

Transmission Workgroup Minutes
Thursday 03 May 2012
Elexon, 350 Euston Road, London NW1 3AW

Attendees

Tim Davis (Chair)	(TD)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Bethan Winter*	(BW)	Wales & West Utilities
Charles Ruffell	(CR)	RWE npower
Chris Shanley	(CS)	National Grid NTS
Chris Wright	(CW)	Centrica
Colin Thomson	(CT)	Scotia Gas Networks
Debra Hawkin	(DH)	National Grid NTS
Deepak Mistry	(DM)	National Grid NTS
Derek Jamieson	(DJ)	ESBI
Erika Melen	(EM)	Scotia Gas Networks
Gerry Hoggan	(GH)	ScottishPower
Graham Jack	(GJ)	Centrica
Jeff Chandler	(JC)	SSE
Julie Cox	(JCx)	Energy UK
Lewis Hodgart	(LH)	Ofgem
Malcolm Arthur	(MA)	National Grid NTS
Mike Wassell	(MW)	National Grid NTS
Paul Mott	(PM)	EDF Energy
Phil Broom	(PB)	GDF Suez
Rekha Theaker	(RT)	Waters Wye Associates
Richard Fairholme	(RF)	E.ON UK
Richard Hounslea	(RH)	National Grid NTS
Robert Cameron-Higgs*	(RCH)	Wales & West Utilities
Shelley Rouse	(SR)	Statoil

* via teleconference

1. Introduction

Copies of all papers are available at www.gasgovernance.co.uk/tx/030512

TD welcomed attendees to the meeting.

1.1 Review of Minutes and Actions of the previous meeting (05 April 2012)**1.1.1 Minutes**

The minutes of the meeting were accepted.

1.1.2 Actions

TR01/01: Network flexibility - Provide evidence (data) to demonstrate that network usage is changing and will continue to do so, and that regime change is needed to accommodate this.

Update: Presented at the Transmission Workgroup (Issues) meeting on 01/05/12. **Closed**

TR0401: 0376 - Seek a view as to whether a manual workaround or the systems development will be in place by 01 October 2012.

Update: Xoserve has confirmed that a change order is being progressed, and the work pack request issued. However, Xoserve is not assessing feasibility of a manual work around; it is assessing the impacts upon both system and reports. The analysis and testing are currently not planned to commence until 30 July 2012; this is essentially due to availability of Gemini environments, which are currently fully utilised supporting both exit and GRP.

Shippers were concerned at the inordinate length of time that any solution was taking to put in place. MW agreed to keep the Workgroup informed of progress. **Carried forward**

TR0402: EU Update/Data Exchange - Clarify if there is to be a common language for data exchange.

Update: No update available. **Carried forward**

TR0403: NTS Shorthaul Issue (Modification 0419) - Confirm if MNEPOR to be publicly available (or will it be so to all Users).

Update: DH confirmed it was currently published in a table on the National Grid website (under the transition arrangements) but this would stop, and going forwards, it would be available on Gemini. **Closed**

RT asked what would happen if a party did not have access to Gemini.

New Action TR0504: DH to provide a link to the existing information and establish if publication of the information at this location/in this format can be continued (or provide a reason why it could not continue).

Post meeting note: The following Links have been provided:

<http://www.nationalgrid.com/uk/Gas/Data/TransitionalExitCapacityReports/>

Link to document on page:

<http://www.nationalgrid.com/NR/rdonlyres/C1651F44-E6AF-44DA-998F-4AB88851FA4C/53131/04TransitionalExitDataPublicationApr12.xls>

1.2 Review of Live Modifications not covered elsewhere on the agenda

The Modifications Register is at: www.gasgovernance.co.uk/mods.

Of specific note was:

0407 – CS provided the following update on progress of the Workgroup discussions to date.

The Offtake Arrangements Workgroup had considered a number of alternative approaches brought forward as potential solutions to the issue that had given rise to Modification 0407. However, none of the alternatives had attracted significant support. Given that the existing Modification 0407 will therefore move through the process unchanged it was made clear that both quantitative and qualitative assessment of the impacts of the proposal need to be completed.

In National Grid NTS' view, an assessment of the impact on the network is required in order to determine whether implementation of the modification would give rise to any NTS investment requirements. To facilitate this analysis the Transporters met to discuss how this work might be approached and National Grid NTS was currently working up a scope of works for the analysis and had requested Distribution Network (DN) input ahead of another meeting of the Transporters to hopefully finalise these documents to enable the work to be commissioned.

National Grid NTS and the DNs took opposite views about who should fund the above system impact analysis and National Grid NTS was reconsidering its position in this respect.

Given the number of Offtakes involved in the proposal, and therefore the extent of the network analysis required, it is clear that the work cannot be completed and the results analysed before Workgroup 0407's current report date to the UNC Modification Panel in June. An extension request is therefore anticipated at the May UNC Modification Panel.

