

**UNC Workgroup 0439 Minutes  
Notice for Enduring Annual Exit (Flat) Capacity Reduction  
Applications**

**Thursday 07 February 2013**

**Elexon, 350 Euston Road, London NW1 3AW**

**Attendees**

|                          |       |                       |
|--------------------------|-------|-----------------------|
| Tim Davis (Chair)        | (TD)  | Joint Office          |
| Lorna Dupont (Secretary) | (LD)  | Joint Office          |
| Andrew Pearce            | (AP)  | BP Marketing          |
| Antony Miller            | (AM)  | Centrica Storage      |
| Charles Ruffell          | (CR)  | RWE Npower            |
| Chris Wright             | (CW)  | Centrica              |
| David Mitchell           | (DM)  | Scotia Gas Networks   |
| Fergus Healy             | (FH)  | National Grid NTS     |
| Fiona Strachan           | (FS)  | Gazprom               |
| Gerry Hoggan             | (GH)  | ScottishPower         |
| Graham Jack              | (GJ)  | Centrica              |
| James Thomson            | (JT)  | Ofgem                 |
| John Costa               | (JC)  | EDF Energy            |
| Julie Cox                | (JCx) | Energy UK             |
| Mark Cockayne            | (MC)  | Xoserve               |
| Nick Wye                 | (NW)  | Waters Wye Associates |
| Phil Hobbins             | (PH)  | National Grid NTS     |
| Richard Fairholme        | (RF)  | E.ON UK               |

*Copies of all papers are available at: [www.gasgovernance.co.uk/0439/070213](http://www.gasgovernance.co.uk/0439/070213)*

*The Workgroup Report is due to the UNC Modification Panel on 21 March 2013.*

**1.0 Review of Minutes**

The minutes of the previous meeting were accepted.

**2.0 Workgroup Report**

The draft Workgroup Report had been published for review and comment with the aim of completing it at this meeting.

AM briefly reiterated the intent of the modification and the solution. DM questioned if the modification included the initial capacity allocation given to DNSs from October 2012 where there was no User Commitment. This was briefly discussed and the understanding was that reductions could be applied for as elsewhere, with the modification focussed on exit points where a User Commitment Amount was involved.

### *Relevant Objectives*

It was questioned whether relevant objective (c) was facilitated by this modification. AM explained why he had included this and outlined his thinking regarding the efficient delivery of service by removing the lag. It was suggested that might be better addressed under relevant objective (d) rather than (c).

Following brief discussion it was agreed that the modification was expected to facilitate relevant objectives (d) and (g).

### *Legal Text*

NW questioned whether the text at TPD B 3.2.17(a) and (b) met the intent of the modification and these paragraphs were discussed. JCx asked what would happen if there were no User Commitment – NW believed that paragraph (a) was attempting to cover this but was not certain if it was succeeding. JCx explained how she understood the text to work, and also voiced doubts as to its success.

Referring to TPD B 3.2.17 NW suggested the deletion should be reinstated and 'Y+2' should be changed to 'Y+1'.

FH explained the effect of the decision made in respect of capacity and its reduction within the timeframes (July to September).

It was suggested that there might be two issues that needed further clarification:

- Where there is no User Commitment
- Discretion element.

TD reiterated that the text has to match what is proposed within the modification, and NW pointed out that the drafting does not say 01 October. TD reiterated that it was important to get it right and it may be that either the drafting or the modification or both or neither required changing.

National Grid NTS agreed to discuss with its lawyers the points raised, and provide a note of clarification together with amended text if considered appropriate.

### *Completion of Report*

It was agreed to recommend that the modification be issued to consultation, with an intention of any amended legal text being available for inclusion in the Draft Modification Report. The Workgroup Report will be submitted to the February Modification Panel for consideration.