

Transmission Workgroup Minutes
Thursday 10 January 2013
ELEXON, 350 Euston Road, London NW1 3AW

Attendees

Tim Davis (Chair)	(TD)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Alan Raper	(AR)	National Grid Distribution
Alison Chamberlain	(AC)	National Grid Distribution
Andrew Fox	(AF)	National Grid NTS
Andrew Pearce	(AP)	BP Marketing
Antony Miller	(AM)	Centrica Storage
Bethan Winter	(BW)	Wales & West Utilities
Charles Ruffell	(CR)	RWE Npower
Chris Shanley	(CS)	National Grid NTS
Chris Wright	(CW)	Centrica
Debra Hawkin	(DH)	National Grid NTS
Emma Buckton*	(EB1)	Northern Gas Networks
Erika Melen	(EM)	Scotia Gas Networks
Fiona Strachan	(FS)	Gazprom
Graham Jack	(GJ)	Centrica
Harvey Beck	(HB)	Ofgem
James Thomson	(JT)	Ofgem
John Costa	(JC)	EDF Energy
Julie Cox	(JCx)	Energy UK
Lewis Hodgart	(LH)	Ofgem
Lorna Lewin	(LL)	DONG Energy
Peter Bolitho	(PB)	Waters Wye Associates
Phil Hobbins	(PH)	National Grid NTS
Richard Fairholme	(RF)	E.ON UK
Rob Marshall	(RM1)	National Grid NTS
Robert Cameron-Higgs	(RCH)	Wales & West Utilities
Roddy Monroe	(RM)	Centrica Storage
Shelley Rouse	(SR)	Statoil UK

**via teleconference*

1. Introduction

Copies of all papers are available at www.gasgovernance.co.uk/tx/100113

TD welcomed attendees to the meeting.

1.1 Review of Minutes and Actions

1.1.1 Minutes (06 December 2012)

The minutes of the meeting were approved.

1.1.2 Actions

TR0801: Draft Modification – Development of the capacity and connection processes – Planning and Advanced Reservation of Capacity Agreement

(PARCA) - National Grid NTS (MW) to provide worked examples of the PARCA approach under differing scenarios.

Update: Ongoing; update at meeting on 31 January 2013. **Carried forward**

TR0903: Capacity and Connections: Produce an expanded document (based on the structure of a modification proposal template) to clearly demonstrate the need for change, how this might be achieved, and giving consideration to wide ranging industry impacts.

Update: To be progressed when a preferred option has been identified. Update at meeting on 31 January 2013. **Carried forward**

TR1101: Aligning the connections and capacity processes - Long term non-firm capacity: MW to draft a modification.

Update: Development continuing; AF reported that system impacts were under discussion with Xoserve. Update at meeting on 31 January 2013. **Carried forward**

TR1102: Aligning the connections and capacity processes - Consider the pros and cons of a specific PARCA window.

Update: Under consideration; update at meeting on 31 January 2013. **Carried forward**

TR1201: Establish the specifications, eg size and delivery capabilities, of available pipes, and any associated caveats relating to potential multi-party use.

Update: Update to be provided at meeting on 31 January 2013. **Carried forward**

TR1202: Review, compare and assess the interactive offers process in place on the electricity side with what is being proposed on the gas side, and report on any useful findings that can be considered for inclusion.

Update: Under consideration; update at meeting on 31 January 2013. **Carried forward**

TR1203: PARCA Stages - Consider appropriate timescales between stages, and at the last stage.

Update: Under consideration; update at meeting on 31 January 2013. **Carried forward**

TR1204: Planning consents – Check and confirm all time limits.

Update: Update to be provided at meeting on 31 January 2013. **Carried forward**

1.2 Review of Live Modifications not covered elsewhere on the agenda

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

0276 – Implementation date to be confirmed;

0338V – Implementation was effective 01 January 2013;

0376S – Implementation for June 2013 is being progressed with Xoserve; implementation date to be confirmed.

0407 – See 1.2.1 below.

0420 - Implementation date to be confirmed;

0426 – Rejected by Ofgem on 20 December 2012;

0435 – Next Workgroup meeting will take place at 10:30 on Monday 28 January 2013 at Energy UK's offices. Intention to attend the meeting should be registered with the Joint Office by 22 January 2013 at the latest.

0444 – New Modification for January UNC Modification Panel consideration.

