

Minutes Review Group 0365
Monday 07 March 2011
31 Homer Road, Solihull, B91 3LT

Attendees

| | | |
|------------------------|-----|----------------------------|
| Tim Davis (Chair) | TD | Joint Office |
| Helen Cuin (Secretary) | BF | Joint Office |
| Bethan Winter | BW | Wales & West Utilities |
| Chris Shanley | CS | National Grid NTS |
| Dave Adlam | DA | National Grid Distribution |
| Keith Dixon | KD | Northern Gas Networks |
| Mark Amos | MA | National Grid NTS |
| Mike Wassell | MW | National Grid NTS |
| Mark Lyndon | ML | National Grid NTS |
| Joel Martin | JM | Scotia Gas Networks |
| Mark Freeman | MF | National Grid Distribution |
| Rob Cameron-Higgs | RCH | Wales & West Utilities |

1. Introduction

TD introduced the meeting and explained the Workgroup Group process.

2. Outline of Proposal

MW provided a presentation to introduce the proposal and its aims.

3. Consider Terms of Reference

TD explained the terms of reference and asked if there were any comments on its content. No additional feedback was provided.

4. Discussion

BW believed the proposed 15 minute DNO window to decline requests could create some difficulty. She also believed there would be some other system implications regarding communication channels.

JM and BW explained Transporters do not have access to Gemini although they have access to daily capacity booking elements. MW said that National Grid NTS would not want to move away from Gemini as a solution. BW challenged the need for the use of Gemini for the use of flex capacity. MW explained that Gemini holds within day capacity positions and to affect entitlement positions some accounting would need to take place.

DA questioned the efficiency of nominating what is intended to flow and the mismatch between systems.

MF suggested that flow swaps should be used to mitigate the affects of overruns if flow swaps maintain the aggregate offtake position within an LDZ or exit zone.

It was agreed that the zonal debate goes beyond flow swaps. MF suggested that modification 0365 could be withdrawn and consideration given to the best way of dealing with a zonal concept. It was agreed that the zonal issue could be discussed within the Offtake Arrangements or Transmission Workgroup as a pre modification debate. CS challenged if a zonal concept was too complicated for what Modification 0365 was trying to achieve.

MW suggested that if the modification is withdrawn, parties would still need to get together to agree the process to be followed when operating systems. It was acknowledged that the UNC already allows for flow swaps and that National Grid NTS want to monitor these. MW thought it would be worth having an audit trail of flow swapping requests, which are time stamped.

It was suggested that the UNC also already caters for potential overruns, but that flow swaps would not want to be accepted if this produced an overrun charge. It was accepted that there needs to be a balance between over complicating a process if the majority of flow swaps were straightforward and dealing with all possible eventualities. MW agreed that National Grid would consider the points raised and whether to continue or withdraw the modification.

Different flow swap scenarios were briefly considered and it was agreed that these ought to be outlined with a view to establishing how calculations should work for each of the scenarios.

Action 0001: National Grid NTS to consider views expressed on the modification and consider the progression of the modification.

Action 0002: National Grid NTS to collate some high level flow swap scenarios and the calculations for these.

5. AOB

None raised.

6. Diary Planning for Review Group

No further meetings are to be planned until further consideration is given to the modification and whether it is to be withdrawn.

ACTION LOG – Review Group 0365

| Action Ref | Meeting Date | Minute Ref | Action | Owner | Status Update |
|-------------------|---------------------|-------------------|---|------------------------|----------------------|
| 0365 001 | 07/03/2011 | 4.0 | National Grid NTS to consider views expressed on the modification and consider the progression of the modification. | National Grid NTS (MW) | Pending |
| 0365 002 | 07/03/2011 | 4.0 | National Grid NTS to collate some high level flow swap scenarios and the calculations for these. | National Grid NTS (MW) | Pending |