

UNC Workgroup 0486 Minutes Use of the Pre-Payment Profile For IGTs

Thursday 22 May 2014

ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Alan Raper	(AR)	National Grid Distribution
Andrew Margan	(AM)	British Gas
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
Dave Addison	(DA)	Xoserve
Dave Mitchell	(DM)	Scotia Gas Networks
Ed Hunter*	(EH)	RWE npower
Erika Melen	(EM)	Scotia Gas Networks
Gareth Evans	(GE)	Waters Wye Associates
Hilary Chapman	(HC)	Xoserve
Huw Comerford	(HCo)	Utilita
Joanna Ferguson	(JF)	Northern Gas Networks
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Rob Johnson	(RJ)	Wingas
Steve Mulinganie*	(SM)	Gazprom

* via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0486/220514>

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 July 2014.

1.0 Review of Minutes and Actions

1.1. Minutes

The minutes were accepted.

1.2. Actions

0301: Costs - Xoserve to clarify and confirm what, if any, costs (marginal and fixed) would be incurred, and be recoverable and from which parties.

Update: DA reported Xoserve was in discussion/negotiation with contract parties regarding its costs, following which it will discuss with the Transporters. AM drew attention to the dependencies with iGT Modification 054/054A/054AA. CW observed that as the NExA is disappearing legal text is being prepared to place the obligations in UNC, as that is where settlement resides.

Xoserve will provide a high level cost indicator if discussions are not concluded in time for the modification to progress. **Carried forward**

0401: Xoserve to provide a view on the management of User Pays Costs

Update: HCo observed there was some debate over whether or not this should be a User Pays modification and this view may also depend on the eventual level of costs. The

Transporters may absorb minimal cost, but if relatively high then there may be some further questions as to how these might then be recovered. **Closed**

0402: National Grid Distribution to provide a view on the whether the obligations should reside within the UNC or CSEP NExA Agreement.

Update: Under consideration. **Carried forward**

2.0 Discussion

Business Rules and User Pays

There was some disagreement as to whether what appeared to be costs relating to iGTs and iGT Shippers should be recovered from UNC Shippers; a discussion ensued to try and clarify where costs, if any, should reside.

DA clarified that UNC invoicing was the service affected by this, suggesting it was a User Pays service (re 0450AV). There will be a cost and this should be apportioned is what the Workgroup needs to consider.

JF saw it as an extension of the 0450AV service and any associated costs were likely to be minor – it would be incremental to something existing.

The statement regarding invoicing referred to in Business Rule 2 was queried and DA provided clarification. There will be no alignment to iGT invoices.

CB questioned which was the most cost effective way to deliver this. DA suggested the simplest would be to use the same User Pays principles as applied to Modification 0450AV. CB suggested that both cost options be assessed and considered.

Referring to the CSEP admin charge, DA questioned was it preferred to apply across all points on the CSEP or across all users of the service? Costs relating to 0450AV were in the region of £350K.

Next Steps

The Workgroup felt that to test the benefits of this modification it needed to have more detailed cost information.

HCo will revise the modification and add a further Business Rule relating to validation. He will also give consideration to the application of User Pays.

All parties were asked to consider UNC TPD Section E (Daily Quantities, Imbalances and Reconciliation) and express a view.

Action 0403: Consider UNC TPD Section E (Daily Quantities, Imbalances and Reconciliation) and express a view.

3.0 Workgroup Report

Not reviewed.

4.0 Diary Planning

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

The next meeting will take place within the Distribution Workgroup on Thursday 26 June 2015 at the ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF.

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0301	27/03/14	2.0	<i>Costs</i> - Xoserve to clarify and confirm what, if any, costs (marginal and fixed) would be incurred, and be recoverable and from which parties.	Xoserve (DA/HCh)	Carried forward
0401	24/04/14	1.2	Xoserve to provide a view on the management of User Pays Costs	Xoserve (DA/HCh)	Closed
0402	24/04/14	1.2	National Grid Distribution to provide a view on the whether the obligations should reside within the UNC or CSEP NExA Agreement.	National Grid Distribution (AR)	Carried forward
0403	22/05/14	2.0	Consider UNC TPD Section E (Daily Quantities, Imbalances and Reconciliation) and express a view.	All parties	Pending