

UNC Workgroup 0497 Minutes
Introduction of Annual update to the AQ values within the CSEP
NExA table

Thursday 24 July 2014

at 31 Homer Road, Solihull B91 3LT

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Alex Ross-Shaw	(ARS)	Northern Gas Networks
Amie Charalambous	(AC)	RWE npower
Andrew Margan*	(AM)	British Gas
Anne Jackson*	(AJ)	SSE
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
Darren Lond	(DL)	National Grid NTS
David Addison	(DA)	Xoserve
Dave Mitchell	(DM)	Scotia Gas Networks
Huw Comerford	(HC)	Utilita
Ian Hollington	(IH)	Joint Office
Kirsten Elliott-Smith	(KES)	Cornwall Energy

* *via teleconference*

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0497/240714>

The Workgroup Report is due to be presented at the UNC Modification Panel by 18 September 2014.

1.0 Review of Minutes and Actions

1.1. Minutes

The minutes of the previous meeting were accepted.

1.2 Actions

None outstanding.

2.0 Amended Modification

AC explained the changes made and added that she was considering moving the information under 'Why Change?' into an Appendix as it was related more to the proposed methodology. She had also received some comments from an iGT and intended to add more clarity.

S Ladle (Gemserv) had provided some comments via email, drawing attention to the approval of iGT053, which will be implemented on 01 October 2014, and questioning why AC was seeking implementation by 01 October in the UNC. His email explained that under the iGT053 process a change to the AQ table (if it is going to happen) will be either in the June release or the November release of the iGT UNC depending on whether there is any identified need for further discussion on the proposed AQ Table values coming out of the Annual AQ review process. In his view the UNC change needed to be in place before June next year (2015) not by October this year (2014).

CW observed that UNC Modification 0440 had yet to be decided by Ofgem, and Panel may possibly defer consultation pending Ofgem's decision on Modification 0440. AC confirmed that if Modification 0440 was not implemented then she would revise 0497 and will continue to progress as a pre Nexus implementation (the table will get changed yearly in the CSEP NExA).

BF outlined and clarified the options available depending on the outcome of the Modification 0440 decision. Should elements of Modification 0497 be split out or wait for the 0440 decision? This was discussed. There was no certainty that a decision would be reached in the near future. It was observed there were too many indeterminate factors and it was suggested that Modification 0497 could be split out into before/after Nexus elements. CW explained how text might be produced in each case. The importance was in having an enduring solution to get the table updated, and then to be removed post Nexus when the CSEP NExA would fall away and the requirements would be managed in the IGTAD, hence the link to Modification 0440. AC indicated she would give further consideration as to which route to take for Modification 0497, and what amendments were appropriate. Once the amendments are made CW will arrange for text to be produced.

BF reiterated a UNC progression timetable and AC explained how iGT reviews and decisions worked.

CW suggested AC might like to consider including a communication process for notifying the appropriate parties that the table needs to be updated.

The key point is that the iGTs should be happy with the proposal.

3.0 Legal Text Assessment

National Grid Distribution will provide the legal text for this modification.

S Ladle (iGT UNC Panel Chair) had also provided some comments via email regarding the proposed legal text, remarking that as of 01 October the AQ Table in the iGT UNC will be in a new Ancillary document and not in the main body of the iGT UNC, so the references will need to change. This was as a result of the approval of iGT057S, which was also being implemented in the October release.

He noted that the text also references the term 'Independent Gas Transporter', and questioned if this was correct - the current CSEP NExA appears to refer to the CSO.

He also questioned whether text could propose a change to the IGTAD when Ofgem has not formally approved it yet. Was there still some discussion on whether there should only be one table under Single Service Provision with the UNC potentially pointing to the iGT UNC? In his view this UNC modification might have recommended pointing to the iGT UNC rather than maintaining a separate table as the modification clearly implies that the CSEP NExA table cannot be different to the iGT UNC table.

4.0 Review of Workgroup Report

The Workgroup Report is due for submission to the September UNC Modification Panel.

AC will provide a revised modification and CW will provide appropriate legal text.

The aspiration will be to conclude the Workgroup Report at the next meeting on 15 August 2014 and request the Panel to consider it at short notice.

5.0 Any Other Business

None.

6.0 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 Friday 15 August 2014 at 31 Homer Road, Solihull B91 3LT.

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
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