1.2.1 Modification 0407 – Standardisation of notice periods for offtake rate changes for all National Grid NTS Exit Users

a) Background

RCH explained that Workgroup 0407 had requested that the implications and impacts of this modification be brought to the attention of a wider Shipper audience, and that any views expressed or any issues not previously recognised be drawn out for inclusion in the Workgroup's Report which was due to be submitted to the February UNC Modification Panel. There was no consensus yet between National Grid NTS and the DNs as to the most appropriate approach to be taken.

b) Presentation by Wales & West Utilities

RCH gave a presentation on behalf of all the DNs providing an overview of the DNs' assessment of current OAD rules and their ability to comply, the differentiation between rules for any potential new LDZ connectees and those connecting directly to the NTS system, and an assessment of costs to the DNs to comply with the existing OAD rules.

Since 2005 non-compliance has been ongoing in all 13 LDZs, and none of the GDN OPNs have been rejected, as NTS could accommodate them and assumed that all connectees would be able to be compliant on a peak day, when they would expect to enforce the requirement. However, DNs cannot guarantee that they would be compliant on a Peak day, and have made this plain to National Grid NTS.

A major issue is perceived when looking at facilitating new LDZ connections (currently at least 4 known enquiries (VLDMC size) across the DNs showing a strong interest in connecting to LDZ networks). An assessment indicates there is no viable alternate route to the NTS in at least one instance where the site is at the extremity of the LDZ Network - it has to be an LDZ connection. This highlights an issue, whereby no new contractual arrangement can be made that exacerbates a DN's current position of non-compliance; the DN cannot knowingly connect a site that would compound non-compliance.

RCH explained the ramifications for potential new connectees and emphasised the potential connectees' current reluctance to connect under the existing rule, which would necessarily be mirrored in the NExA. It is known that the prospective new connectee would not be satisfied with commercial constraints of the 2 hour/5% rule in any new NExA. The consequence of this position appears to be that the prospective new

connectee either accepts 2 hour/5% in its NEXA or it pays the cost of investing in the required storage. RCH pointed out that NTS Flex cannot be used for this purpose as it is also bound by 2 hour/5% notice periods, and therefore the solution would need to be physical storage in the LDZ.

The current position is that the prospective new connectees are awaiting the outcome of Modification 0407 prior to initiating any further development with the DNs, and if the current contractual rules in OAD are maintained without change it is unlikely that any prospective enquiry will proceed.

RCH then set out an assessment of the DNs' potential investment costs to avoid non-compliance and explained why these would be considered to be excessive and of no benefit to other parties. It was estimated to cost in excess of £350m just to achieve a 'holding' position of compliance with the current rule, without taking into account what further investment might be required to fulfil requirements for the 4 new enquiries. It was pointed out that a site wanting to participate in the electricity market requires the capability and assurance that it can invoke a significant increase in ramp rate.

JCx asked how such a tacitly accepted position of non-compliance had been reached. RCH briefly explained the legacy positions inherited by DNs at the time of Network Sales in 2005, at which time perceived non-compliance had been raised by Wales & West Utilities, and that it had been happening in one or more LDZs since then. CW asked if any storage sites had been decommissioned that might have alleviated the position. RCH believed that any such action would not have exacerbated the issue. AR explained that decommissioned holders provide diurnal storage and would not have the capability to support ramp rates. BW explained the subtle changes relating to the use of NTS flex and DN storage, and made reference to the work undertaken for Modification 0316 that considered the range of issues and options.

PB suggested it would be important to understand if there has been any reduction in flexibility and to compare growth to demand. Has there been an effective reduction? Should investment in pipeline be made to maintain the status quo? RCH recognised the point made and offered to issue a post meeting note to address this.

BW pointed out that assumptions made about power stations and their behaviours (they have been encouraged to enter different markets) have had to change. RCH and AR believed that the DNs should be able to offer the terms and flexibility requested, and were currently being prevented from actively addressing this; DNs cannot add to the inherited position of non-compliance, and were seeking the same terms as NTS Direct Connects.

Responding to a question from GJ, RCH confirmed that, for an LDZ that comprises purely domestic sites, the current rule works fine; for anything other than that, with large loads and random switching on/off, it is not fit for purpose and restricts what can be done. NEXAs were briefly discussed. RCH reiterated that the current position needed an equalisation of rules. PB suggested that the NTS might lose some flexibility, but RCH was not persuaded of this.

RCH summarised the key issues:

- There appeared to be a clear case of two tier rules for power stations/large sites seeking to connect, impacting on the ability for equal access to participate in the Electricity Balancing market;
- Implementation of Modification 0407 would make the DNs compliant but critically would **NOT** alleviate the deficit concerns which National Grid NTS has illustrated imply a multi million pound investment ;
- Should/has National Grid NTS used all the available system balancing tools/rules available to it to facilitate Modification 0407 before identifying the investment suggested?

