

Minutes of Review Group 0334
Post Implementation Review of Central Systems Funding and
Governance Arrangements
Tuesday 17 May 2011
at Teleconference

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuin (Secretary)	(HC)	Joint Office
Alan Raper	(AR)	National Grid Distribution
Andy Miller	(AM)	Xoserve
David McCrone	(DM)	ScottishPower
David Watson	(DW)	British Gas
Gareth Evans	(GE)	WatersWye
Jon Dixon	(JD)	Ofgem
Martin Brandt	(MB)	SSE
Sean McGoldrick	(SMc)	National Grid NTS
Steve Mulinganie	(SM)	Gazprom

1. Introduction

All materials related to this meeting are available at www.gasgovernance.co.uk/0334/170511.

1.1. Minutes from the previous meeting

The minutes of the previous meeting were approved.

1.2. Review of Action from the previous meeting

Action RG0334 018: ST to coordinate drafting the outline of a modification seeking to bring ACS methodology changes within UNC governance.

Update: Item Deferred. **Carried forward**

2. Review Group Discussions

2.1. Review of previous discussions

BF confirmed that the Issue and Solution Matrix had been amended and version 2.0 published. BF suggested that a summary of the matrix can be provided within the Review Group Report and the matrix appended to assist parties to understand the issues.

AM believed the matrix was designed to show the perception of the issue and thought that the industry needed to identify the specific problem. He was concerned that the matrix did not go far enough into identifying what the problems are. He believed value would be added to the report by going back to where the problems arise. It was agreed that the first column should identify what the actual problem is as this will also aid a review as to whether the problem has been addressed.

BF suggested that UNC modifications might not be required for each of the issues; in some cases a simple change in practise will suffice. SM asked if the group ought to develop an action plan against each of the issues.

It was suggested that Xoserve should produce an action plan to highlight how issues were to be addressed. However, AM highlighted that some areas may be outside

Xoserve's control and therefore the group should complete the action plan, though he was willing to produce a first draft.

Action 0334 019: Xoserve to produce a draft action plan to support the matrix.

The matrix was then reviewed and amended.

It was suggested that the modification template should be amended to reflect a number of points raised during discussions on the matrix. AM suggested that the proposer includes a statement within the modification to confirm the extent of any engagement with Xoserve where there is a perceived system impact with a justification if no engagement has taken place.

A discussion took place about the choice of modification solutions and engagement with the UK Link Committee to understand system changes, understand potential solutions with flexibility within the process to change the solution. The option of an oversight committee was considered. AR questioned if this could be incorporated into the Workgroup? DW questioned the benefit of having an additional committee. MB questioned if the oversight committee was as replacement for the UK Link Committee or an additional committee, there shouldn't be any duplication of roles.

GE suggested that the purpose of the oversight committee would be to consider how the Workgroup came to a particular system solution, assess if this is the best-fit solution. It was suggested that Xoserve could be more supportive or proactive and therefore remove the need for an oversight committee. DW did not welcome an oversight committee with the potential to take control of a solution. SM welcomed the interaction within Workgroups to ensure the right experts are engaged with the potential of having an Oversight Committee if the Workgroup process appears not to be working. It was suggested that the proposer and Xoserve could consider solutions and Xoserve proactively provide alternate solutions prior or during the development of a modification. SM did not envisage the UK Link Committee role changing he was unsure if there was an appetite for this at this stage, until the less formal consideration for solutions were developed.

A discussion took place on modifications where take-up has not been as expected or which have been rejected and how this can be better managed. It was considered that wider industry costs and solutions are not undertaken early enough in the process to assess potential take-up. Concern was expressed that modifications are not given due consideration. BF explained the new modification process for Workgroups. It was challenged whether all Shippers should be required to provide demand estimates on new services. AM suggested the proposer should be challenged to establish the likely demand for a modification.

DW welcomed check-points within the process to assess the demand for change but this should not be allowed this to slow the process for change down. BF suggested that initial representations could include a request for demand information to support the assessment. He also suggested that the modification templates could be adapted to include this information.

It was agreed an amended matrix would be published and the Review Group Report updated to include a summary.

3. Any Other Business

None raised.

4. Diary Planning for Review Group

The next meeting will take place at 09:30 on Monday 20 June 2011 via teleconference.

ACTION LOG – Review Group 0334

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
RG0334/018	30/03/11		Coordinate drafting the outline of a modification seeking to bring ACS methodology changes within UNC governance	WWU (ST)	Carried Forward
RG0334/019	17/05/11	2.1	Xoserve to produce a draft action plan to support the matrix.	Xoserve (AM)	Pending