Next Meeting

The next meeting will be held on 23 January 2009 at 10.00. This will be a teleconference.

The following meeting will be held on 20 February 2009 at 10.30. This will be at the Energy Networks Association, 52 Horseferry Road, London SW1P 2AF

Action Log – Energy Balancing Credit Committee: 16 December 2008

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
EBC 11/01	21/11/08	6	Circulate revised EBCRs for approval by email, which would also ask for notice of implementation to be waived such that it would be immediate.	xoserve (MC)	To be circulated shortly Carried Forward
EBC 11/02	21/11/08	6	Clarify to whom the neutrality impact notice had been sent.	xoserve (MC)	Clarified Closed
EBC 11/03	21/11/08	7	Draft a Modification Proposal to address the identified exposure from Users who are traders at the NBP	xoserve (MC)	To follow decision on recent UNC Proposals Carried Forward