CS asked for an expansion of what RCH had in mind in respect of the third point. AR suggested it would be useful for DNs to understand what actually occurs when a 'non-compliant flow' happens. CS explained the tools available to NTS.

CS confirmed that Operating Margins (OM) has not been called for a while; this was used to address short-term deficits. CR asked about the scale of the non-compliant flow – was it something that 'set off alarm bells' or would go through virtually unnoticed? CS referred to 'difficult days' under peak conditions. The system works fine for most of the time. AR thought instances would be more apparent on low demand days – for peak demand to be reached, large loads would already be running. Reiterating that it is a difficult job to manage the system, CS added that NTS has some element of discretion as to whether to ignore or reject, depending on what the perceived consequences would be.

Responding to questions, RCH confirmed it was not an 'optional rule' and was not discretionary. JCx questioned how this was consistent with the indication that NTS exercises discretion?

RCH summarised that the DNs believe that Modification 0407 is still a compelling case and the investment costs assessed and proposed by the DNs and National Grid NTS are not viable (and in the case of DNs would not alleviate new connectees' issues). The options put forward so far should not be 'instead of' but should be 'as well as' 0407. If the 2 hour/5% rule were to be proposed now it would be rejected as inappropriate. It needs relaxation and equalisation of control.

JCx asked if analysis had been done to see if percentage movements would make any improvements. PH answered that the rule had been assessed as it is at the moment. Planning processes assume that the rule is being complied with and when design conditions are reached, National Grid NTS needs to be confident that all will be well. Peak events have not yet been reached that would put this to the test.

c) Presentation by National Grid NTS

CS gave a presentation (previously made at the meeting of Workgroup 0407 on 12 December 2012) and encouraged those present to read the GL Noble Denton analysis (available at:

[http://www.gasgovernance.co.uk/sites/default/files/Presentation%20\(provided%20by%20GL%20Noble%20Denton\).pdf](http://www.gasgovernance.co.uk/sites/default/files/Presentation%20(provided%20by%20GL%20Noble%20Denton).pdf)

The findings were summarised regarding the performance and linepack depletion effect, the effect of removing the rule completely, and other combined/variable effects. CS commented that, in reality, National Grid NTS was not getting the stability expected from compliance with the rule.

Presenting National Grid NTS' initial thoughts concerning the analysis CS indicated there were implications for Modification 0407 and also wider considerations in relation to the NTS Design Margin, NTS's approach to flow change requests, accuracy and timing of OPNs; and a requirement to consider the development, in the medium-term, of commercial solutions for all NTS System Points, and a need to develop total system options to deliver customer requirements. CS outlined considerations perceived necessary for each of the areas identified.

NTS Design Margin Impact

The Design Margin was explained; to increase the Design Margin from its current level at 2% to between 5% and 7% the cost could be between £500m and £1.4bn. There is a detailed methodology to support the Design Margin, which is a complex area. The Design Margin was reduced to 2% in 2008 as a result of Exit Reform changes to the capacity booking process and changes to supply planning assumptions. Further analysis is being done.

RM observed that if Storage responds to the volatility surely it evens out, ie demand and supply? CS responded that there would always be a slight lag between what comes on and off the NTS. The reduction from 5% to 2% was made because the risk was believed to be lower.

RM questioned, how do you reduce the flexibility of the pipeline? You haven't removed any pipes?

CS observed that 6% is the effect seen as a result of non-compliance issues; a more informed view was likely to be available later in January following further analysis.

It could be questioned how much is the result of poor information and how much is the result of the inflexibility of the rule/process. AR commented on the extreme to which it seemed to be designed. There were permitted movements in OPNs. CS commented that the analysis was only trying to analyse non-permitted movements (se GL Noble Denton analysis for more details). Direct Connects and behaviours have not been analysed.

NTS approach to flow change requests

CS outlined the current position. There was more flexibility on the system away from Peak demand to accommodate flow changes outside of the contracted rules where it was safe to do so and would not result in a balancing action having to be taken.

Accuracy and timing of OPNs

CS observed that good information is critical for processes to work efficiently and effectively. There have been meetings to improve all types of DN and NTS performance, and the improvements made in this area have been

encouraging. The ability is there to reject OPNs if necessary, and if 'difficult days' are experienced over winter this may yet happen.

Medium-term commercial solutions and development of Total System options

CS highlighted potential options put forward so far, indicating that this was likely to be a broader piece of work next year to review a wider total system commercial solution. It was noted that an Assured Pressures option had been rejected at Workgroup 0407.

Concluding the presentation CS asked if there were views on potential workable alternatives. RCH indicated that DNs were considering the options and would discuss at the next Workgroup 0407 meeting on 29 January 2013. He reiterated that these should not be seen as 'instead of' Modification 0407, and added that these options could be considered outside of Modification 0407.