1.3 Ofgem Update

LH reported on recent Ofgem activities:

- **RIIO-T1:** Ofgem's consultation inviting stakeholders to review and submit comments on National Grid Gas' RIIO-T1 business plan closed on 13 April 2012. Ofgem received five responses. Non-confidential responses will be available to view on Ofgem's website imminently. Ofgem's Initial Proposals on RIIO-T1 will be published in July 2012. Copies of the business plans are available at the following location: <http://www.talkingnetworkstx.com/our-business-plans.aspx>.
- **Mitigating network charging volatility arising from the price control settlement published 13 April 2012.** The consultation outlines five potential options that could help mitigate network charging volatility, or its effects, arising from the price control settlement. This issue affects all four network sectors that Ofgem regulates. The consultation closes on 11 June 2012. For more information contact: joanna.campbell@ofgem.gov.uk
- **Notice of proposed modification to National Grid Gas' gas transporter licence - revenue drivers for South East exit capacity – 20 April 2012.** Decision letter and statutory consultation on the

licence changes necessary to implement new revenue drivers for South East exit capacity. The consultation closes on 18 May 2012.

- **Extending timescale for responses on draft direction to introduce gas theft risk assessment service – 27 April.** The consultation sets out proposals to improve the arrangements for tackling gas theft. In response to stakeholder feedback the timescale for responding to the consultation has been extended from 30 April 2012 to 31 May 2012. For more information contact: andrew.wallace@ofgem.gov.uk

1.4 European Developments

1.4.1 Gas Balancing Update

CS gave a presentation, outlining the ENTSOG project plan timescales. He encouraged parties to read the consultation documentation and to be aware that there was a formal template to use for responses, reminding that the response deadline was 12 June 2012. JCx added that parties would also find it very helpful to read the associated documentation to aid in their understanding of the questions and how they link to the code. Parties were urged to get actively involved in the debate at the May meeting.

CS outlined the Chapters in the EU Gas Balancing Code and drew attention to particular points of interest relating to various Chapters. He emphasised that this code would prevail over the UNC as well as all the other codes. If parties identified any further issues they were asked to inform National Grid NTS as soon as possible so that they could be pursued. JCx pointed out that a temporal product would already be covered under Modification 0195AV.

Parties were urged to pay specific attention to the Nomination process/rules, and the Within Day Obligations (potential for ramp rates and notice periods to disappear).

A 24 month period for implementation would be quite challenging and National Grid NTS would be in further discussion regarding this.

National Grid NTS sought views as to whether the level of detail was sufficient or if there were any outstanding issues not yet covered. Referring to standard products, JCx raised questions regarding weekends and Bank Holidays and how trading was envisaged to happen and suggested National Grid NTS seek further clarification.

1.4.2 Interoperability Update

CS reminded parties that the consultation closed on 16 May 2012 and encouraged parties to respond.

1.4.3 EU Capacity Allocation Mechanism (CAM) Network Code and Congestion Management Procedures (CMP) Guideline Proposal Update

EU CAM Network Code

DH presented on this area and highlighted the questions still being discussed between ENTSOG and ACER:

- Centred on withholding capacity - from long term to short term auctions – 10% was currently agreed but this was up for debate.
- The sale of unbundled capacity: Technical Interconnection Point Mismatches – there were issues about how much GB can sell above the amount; under discussion as to how to sell as Firm capacity product on either side; also number of Users was an issue.
- Tariffs – Still under considerable debate; there was a view this should not be under the CAM code but in a separate Tariff code. It was hard to know whether it would hold up the CAM code, but it may be taken out of the CAM code and discussed later.
- Establishing Virtual Interconnection Points – what level of mergers might happen between zones.

CMP Guidelines

A revised version of the CMP Guidelines were sent via Ofgem to GB Stakeholders.

1.4.4 European Updates Timetable

The programme of updates to be given to the Transmission Workgroup over the next few months is detailed below:

Topic	Workgroup Date
<ul style="list-style-type: none"> • Balancing update - Provide update on National Grid NTS' views and response • Capacity Allocation Mechanism (CAM) update • Summary of National Grid NTS' response to Interoperability FG Consultation 	07 June 2012
<ul style="list-style-type: none"> • Output from SJWS on TYNDP/Final ENTSOG TYNDP proposal 	05 July 2012
<ul style="list-style-type: none"> • To be confirmed 	02 August 2012

JCx referred to a Workshop on Incremental Capacity, which had been attended by Chris Logue (National Grid NTS), and suggested that an update from that meeting would be welcomed, specifically an indication of 'the direction of travel'.

Action TR0505: Incremental Capacity Workshop- National Grid NTS to provide an update, specifically an indication of 'the direction of travel'.

2. Workgroups

The following individual Workgroup meetings took place:

2.1 0412 – Changes to the Stages of Emergency Resulting from Changes Introduced by Exit Reform

Minutes for this meeting are at www.gasgovernance.co.uk/0412/030512

It was agreed at the Workgroup 0412 that its Action 001 should be transferred to the main Transmission Workgroup Action Log for monitoring purposes.

New Action TR0506: Review the terminology used to identify an LDZ interruptible customer within UNC and the Safety Case and who would be impacted from a customer perspective.

