

UNC Workgroup 0429 Minutes Customer Settlement Error Claims Process

Thursday 27 September 2012

ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office of Gas Transporters
Lorna Dupont (Secretary)	(LD)	Joint Office of Gas Transporters
Alan Raper	(AR)	National Grid Distribution
Alex Ross	(ARo)	Northern Gas Networks
Andrew Margan	(AM)	British Gas
Andrew Wallace	(AW)	Ofgem
Brian Durber*	(BD)	E.ON UK
Chris Warner	(CW)	National Grid Distribution
Darren Lond	(DL)	National Grid Transmission
David Addison	(DA)	Xoserve
David Mitchell	(DM)	Scotia Gas Networks
Elaine Carr*	(EC)	ScottishPower
Erika Melen	(EM)	Scotia Gas Networks
Fergus Healy	(FH)	National Grid NTS
Gareth Evans	(GE)	Waters Wye (for Total and Corona)
Lorna Lewin	(LL)	DONG
Mark Jones*	(MJ)	SSE
Steve Mulinganie	(SM)	Gazprom

*via teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/0429/270912

Workgroup Report is due to the UNC Modification Panel on 15 November 2012.

1.0 Review of Minutes and Actions from previous meeting

1.1. Minutes

The minutes of the previous meeting were accepted.

1.2. Actions

001: Provide scenarios of when/when not using the claims process.

Update: Presentation provided; see 2.0 below. **Closed**

002: Xoserve to give a view on the debits/credits, illustrating the position to ascertain if there is any bias/no bias in one direction or the other.

Update: DA referred back to previous discussions on 0395 and 0398; adjustments seem to be in a credit direction - reconciliation is typically a credit. It was noted that AQs were reducing year on year and that past history is no indication of future action. **Closed**

2.0 Discussion

In response to Action 001 GE gave a presentation reviewing two potential scenarios and associated timelines, illustrating respectively where a claim could and could not be made. It was explained how the process was envisaged to work in each case. A discussion ensued.

AM considered that there might be a danger that parties would only be raising claims where it was advantageous to them to do so. Would it only work one way? GE responded that a claim does not 'make money' - it just limits loss. (The other way round it would make money - because there would be more costs to be factored in.) AM commented that the scenarios provided were really helpful.

DL queried if the neutrality pot was the right vehicle in which the monies should be secured. GE explained his view.

AM wondered if there were implications for how the AUGE takes charges into account; would it have a material impact on the AUGE's analysis? GE believed the AUG document might need to change to reflect any identified impacts.

DA reported that this modification had also been discussed and considered at the Energy Balancing Credit Committee (EBCC).

Next Steps

Having reviewed the modification and provided comments, DA advised that Xoserve will continue discussions with the Proposer, and then will start to look at costings. GE added that he sees it as a low cost modification.

CW affirmed that National Grid Distribution would prepare the draft legal text.

BF reminded the Workgroup that it was due to report to the UNC Modification Panel on 15 November 2012, and that the cost estimate and draft legal text should be provided for review at the next meeting.

New Action 0429/003: Provide cost estimate for review.

New Action 0429/004: Provide draft legal text for review.

It was the intention to complete the Workgroup Report at the next meeting.

3.0 Any Other Business

None raised.

4.0 Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/Diary

The next meeting will take place within the business proceedings of the Distribution Workgroup on:

Thursday 25 October 2012, at 31 Homer Road, Solihull, B91 3LT.

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0429/001	23/08/12	2.0	Provide scenarios of when/when not using the claims process.	Waters Wye (GE)	Closed
0429/002	23/08/12	2.0	Xoserve to give a view on the debits/credits, illustrating the position to ascertain if there is any bias/no bias in one direction or the other.	Xoserve (DA)	Closed

0429/003	27/09/12	2.0	Provide cost estimate for review.	Xoserve (DA)	By 17 October 2012
0429/004	27/09/12	2.0	Provide draft legal text for review.	National Grid (CW)	By 17 October 2012