UNC Workgroup 0454 Minutes Introduction of a Long Term Non Firm Capacity Product

Thursday 01 May 2014

Energy Networks Association, 52 Horseferry Road, London SW1P 2AF

Attendees

Copies of all papers are available at: <u>http://www.gasgovernance.co.uk/0454/010514</u>

Revised Modification Report to be presented to the UC Modification Panel by 19 June 2014

1.0 Introduction

LJ briefly recapped on the background to the Panel's request that the Workgroup give further consideration to its concerns (based on the three questions raised in Ofgem's send back letter):

- 1. Provision of sufficient evidence or criteria to justify the release of discretionary capacity to certain users on an exclusive basis in the light of NGG's obligation not to discriminate between users.
- 2. The criteria used to determine what (as in its source) and how much discretionary capacity will be available for use as LTNF (and not made available for other users, if that is the case).

3. The criteria for determining when the LTNF buyback option will be exercised, and in particular the order in which it will be exercised compared to other products that are subject to curtailment.

2.0 Discussion

Briefly reiterating the discussion points and position reached at the last meeting, FH confirmed that National Grid NTS felt that no further clarification could be added to the modification. National Grid NTS will respond to Ofgem's letter.

FH observed that in the event that Ofgem decided against implementation, its formal decision letter may go some way to help elucidate the reasons for rejection, and may help to clarify any future development of a new modification.

Workgroup Recommendation

The Workgroup recommended that it be returned to Ofgem for decision.

3.0 Revised Final Modification Report

The revised Final Modification Report will therefore be returned to the May UNC Modification Panel with the recommendation that it be returned to Ofgem for decision.

4.0 Any Other Business

None.

5.0 Diary Planning

No further meetings required.