

**UNC Workgroup 0450 Agenda
Monthly revision of erroneous SSP AQs outside the User AQ
Review Period**

Wednesday 04 September 2013

at Consort House, 6 Homer Road, Solihull B91 3QQ

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuin (Secretary)	(HC)	Joint Office
Alex Ross-Shaw	(ARS)	Northern Gas Networks
Andrea Varkonyi	(AV)	First Utility
Anne Jackson	(AJ)	SSE
Chris Hill	(CH)	Cornwall Energy
Chris Warner	(CW)	National Grid Distribution
David Corby	(DC)	National Grid NTS
David Mitchell	(DM)	Scotia Gas Networks
Edward Hunter	(EH)	RWE npower
Hilary Chapman	(HCh)	Xoserve
Jon Dixon*	(JD)	Ofgem
Lorna Lewin	(LL)	DONG Energy
Steve Mulinganie	(SM)	Gazprom
Trevor Clark	(TCI)	E.ON UK
Tim Davis*	(TD)	Joint Office

*via teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/0450/040913

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

1.0 Review of Minutes and Actions from previous meeting

1.1. Minutes

HCh asked the Workgroup to note that the previous minutes Section 2. Last paragraph stated that "SM referred to DME - products can fail because of arbitrary levels set." It was Xoserves view that there were other contributing factors to the failure of DME and not just volume constraints.

The minutes of the previous meeting were then accepted.

1.2. Actions

0501: Xoserve (DA) to provide a copy of the ROM in time for consideration at the next meeting.

Update: HCh indicated that the costs are likely to be £200,000 for development and between £10,000 and £15,000 for ongoing operational costs. However, these costs may be subject to change, as the modification has been amended and that an alternative modification has been raised by British Gas. **Complete**

2.0 Discussion

AV highlighted the changes that had recently been made and a brief understanding of the alternative modification where Users would be allowed to Appeal an SSP AQ value for MPRNs acquired from other suppliers on or between the dates of the 01 October and 31 May.

SM believed that the recent amendments have changed the intent of the modification, as the new limit of 50 would not provide the expected benefits to smaller suppliers. SM suggested the proposer reconsider the limit set or he would have to consider raising an alternate modification with a limit of 200.

DC was concerned having alternates, which would favour different segments of the market making the decision process difficult. SM expressed concern about the changed intent and believed there would be benefit having a third alternate with the original limit of 200.

CW expressed concern about how the modification had been reworded with an initial limit. He wished to avoid further modifications to increase any set limits. JD suggested to overcome this the legal text could make a reference to “no less than [50]” which would allow the limit to be increased if there is available capacity to do so. HCh wished to understand how any increased capacity would be shared. SM was also keen to understand the mechanism for dividing any capacity based on historical utilisation.

The Workgroup considered the option to allow a percentage of Meter Point based on the portfolio and having a cap of 20,000 across all portfolios however it was recognised that this could complicate the solution and further limit smaller suppliers.

TC asked about having a back-stop date appeal mechanism, which would limit meter points being repeatedly changed. AV explained that there was no backstop date to enable a fluid appeal and change of meter points as deemed necessary.

3.0 Workgroup Report

It was agreed to postpone the completion of the Workgroup to allow consideration of alternate modifications.

4.0 Any Other Business

None.

4.0 Diary Planning

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

The next meeting(s) will take place within the Distribution Workgroup on:

Thursday 26 September 2013, 10:30 at ENA, 52 Horseferry Road, London SW1P 2AF

Thursday 24 October 2013, 10:30 at Consort House, 6 Homer Road, Solihull B91 3QQ

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0501	23/05/13	2.0	To provide a copy of the ROM in time for consideration at the next meeting.	Xoserve (DA)	Complete