

UNC Workgroup 0453 Minutes Project Nexus – Demand Estimation

Monday 17 June 2013

via teleconference

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office of Gas Transporters
Mike Berrisford (Secretary)	(MiB)	Joint Office of Gas Transporters
Alan Raper	(AR)	National Grid Distribution
Alex Ross-Shaw	(ARS)	Northern Gas Networks
Andy Miller	(AM)	Xoserve
Chris Warner	(CW)	National Grid Distribution
Dave Corby	(DC)	National Grid NTS
Ed Hunter	(EH)	RWE npower
Elaine Carr	(EC)	ScottishPower
Fiona Cottam	(FC)	Xoserve
Huw Comerford	(HC)	Utilita)
Julie Varney	(JV)	National Grid NTS
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Michele Downes	(MD)	Xoserve
Naomi Anderson	(NA)	EDF Energy
Steve Mullinganie	(SM)	Gazprom
Tabish Khan	(TK)	British Gas
Tim Davis	(TD)	Joint Office of Gas Transporters

1. Outline of Modification

BF welcomed all to the inaugural meeting of this Workgroup.

CW explained that the modification follows the consistent approach adopted for the other Project Nexus modifications.

2. Initial Discussion

Opening discussions, CW advised that the Project Nexus legal text development is reliant on resolving the demand estimation requirements, in line with the DESC recommendation to adopt model E as a solution.

CW then explained that initial work on the legal text for the modification is underway alongside the development of the supporting related (ancillary) document. A meeting with the lawyer, Charles Wood from Dentons is scheduled for Wednesday (19/06) to look to review the 'balance' needed between the legal text and the related document aspects. His expectation is that once the legal text is in a reasonable form, he would present it to the 10 July DESC meeting for their endorsement – subject to any suggested DESC amendments, the legal text would then be presented at the next available Project Nexus meeting for further consideration. In recognising the potentially tight timescales involved, CW believes that whilst it might go down to the wire, with work continuing through to August, the modification should be ready in the expected timeframe.

When asked why adopt the split legal text and related document style approach, FC advised that this reflects the DESC desire to have more flexibility around the chosen model E, whilst seeking to avoid hard coding too much of the solution within the UNC –

this is an approach which remains consistent with the intent of the UNC Modification 0331 'Demand Estimation Section H Changes to Processes and Responsibilities' provisions.

Moving on, TD pointed out that currently the User Pays table on page 7 of the modification states 'to be determined' before questioning how the Proposer proposes addressing this issue prior to the September deadline. Responding, CW acknowledged that this is a valid point and advised that in their opinion this is a funding related issue that Ofgem needs to consider – CW also noted that the same issue impacts upon all of the Project Nexus modifications, and not just this one.

AM enquired if anyone thought that Ofgem were aware that they are on the projects 'critical path' as far as resolving the funding question was concerned. CW agreed before suggesting that it may be prudent to advise Ofgem (JD) of this very fact. BF also advised that the Joint Office had contacted Ofgem after both of the recent Project Nexus meetings seeking their views on completing outstanding actions related to funding.

3. Terms of Reference

When asked, those present indicated that they were happy with the Terms of Reference, as published.

4. Diary Planning

The following meetings are scheduled to take place:

Title	Date	Location
Project Nexus Workgroup (inc. 0434 & 0453 Workgroups)	09/07/2013	Consort House, Princes Gate Buildings, 6 Homer Road, Solihull. B91 3QQ.
Project Nexus Workgroup (inc. 0432, 0434 & 0453 Workgroups)	30/07/2013	Consort House, Princes Gate Buildings, 6 Homer Road, Solihull. B91 3QQ.
Project Nexus Workgroup (inc. 0432, 0434 & 0453 Workgroups)	13/08/2013	Consort House, Princes Gate Buildings, 6 Homer Road, Solihull. B91 3QQ.