

UNC Workgroup 0440 Minutes
Project Nexus – iGT Single Service Provision
Friday 13 December 2013
at Energy UK, Charles House, 5-11 Regent Street,
London SW1Y 4LR

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Adam Pearce	(AP)	ES Pipelines
Andy Miller*	(AM)	Xoserve
Anne Jackson	(AJ)	SSE
Chris Warner*	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
Dave Mitchell	(DM)	Scotia Gas Networks
Gethyn Howard*	(GH)	GTC
Jonathan Kiddle	(JK)	EDF Energy
Kristian Pilling	(KP)	SSE
Lorna Lewin	(LL)	DONG Energy
Martin Connor	(MC)	National Grid NTS
Robert Cameron-Higgs	(RCH)	first utility
Richard Pomroy*	(RP)	Wales & West Utilities
Tabish Khan	(TK)	British Gas

* via teleconference

A copy of all presentation materials can be found at: www.gasgovernance.co.uk/0440/131213

The Workgroup's report is due to be submitted to the UNC Modification Panel on 16 January 2014.

1. Introduction

BF welcomed all to the meeting.

1.1 Review of Minutes

The minutes of the previous meeting were accepted.

1.2 Review of Actions

0440 12/02: iGTs to consider the matter of Nested CSEPs and the role of the 'lead' iGT and provide a view at the 13 December meeting.

Update: Parties once again debated the merits (or not) of the 'lead' iGT taking on the responsibility for the (max AQ and potential breaches) information passing up the Nested CSEPs communication chain.

AM reiterated the point he raised at the previous meeting that Xoserve would have the necessary data to be able to inform ALL hierarchical Nested CSEP parties of any potential breach to the max AQ. He went on to suggest that all the provision is trying to say is that the 'lead' iGT is responsible for the provision of the connection related information. It was acknowledged that the 'lead' iGT would have the necessary contractual arrangements (and relationship) with the next Nested iGT and so on, therefore it is not an unreasonable requirement for them to have the obligation placed upon them. **Closed**

2. Workgroup Report Consideration

Legal Text Development – Progress Update

CW advised that the (final) legal text had been provided to the Joint Office the day before the meeting and therefore asked parties to take an opportunity to review the text and provide comments as soon as practicable.

CW went on to advise that his only real concern relates to the governance aspects associated with the AQ Table – i.e. where the ‘master’ resides, and as a consequence, how changes would be managed. During a quite extensive debate on the matter, some parties felt that the ‘master’ AQ table should reside within the iGT UNC and be referenced from both the UNC and IGTAD respectively, whilst others strongly believed that it is better for the ‘master’ AQ Table to sit within the IGTAD and be cross referenced (pointed to) from both the UNC and iGT UNC.

CW felt that should the ‘master’ AQ Table sit within the iGT UNC then a CSEP NExA would also be needed going forward. He also suggested that any proposed iGT UNC Modification relating to amending the AQ Table would need to flow through to Modification 0440 legal text as well. He pointed out that during the legal text discussions with Dentons, C Wood had advocated that the table should reside within the IGTAD to ensure that there is only one single directional point.

Several parties voiced their real concern around the need for the table to reside within the iGT UNC, and therefore fall under the iGT Panel governance, as there are potential GDN relating charging issues at stake. They also believe that it should therefore be Ofgem who approves any modification that seeks to amend the (master) AQ Table and CSEP NExA data. It was recognised that whoever proposes the new iGT Modification would also need to consider whether or not to include CSEP NExA considerations – it was suggested that perhaps the easiest solution is to carry on with Modification 0440 and iGT039 and wait and see where the industry goes from there.

AJ pointed out that whilst Shippers would welcome the development of an automated annual update process, it is the accompanying governance aspects that remain the concern.

GH acknowledged that the general ‘pointing to’ principle is a sound idea, it is which direction that this takes place which needs resolving, although he did accept that the iGT UNC pointing to the IGTAD could work. The consensus of the majority of those in attendance being that the iGT UNC should point to the (master) IGTAD AQ Table.

