

UNC Workgroup 0550 Minutes
Project Nexus: Incentivising Central Project Delivery
Wednesday 13 January 2016
31 Homer Road, Solihull B91 3LT

Attendees

Les Jenkins (Chair)	(LJ)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Alex Ross Shaw*	(ARS)	Northern Gas Networks
Angela Love*	(AL)	ScottishPower
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin*	(CB)	E.ON UK
Colin Blair*	(CBI)	ScottishPower
Edd Hunter	(EH)	RWE npower
Erika Melen*	(EM)	Scotia Gas Networks
Phil Lucas	(PL)	National Grid NTS
Richard Pomroy	(RP)	Wales & West Utilities
Steve Mulinganie*	(SM)	Gazprom

*via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0550/130116>

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 March 2016.

1. Review of Minutes (14 December 2015)

The minutes of the previous meeting were approved.

2. Workgroup Report

LJ confirmed that an extension to the reporting date had been approved by the UNC Modification Panel; the Workgroup Report must now be submitted by the March 2016 UNC Modification Panel.

2.1 Amended Modification (draft version 2.4)

EH explained the revisions he had made following the previous meeting. The Workgroup reviewed the changes made to the various sections of the modification and EH noted the suggestions/comments for further consideration; these were captured onscreen as discussions progressed.

It was noted that references to the PwC RAASP report have been removed completely.

The guidance from Ofgem in respect of nomination of a charity was that this was normally expected to be nominated by the party who is making the payment.

References to Transporters were discussed and how the intent of the modification might be applied to one or all Transporters; various scenarios were considered, and it was agreed to make it clear that it referred to 'one or more Transporters' and to 'the large Transporters'.

The Business Rules were considered, discussed and clarified onscreen.

EH will review and submit an amended modification for publication.

2.2 Development of Workgroup Report

Section 4 Relevant Objectives

Relevant objective (f) was considered. Shippers perceived there to be a positive effect. Conversely, Transporters did not believe there would be a positive effect on this objective but, variously, rather no impact or a negative effect, and gave their reasons. Shippers provided a counter view to the points raised by the Transporters. Both arguments were noted onscreen as discussions progressed.

2.3 Legal Text

Legal text will be prepared following the provision of the amended modification, ready for review at the next meeting on 05 February 2016.

3. Outstanding Actions

1201: To provide a history narrative for inclusion within an amended modification and subsequent Workgroup Report.

Update: Provided by Xoserve and included by EH. **Closed**

1202: EH to discuss with the Transporters and agree an appropriate/reasonable figure that might be included from the Price Control.

Update: Superseded. **Closed**

1203: *PwC RAASP report* - EH to obtain explicit confirmation from PwC that use of the information in this document is permitted for the purposes of this modification.

Update: References have been excluded; superseded. **Closed**

1204: EH to reassess whether the figure(s) quoted (£4m-£6m) were appropriate, and make the linkage clear to the projections in the PwC RAASP report.

Update: Dependent on Action 1203, above; no longer relevant. **Closed**

1205: *Business Rules* – EH to determine a Rule that clearly articulates how 'Transporter failure' is determined.

Update: Addressed in the amended draft modification. **Closed**

1206: *Business Rules* - EH to clarify with Ofgem whether it is happy to designate an appropriate charity and how this might be accomplished.

Update: See 2.1, above. **Closed**

4. Next Steps

The Proposer will consider further amendments to the modification as suggested in discussions, and provide a revised modification for publication.

It is anticipated that following a review of the legal text, the Workgroup Report will be finalised at the next meeting (05 February 2016), with the aim of submitting to the February UNC Modification Panel.

5. Diary Planning

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

Workgroup meetings will take place as follows:

Time/Date	Venue	Workgroup Programme
Friday 05 February 2016	31 Homer Road, Solihull B91 3LT	<ul style="list-style-type: none"> • <i>Amended modification</i> • <i>Review of Business Rules</i> • <i>Review of Legal Text</i> • <i>Finalisation of Workgroup Report</i>

Action Table (13 January 2016)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1201	04/12/15	2.1	To provide a history narrative for inclusion within an amended modification and subsequent Workgroup Report.	Xoserve (AM)	Closed
1202	14/12/15	2.1	EH to discuss with the Transporters and agree and appropriate/reasonable figure that might be included from the Price Control.	RWE npower (EH)	Closed
1203	14/12/15	2.1	<i>PwC RAASP document</i> - EH to obtain explicit confirmation from PwC that use of the information in this document is permitted for the purposes of this modification.	RWE npower (EH)	Closed
1204	14/12/15	2.1	EH to reassess whether the figure(s) quoted (£4m-£6m) were appropriate, and make the linkage clear to the projections in the PwC RAASP report.	RWE npower (EH)	Closed
1205	14/12/15	2.1	<i>Business Rules</i> – EH to determine a Rule that clearly articulates how ‘Transporter failure’ is determined.	RWE npower (EH)	Closed
1206	14/12/15	2.1	<i>Business Rules</i> - EH to clarify with Ofgem whether it is happy to designate an	RWE npower (EH)	Closed

Action Table (13 January 2016)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			appropriate charity and how this might be done.		