

UNC Workgroup 0600S Minutes
Amend obligation for the acceptance of EPDQD revisions made
after D+5
Thursday 03 November 2016
at Elexon, 4th Floor, 350 Euston Road, London, NW1 3AW

Attendees

Chris Shanley (Chair)	(CS)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Aoife McNally*	(AN)	National Grid NTS
Andrew Pearce	(AP)	BP Gas
Angharad Williams	(AW)	National Grid NTS
Charles Ruffell	(CR)	RWE
Colette Baldwin	(CB)	E.ON UK
Colin Hamilton	(CH)	National Grid NTS
David Eastlake	(DE)	Interconnector
Gerry Hoggan	(GH)	ScottishPower
Graham Dickson	(GD)	Interconnector
Graham Jack	(GJ)	Centrica
Guy Hannay-Wilson	(GHW)	Chevron Products UK Limited
Irina Oschepkova	(IO)	ENTSO
Jeff Chandler	(JCh)	SSE
Jenny Philips	(JP)	National Grid NTS
Jen Randall	(JR)	National Grid NTS
Julie Cox	(JC)	Energy UK
Justin Goonesinghe*	(JG)	National Grid NTS
Lauren Moody*	(LMo)	National Grid NTS
Les Jenkins	(LJ)	Joint Office
Lucy Manning	(LM)	Gazprom
Mads Damsø Nielsen*	(MDN)	DONG Energy
Matthew Hatch	(MH)	National Grid NTS
Nick Wye	(NW)	Waters Wye Associates
Phillip Hobbins*	(PH)	National Grid NTS
Richard Fairholme	(RF)	Uniper
Richard Miller*	(RM)	Ofgem
Sean Hayward	(SH)	Ofgem
Sean McGoldrick	(SM)	National Grid NTS
Steve Pownall	(SP)	Xoserve

*via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0600/031116>

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

1.0 Outline of Modification

AW introduced the 'Mod 0600S: Amend obligation for the acceptance of EPDQD revisions made after D+5' presentation and explained the rationale behind raising the modification.

Initially discussions centred around the figures provided relating to the potential scale of the problem, with AW advising that she is unsure as to the duration of delays after D+5 (i.e. are these predominately lengthy (close to M+15) or short in nature?).

DE voiced his concerns relating to the reporting, publication and trigger aspects of the modification proposals, as he believes that codifying the publication and reporting obligations on non Code parties is impractical. He would prefer to see a solution that allows the issue(s) to be addressed through contractual discussions (i.e. via NEAs etc.), rather than through Code. Whilst not disagreeing with this option, LJ reminded everyone that this is National Grid NTSs modification and as Proposer it is up to them what is, or is not included within their modification – should anyone wish to pursue a different solution, then they can always raise an alternative modification proposal.

When discussions moved on to consider whether or not it would be possible to establish what might be the underlying trigger for a late revision, AW responded by providing a brief update of the range of problems encountered by the Terminal Operators (errors with equipment, meter errors and resource issues), before indicating that whilst this is predominately a manual workaround process undertaken within National Grid, they (National Grid) are looking to automate parts, or all of the process in due course, which it is hoped would help towards minimising the impact of any inputting issues. When LJ suggested that the 'inference' is that National Grid NTS is mainly at fault, AW responded by pointing out that of the 74 late revisions identified, several related to Terminal Operator. In reiterating his previous points, DE indicated that he does not necessarily agree with the figures and would be undertaking some additional investigations in due course.

A discussion was undertaken on the consequences of the Terminal Operator not providing a reason and the late revision not being allowed. A discussion was then had on whether late revisions with a 'blank' should be accepted, as reporting on these could still prove useful. CS suggested that perhaps one additional option might be for National Grid NTS to become more proactive in challenging the TOs who fail to provide a reason for requesting a revision and/or providing a set of standard reasons to aid the operator.

When LJ reminded everyone that codifying the provisions would / could mean that late notifications, or provision of inappropriate information would no longer be acceptable, some parties suggested that the crux of the matter relates to the justification of revisions, especially late ones – some parties remained unsure as to whether or not, the proposals as drafted would be implementable.