Action 0440 12/03: All parties to review the (final) legal text and provide any comments/thoughts by close of play on 17 January for consideration at the meeting on 28 January 2014.

Review of G Howard’s Legal Text Comments Document

GH provided a quick overview of his few remaining concerns, the main discussion/agreement points being:

IGTAD Section B1.6.1 – Whilst CW thinks the latest version of the legal text has now resolved this issue, GH advised that he would double check with his lawyer;

IGTAD Section D2.1 – iGTs view is that this may be set at too high a level and that there maybe some connection and iGT UNC related issues involved. GH requested that ‘unless otherwise identified within the iGT UNC’ be added to the statement. CW agreed to check with C Wood, Dentons;

IGTAD Section D3.3.1 – GH pointed out that the proposed iGT licence changes are still being drafted and that there are some concerns around the iGT to Xoserve relationship – i.e. if the definition for Agency Service is related to then being the GDNs (common) agent then there could be iGT licence issues. It was suggested that perhaps the wording should be ‘Joint Agency Service for GDNs and iGTs’ would be preferable.

CW provided a brief explanation of the definition contained within UNC TPD Section V paragraph 6.5, but also agreed to double check with his lawyers;

IGTAD Section H1.1.2(b) – GH voiced some concerns around sticking to the Project Nexus implementation date and when the actual single service provisions would actually come into force. AM advised that 01 October 2015 Project Nexus date is there to simply enable the industry to commit and mobilise resources accordingly and recommended retaining the date. Any subsequent changes to this date would/could be via a Project Nexus transitional arrangements related modification. In the end, GH agreed to the retaining of the date, and

IGTAD Section H7.5.2(a) & (b) – GH questioned whether or not it was realistic to expect to conduct a ‘Directors’ meeting as suggested in (a), and in regards to (b), is this a referral to Ofgem – CW agreed to check with his lawyers.

In closing, GH indicated that he would look to provide formal feedback to CW over the next week or so.

Workgroup Report Consideration and Development

During an onscreen review of the draft Workgroup Report (v0.4, dated 09 December 2013), attention was focused mainly on the ‘Relevant Objectives’ and ‘Implementation’ aspects.

During consideration of relevant objective d) it was recognised that the process of utilising a single service agent really benefits iGT039 more than UNC 0440.

In considering the implementation aspects for the modification, CW indicated that in his view we may need at least one or more Project Nexus transitional modifications in due course.

When asked, BF confirmed that currently there is a risk listed related with Xoserve’s ability to deliver Project Nexus in light of the forthcoming EU changes (inc. Gemini impacts). AM confirmed that a detailed Gemini impacts related cost estimate was not envisaged. However, a detailed timeline view is expected by the end of Q1 2014.

It was agreed to allow parties more time to consider the relevant objectives (and other aspects of the WGR) before finalising the document at the 28 January 2014 meeting.

3. Any Other Business

Cost Benefit (Business Case) Report Update

AM confirmed that he intends to provide an amended document early next week for appending to the WGR in due course.

4. Diary Planning

Following a brief discussion, it was agreed to hold a combined 0440 and 0467 Workgroup (face-to-face) meeting on Tuesday 28 January 2014.

The following meetings are scheduled to take place:

Time / Date	Venue	Workgroup Programme
10:30 Tuesday 28 January 2014	Consort House, Princes Gate Buildings, 6 Homer Road, Solihull B91 3QQ.	<i>0440 - Finalise legal text and complete Workgroup Report. 0467 – Review of legal text.</i>

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0440 12/02	06/12/13	2.0	To consider the matter of Nested CSEPs and the role of the 'lead' iGT and provide a view at the 13 December meeting.	iGTs	Closed
0440 12/03	13/12/13	2.0	To review the (final) legal text and provide any comments/thoughts by close of play on 17 January for consideration at the meeting on 28 January 2014.	All	