
DN Charging Methodology Forum Minutes
Tuesday 23 October 2012
ENA, 52 Horseferry Road, London. SW1P 2AF

Attendees

Tim Davis (Chair)	(TD)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Andrew Green	(AG)	Total
Bernard Kellas	(BK)	SSE
Ben Tucker	(BT)	EDF Energy
Binoy Dharsi	(BD)	EDF Energy
Clare Cantle-Jones*	(CJ)	ENA
Colette Baldwin	(CB)	E.ON UK
David Chalmers	(DC)	National Grid Distribution
Gareth Evans	(GE)	Waters Wye Associates
George Moran	(GM)	British Gas
Jens Martin	(JM)	E.ON UK
Joanna Campbell	(JC)	Ofgem
Joanne Parker	(JP)	Scotia Gas Networks
Joel Martin	(JM)	Scotia Gas Networks
John Edwards	(JE)	Wales & West Utilities
Jonathan Wisdom	(JW)	RWE npower
Steve Armstrong	(SA)	National Grid Distribution
Will Guest	(WG)	Northern Gas Networks

* *via teleconference*

Copies of all papers are available at: www.gasgovernance.co.uk/dncmf/231012

1. Introduction and Status Review

1.1 Review of Minutes

The minutes of the previous meeting (23/07/12) were accepted.

1.2 Review of Actions

No outstanding actions to review.

2. Workgroups

The following Workgroup meetings took place:

- 2.1** 0418 – Review of LDZ Customer Charges
(Report to Panel 18 October 2012) - Papers at:
www.gasgovernance.co.uk/0418

3. Discussions

3.1 Leakage Model Modification(s) Update

SA provided a brief overview of the presentation explaining that this is providing an initial 'heads up' following an airing at the 06 January 2012 Shrinkage Forum.

Looking at the proposed LP Service modification, SA advised that the modification would apply to the leakage assessment for 2013/14 – this being the 1st year of the next price control period.

In considering the impact on key shrinkage dates and whether or not it would be appropriate to include an estimate of the potential impact of the two proposed modifications, SA advised that this is still being considered, especially in light of the various charging volatility discussions being undertaken.

When asked whether the two proposed modifications could lead to an increase in shrinkage, SA felt that this would not necessarily be the case and would be dependent upon the individual network characteristics. However, he envisaged that revenue impacts would be seen in 2015/16.

In closing, SA enquired whether or not parties believe that there would be a benefit in aligning the charging and shrinkage forum meetings. Following an inconclusive discussion, TD advised that the JO would consider the respective agendas for the next meetings and conclude whether or not it is appropriate to propose aligning meetings.

4. Issues

4.1 New Issues

No new issues raised.

5. Any Other Business

Modification 0368 "Smoothing of Distribution Charge Variation"

AG advised that he would consider the points discussed during the day and decide how to take this modification forward – which may be whether as is, substantially amended or withdrawn. It was noted that a Workgroup Report is due to be presented by the December Panel meeting.

6. Diary Planning for Workgroup

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

It was agreed that the next meeting would be scheduled to take place as early as practical in January 2013.