In explaining that his concerns relate to revisions being proposed without supporting evidence, and National Grid NTSs subsequent default position to reject these, GJ wondered whether a halfway house solution that provides a more flexible and workable (discretionary) solution might be preferable. In acknowledging the point, LJ voiced his concerns about the possible erosion of current and future reporting provisions without implementation of 0600S, as it would appear based on discussions, that the current reporting mechanisms are not delivering a suitable solution.

When asked if a move to a D+10 provision had been considered, it was noted that this option had been discounted in previous discussions on the matter. In reminding everyone that this is NTS's modification solution, LJ suggested that should parties have concerns on the proposed solution, they would be able to record these within their respective consultation responses.

When asked if National Grid NTS had discussed the proposed modification solution with the Terminal Operators (TOs), AW explained that whilst not directly in relation to this modification and associated NEA changes, discussions have taken place around the D+5 aspects and that the TOs are broadly supportive so long as there is some flexibility built in to the processes – AW agreed to contact the TOs making late revisions and provide a summary view from the TOs at a future Workgroup meeting.

When considering the final bullet point on the 'Issues Raised at Transmission Workgroup' slide that states that "*.....reporting should be an effective incentive*", some parties questioned whether this is true or not.

Moving on, LJ suggested that there appears to be some significant challenges to the proposed solution for the modification that National Grid NTS need to consider, although he believes that the consensus is that the D+5 principles remain acceptable. Responding, AW acknowledged that it would be beneficial to take some time to consider the points / concerns raised by the Workgroup, and for National Grid NTS to provide responses in due course.

In suggesting that there seems to be a consensus that there is a need for an incentive to stop parties from straying from the D+5 provisions, LJ requested that DE looks to provide a statement for inclusion within the Workgroup Report that identifies the effort being expended by both National Grid NTS and CVSL to obtain acceptable data, especially as the community is looking to have the best quality data available.

It was felt beneficial for the following key points to be considered by National Grid NTS:

- an indication of the timescales of the late revisions;
- for them to work with CVSL to confirm the exact number of late revisions and there triggers / owners / remedial actions, etc. (i.e. a better understanding about why amendments miss the D+5 deadline);
- provision of Terminal Operator views on the proposals; and
- consideration of a reasonable endeavours clause might also be beneficial if the provision of a reason for the later revision is not found to be feasible.

Closing discussions, CS indicated that in light of today's discussions he would be asking the November Panel for a 3 month Workgroup Reporting extension through to February 2017.

Action 1001: National Grid NTS (AW) to look to provide a response to Workgroup questions and concerns including provision of a summary view from the TOs, and possibly a draft amended modification for consideration at the December Workgroup meeting.

Action 1002: CVSL (DE) to look to provide a statement for inclusion within the Workgroup Report that identifies the effort being expended by both National Grid NTS and CVSL to obtain an acceptable quality of data / minimise the number of post D+5 revisions.

2.0 Initial Discussion

2.1. Initial Representations

None received.

3.0 Workgroup Assessment

Consideration deferred.

4.0 Completion of Workgroup Report

4.1. User Pays

Consideration deferred.

4.2. Relevant Objectives

Consideration deferred.

4.3. Implementation

Consideration deferred.

4.4. Legal Text

Consideration deferred.

4.5. Recommendation to Panel

Consideration deferred.

5.0 Next Steps

National Grid NTS to consider the points raised during the Workgroup discussions with a view to providing suitable responses and/or an amended (draft) modification for further consideration at the next Workgroup meeting.

6.0 Any Other Business

None.

7.0 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
10:00 Thursday 01 December 2016	Elexon, 350 Euston Road, London NW1 3AW	Detail planned agenda items. <ul style="list-style-type: none"> • Consideration of an Amended Modification • Development of Workgroup Report <ul style="list-style-type: none"> • <i>Consideration of User Pays</i> • <i>Review of Relevant Objectives</i> • <i>Implementation</i> • <i>Consideration of Legal Text</i> • <i>Recommendation to Panel</i>

Action Table (03 November 2016)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1001	03/11/16	1.0	To look to provide a response to Workgroup questions and concerns including provision of a summary view from the TOs, and possibly a draft amended modification for consideration at the December Workgroup meeting.	National Grid NTS (AW)	Pending
1002	03/11/16	1.0	To look to provide a statement for inclusion within the Workgroup Report that identifies the effort being expended by both National Grid NTS and CVSL to obtain an acceptable quality of data / minimise the number of post D+5 revisions.	CVSL (DE)	Pending