

UNC Workgroup 0500 Minutes
EU Capacity Regulations – Capacity Allocation Mechanisms with
Congestion Management Procedures

Wednesday 05 November 2014

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

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Alison Chamberlain	(ACh)	National Grid NTS
Andrew Corkhill	(AC)	Eni
Andrew Sanders	(ASa)	Perenco
Anna Shrigley	(AS)	Eni
Antony Miller	(AM)	Centrica Storage
Charles Ruffell	(CR)	RWEst
David McCrone	(DM)	Ofgem
David Tennant	(DT)	Dentons
Graham Jack	(GJ)	Centrica
Jeff Chandler	(JC)	SSE
Lesley Ramsey	(LR)	National Grid NTS
Malcolm Montgomery	(MM)	National Grid NTS
Marshall Hall	(MHa)	Oil & Gas UK
Matthew Hatch	(MH)	National Grid NTS
Nick Wye	(NW)	Waters Wye
Simon Witter	(SW)	Eni

**via teleconference*

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0500/051114>

The Workgroup Report is due to be presented at the UNC Modification Panel by 20 November 2014.

1. Review of Minutes and Action

1.1 Minutes

The minutes of the previous meeting were accepted.

1.2 Action

1002: MH to produce a glossary of terms for the European Interconnector Document.

Update: MM confirmed this had been done. **Closed**

2. Workgroup Report

2.1 Review Amended Modification

MM gave an overview of the proposed amendments to Modification 0500, and explained each in more detail. Attention was drawn to Section 3 Solution (page 10, paragraphs 11-13). The focus then moved to the presentation on 'Within Day Transfers', which illustrated National Grid NTS and PRISMA rules - a trade cannot be retrospective under PRISMA; MM gave an

explanation, confirming that within day trade is still possible and pointing out there are just additional factors to consider.

Suggested amendments to the Business Rules were captured onscreen as the Workgroup reviewed the proposed changes.

It was noted that a section on Charging Methodology Relevant Objectives had been added to take account of the changes proposed to UNC TPD Section Y.

2.2 Consideration of Legal Text

MM explained that the changes made to the legal text had been based on the October Workgroup discussions and the recent amendments made to the modification. Some comments had been received from Ofgem (R Miller) and MM confirmed that these had been responded to.

Referring to EID B8.2.5, DM queried the reference to '20 Business Days', and asked what the period was needed for, why was it so long (he was concerned that if kept at this length it reduced the time available for Ofgem/Shipper dialogue/interaction) and could it be reduced (to 10 Business Days). MM indicated that this reflected what was included in Modification 0485. He believed it was possible for National Grid NTS to make earlier provision of the report and this was covered by the text.

GJ asked if Ofgem would still be interested in receiving under-utilisation reports that were effectively a nil report. DM believed that Ofgem would still be interested (for reassurance) to receive the reports even if no action was required. DM was asked what would Ofgem do with the reports and a discussion ensued. DM was not close enough to the process to comment on for what purpose they might be used. Voicing concerns that the level of exposure was not properly clarified/defined, AS asked if Ofgem would act immediately if oversubscription occurs or address retrospectively. NW commented that Ofgem should have an interest from the point of congestion onwards, and it seemed unnecessary to want the reports if there was no congestion. MM added that potential congestion could be identified and address before it became an actuality. AS pointed out that any party could look on the National Grid website and work out how close a point was to oversubscription.

DM confirmed that a guidance note was being drafted.

Referring back to EID B8.2.5, it was queried whether 'shall' ought to be replaced by 'may'. This was briefly discussed, with the final view being to leave as is.

It was noted that the version of the legal text provided contained a number of square brackets; BF advised the removal of these.

MM will provide a revised modification and legal text for publication.

2.3 Completion of Workgroup Report

BF confirmed the Workgroup Report would be updated to include the amendments made to the modification, and published together with the revised legal text.

3. Next Steps

No further meeting was required.

The Workgroup's report will be submitted to the November UNC Modification Panel meeting, with the recommendation that this modification now be issued for consultation.

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1002	08/10/14	2.2	MH to produce a glossary of terms for the European Interconnector Document.	National Grid NTS (MH)	Closed