2.2 0415 – Revision of the Gas Balancing Alert Arrangements

Minutes for this meeting are at www.gasgovernance.co.uk/0415/030512

2.3 0419 – Redefining the capacity of the Specified Exit Point used in the calculation of the NTS Optional Commodity tariff

Minutes for this meeting are at www.gasgovernance.co.uk/0419/030512

3. Issues

3.1 Communications – Force Majeure and Emergency

JC indicated that a potential modification was under development.

3.2 Aligning the connections and capacity processes

A meeting took place on 01 May 2012 at 31 Homer Road, Solihull B91 3LT.

Minutes for this meeting are at www.gasgovernance.co.uk/tx/010512

A further meeting will be arranged for mid-June, details to be confirmed.

3.3 Network flexibility

A meeting took place on 01 May 2012 at 31 Homer Road, Solihull B91 3LT.

Minutes for this meeting are at www.gasgovernance.co.uk/tx/010512

It was agreed that this issue would be closed. National Grid NTS will continue to monitor and report to the Operations Forum and if any issues become magnified they will draw these to the Workgroup's attention.

3.4 New Issues

3.4.1 Transmission Planning Code (TPC)

DM gave a brief presentation outlining the background and the proposed review. National Grid NTS were undertaking an internal review at present and any issues raised will feed into the wider review and included in the consultation.

JCx pointed out that certain discussions relating to Chapters 7 and 8 were ongoing, with no prospect of conclusion expected before the TPC consultation is concluded.

4. Any Other Business

4.1 New Modification 0423 – Removing the UNC TPD Section O requirement to publish nodal forecast data only at the same time as the Ten Year Statement

RH confirmed that this modification had been proposed as self-governance and welcomed any questions before discussion at the next Workgroup.

4.2 NTS Exit Regime Daily Processes Overview

Reminding the Workgroup that the regime moves from the 'Transitional' to the 'Enduring' period on 01 October 2012, MW gave a presentation outlining various aspects and refreshing awareness of the related principles and process under UNC TPD Section B.

Referring to the statement (slide 5) "If 13:30 D-1 Demand forecast >80% of 1 in 20 peak day demand then MNEPOR is not released" RT questioned publication; MW believed that this would be published on a daily basis on Gemini and through MIPI but would check where and how.

Action TR0507: National Grid NTS to check publication format and location in relation to statement "If 13:30 D-1 Demand forecast >80% of 1 in 20 peak day demand then MNEPOR is not released".

5. Diary Planning

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

The next Transmission Workgroup meetings are scheduled as follows:

10:00 07 June 2012, at ELEXON, 350 Euston Road, London NW1 3AW
and subsequently

10:00 on the first Thursday of each month, at ELEXON, 350 Euston Road, London NW1 3AW

EXCEPT (in light of the Olympic Games):

10:00 02 August 2012, at National Grid, 31 Homer Road, Solihull B91 3LT

Action Log – UNC Transmission Workgroup: 03 May 2012

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
TR0101	31/01/12	2.2	Network flexibility - Provide evidence (data) to demonstrate that network usage is changing and will continue to do so, and that regime change is needed to accommodate this	National Grid NTS (PG)	Closed
TR0401	05/04/12	1.3	0376 - Seek a view as to whether a manual workaround or the systems development will be in place by 01 October 2012.	National Grid NTS (MW)	Update due at next meeting.
TR0402	05/04/12	1.4	EU Update/Data Exchange - Clarify if there is to be a common language for data exchange.	National Grid NTS (PH)	Update due at next meeting.
TR0403	05/04/12	3.4.1	NTS Shorthaul Issue (Modification 0419) - Confirm if MNEPOR to be publicly available (or will it be so to all Users).	National Grid NTS (DH)	Closed
TR0501	01/05/12	3.1	National Grid NTS to develop more detailed Connections and Capacity processes (commercial changes, pros and cons) for review and discussion.	National Grid NTS (MW/EC)	
TR0502	01/05/12	3.1	National Grid NTS to provide more detail and worked examples of how exit capacity was to be made available in different circumstances.	National Grid NTS (MW/EC)	

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
TR0503	01/05/12	3.1	National Grid NTS to provide more detail and worked examples of the incremental processes and management of any transitional requests/arrangements.	National Grid NTS (MW/EC)	
TR0504	03/05/12	1.1.2	NTS Shorthaul Issue (Modification 0419) – Availability of MNEPOR information: Provide a link to the existing information and establish if publication of the information at this location/in this format can be continued (or provide a reason why it could not continue).	National Grid NTS (DH)	
TR0505	03/05/12	1.4	EU Developments Updates: Incremental Capacity Workshop - National Grid NTS to provide an update, specifically an indication of 'the direction of travel'.	National Grid NTS (DH)	
TR0506	03/05/12	2.1	Action 001 transferred from Workgroup 0412: Review the terminology used to identify an LDZ interruptible customer within UNC and the Safety Case and who would be impacted from a customer perspective.	National Grid Distribution (AR)	Update due at next meeting. Carried forward
TR0507	03/05/12	4.2	National Grid NTS to check publication format and location in relation to statement "If 13:30 D-1 Demand forecast >80% of 1 in 20 peak day demand then MNEPOR is not released".	National Grid NTS (MW)	