

**UNC Workgroup 0506 0506A Minutes
Gas Performance Assurance Framework and Governance
Arrangements**

Tuesday 17 February 2015

at Elexon, 350 Euston Road, London NW1 3AW

Attendees

Bob Fletcher Chair)	(BF)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Andy Clasper	(AC)	National Grid Distribution
Andy Miller	(AMi)	Xoserve
Angela Love	(AL)	ScottishPower
Colette Baldwin	(CB)	E.ON
Edward Hunter	(EH)	RWE npower
Emma Lyndon	(EL)	Xoserve
Jonathan Kiddle	(JK)	EDF Energy
Mark Jones	(MJ)	SSE
Rachel Hinsley	(RH)	Xoserve
Richard Pomroy*	(RP)	Wales & West Utilities

* via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0506/170215>

The Workgroup Report on Modifications 0506 and 0506A is due to be presented at the UNC Modification Panel by 18 June 2015.

1.0 Review of Minutes and Actions

1.1. Minutes

AMi proposed the following paragraph be added to the minutes (at Section 3.0, page 3, following paragraph 3) to provide clarity:

“Modification 0506A has been developed with full openness and transparency in mind. It utilises existing UNC mechanisms – the User Pays principles and Agency Charging Statement, which itself is a governed document. The guidelines document and administrator scope (which is to include costs submission and PAC approval before costs are incurred) are in the public domain and governed by the UNCC/PAC. AMi considered that any concerns regarding Xoserve’s ability to bid for any services to be tendered in the future were a matter for Xoserve. AMi considered that as all PAF discussions were being held in an open industry forum with minutes placed in the public domain Xoserve had no concerns regarding its ability to bid for future services in the event that Modification 0506A was implemented.”

The Workgroup agreed that the addition be made, and the minutes revised and republished accordingly.

The minutes of the previous meeting (04 February 2015) were then approved.

1.2. Actions

Action 0506 1101: Xoserve (EL) to investigate the areas of concern with regards to manual workarounds.

Update: EL indicated that a report would be provided at the next meeting on 24 February 2015. **Carried forward**

2.0 Modification 0506

AL was considering appropriate revisions to the documents/Modification and these would be presented at the next meeting on 24 February 2015.

3.0 Modification 0506A

Revisions had been made to the various documents to take account of discussions at the last meeting. The revised documents were reviewed.

3.1 Guidelines document for the Energy Settlement Performance Assurance Regime

AMi explained the changes made in response to comments made at the last meeting.

It was noted that the existing User Pays guidance document had now been referenced (pages 8/9).

3.2 Performance Assurance Framework Administrator Scope

AMi explained the changes made in response to comments made at the last meeting.

Page 3, etc - The references to Xoserve had been removed and replaced with references to Gas Transporters. An explanatory note had also been added.

Page 8 - A clarifying paragraph had been added under 'Schedule 3/Change Control Procedure/Principles'.

Page 11 - Appendix 1 had been added (example Change Order form).

3.3 Performance Assurance Committee Terms of Reference (ToR)

AMi explained the changes made in response to comments made at the last meeting.

Page 1 - The changes made under 'Committee Structure' were discussed. It was questioned whether further clarity might be required regarding the Gas Transporter (GT) representatives; it was confirmed that it did not include an NTS representative as they were excluded from this proposed version of the regime.

AMi suggested that the Transporters should be able to determine for themselves the allocation of their representation and how this should be configured across 5 nominees. JK queried why it should be limited to one iGT? AMi believed it could be a mix of the DNs and iGTs in any proportion they decided; it was suggested this needed further clarity in the wording.

Page 2 - The reference to voting arrangements had been removed and replaced with an alternative paragraph; the ToR now contained no voting arrangements. This was discussed. CB voiced her concerns regarding omitting this altogether, believing that an explicit decision making of some sort was required. AMi observed that it had not yet been proven there would be a problem to be resolved, and asked for suggestions on voting arrangements. BF suggested a simple majority. Constituencies were briefly discussed (it was noted there were none such specified in the UNC and membership is usually down to a specific party to nominate, e.g. The Gas Forum). AMi reiterated that he had drawn upon the example of the EBCC when reviewing this. It was acknowledged there were a number of queries relating to this area, but this was probably a task for the Committee to address.

BF observed that a more precise definition of consensus might be required. Quoracy was briefly discussed. BF was not certain that this would be the right sort of body for a consensus view to be acceptable and could lead to a significant number of escalations to the UNCC which should be avoided. Accountability of nominees was discussed, and whether any specifications should/could be made to the Gas Forum. Under UNC, Shipper nominees would represent 'the Designated Party's views', i.e. they would represent the views of the Gas Forum. It was difficult at this point to know what anyone would be voting on. CB suggested a high level arrangement could be put in place (before the event it was required for use). AMi indicated he could include basic 'majority' arrangements as a starting point and would also look at the examples of DESC and SPAA.

Next Steps

AMi and MJ will consider appropriate revisions to the documents/Modification in view of the above discussions.

4.0 Consideration of Issues and Questions from Panel in respect of Alternate Modification 0506A

The UNC Modification Panel raised the following questions when it assessed Modification 0506A at its January meeting, and requested that the Workgroup give these specific consideration.

“Question 1: *Clarity is required around the proposed timeline for the PAFA role - what happens when the proposed administrator service times out?*

Question 2: *Consider the costs of the service to be provided and include a benefits analysis.”*

AMi had provided revised responses to these questions, and these had been republished at www.gasgovernance.co.uk/0506/170215.

5.0 Diary Planning

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

Workgroup 0506/0506A meetings will be accommodated within the business proceedings of the Performance Assurance Workgroup, and will take place as follows:

Time/Date	Venue	Workgroup Programme
10:30, Tuesday 24 February 2015	Energy Networks Association (Room 4 - <i>Note: Maximum capacity 20 persons</i>)	Workgroups 0483, 0506, 0509 and 0520.
10:30, Friday 06 March 2015	Energy Networks Association (Room 4 - <i>Note: Maximum capacity 20 persons</i>)	Workgroups 0483, 0506, 0509 and 0520.
10:30, Tuesday 24 March 2015	Energy Networks Association (Room 4 - <i>Note: Maximum capacity 20 persons</i>)	Workgroups 0483, 0506, 0509 and 0520.
10:30, Wednesday 08	31 Homer Road, Solihull B93 9PS	Workgroups 0483, 0506, 0509 and 0520.

April 2015		
10:30, Tuesday 21 April 2015	Energy Networks Association (Room 4 - <i>Note: Maximum capacity 20 persons</i>)	Workgroups 0483, 0506, 0509 and 0520.
10:30, Tuesday 05 May 2015	Energy Networks Association (Room 4 - <i>Note: Maximum capacity 20 persons</i>)	Workgroups 0483, 0506, 0509 and 0520.
10:30, Monday 18 May 2015	Energy Networks Association (Room 4 - <i>Note: Maximum capacity 20 persons</i>)	Workgroups 0483, 0506, 0509 and 0520. Workgroup Reports are due to June Panel.

Action Table (17 February 2015)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0506 1101	26/11/14	2.0	EL to investigate the areas of concern with regards to manual workarounds.	Xoserve (EL)	Carried forward