National Grid NTS is undertaking further analysis and expects to share the results once available at the Workgroup 0407 meeting.

d) General discussion

A common sense solution needs to be found for all parties to reach an acceptable and workable position.

PH asked if the DNs accepted the point of principle that rules should be different for NTS Direct Connects because of the importance of assured pressures to DNs. PH explained the differences – as these were two different categories with different requirements different rules might be expected.

AR suggested that it would be useful to understand what action(s) the Control Room takes in a scenario when a DC ramps up 'from scratch'.

CS commented that the issue was seen to be one primarily relating to Peak demand, and it would not be the DNs solely rejected in the event of need – it would also be other parties.

AR believed there was a need to understand what level of depletion produces a perception/recognition of an action being required to address. A pragmatic approach is required – looking at extremes is not how a solution will be reached.

TD asked if there were any Shipper views.

PB questioned if there really was a problem, now or in the future, thinking about scarcity and the best use of NTS flexibility. Planning criteria should be examined for both NTS and the DNs and it should be established which were the most efficient Networks to invest in. Rules should be set up to give the best outcome for customers. PB would be interested to hear what Ofgem's view would be – is there a problem?

TD observed there were 4 large loads waiting to connect, which suggested there is a problem.

GJ suggested that if there was a fairly low probability of the event occurring then the rules should be amended. Does National Grid NTS really need a 100% cast iron guarantee of compliance? The position could

be constantly reviewed and be reflected in contracts with connectees; what are the real risks and costs?

LH observed that Ofgem has been following the issues and debates; competition delivering benefits for consumers is the primary question. The most efficient set of arrangements should be in place. The rule as it stands presents problems and is possibly incomplete, delivering a potential benefit but with high costs. The solutions are not mutually exclusive and could be presented as a package, with mitigating solutions to address the effects of amending/removing the rule.

RF commented on previous GL Noble Denton analysis in 2008 that had resulted in the reduction of the Design Margin from 5% to 2%. With the suggestion now that it should go up again, what has changed on the networks to cause a revision from the 2008 view? If there had been a significant change on the networks then this needs to be more transparent to clarify understanding. Ofgem previously accepted the reduction so it might like to reconsider the current position?

PH observed that investment is designed to accommodate all sorts of factors; a revised view of supply/demand, changed assumptions, and a changed physical network will obviously present a new figure. The GL analysis is indicating an increase is required predicated on removal of the rule. BW added that the analysis was also based on the assumptions that the DNs could comply.

JCx suggested that an update on Modification 0407 be provided at the next Transmission Workgroup meeting.

1.3 Ofgem Update

LH provided an Industry update:

- ***RIIO-T1: Final Proposals for National Grid Electricity Transmission and National Grid Gas – 17 December 2012.*** The publication sets out Ofgem's Final Proposals for the RIIO-T1 transmission price controls for NGET and NGGT from 01 April 2013 to 31 March 2021. The overview document and all the associated documents are available to view at the following location on Ofgem's website:
http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?file=1_RIIO-T1_FP_overview_dec12.pdf&refer=Networks/Trans/PriceControls/RIIO-T1/ConRes
- ***Statutory consultation on proposed modifications to the standard conditions of the gas transporter licence and to the special conditions of the gas transporter licence held by NGGT – 21 December 2012.*** The consultation sets out the changes to the GT licence necessary to implement RIIO-T1. The consultation closes on 22 January 2013.
- ***RIIO-GD1: Final Proposals for the Gas Distribution Networks (GDNs)– 17 December 2012.*** The publication sets out Ofgem's final proposals for the GDNs price control (RIIO-GD1) which will apply

from 01 April 2013 to 31 March 2021. The overview document and all the associated documents are available to view at the following location on Ofgem's website:

http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?file=1_RIIOGD1_FP_overview_dec12.pdf&refer=Networks/GasDistr/RIIO-GD1/ConRes

- **Gas System Operator (SO) incentives 2013 final proposals consultation – 17 December 2012.** The document sets out Ofgem's final proposals for National Grid Gas System Operator Incentives from April 2013. It also includes the statutory licence notice; the consultation closes on 22 January 2013.
- **Notice of approval of National Grid Gas' Incremental entry capacity release (IECR) methodology statement – 17 December 2012.** The letter gives consent to the proposed changes to the (IECR) methodology statement submitted by NGG to the Authority for approval on 06 November 2012.
- **Uniform Network Code (UNC) 0426: Amendment to the National Transmission System (NTS) System Entry Overrun Charge – 20 December 2012.** UNC0426 sought to remove a potential scenario whereby a User may generate a System Entry overrun quantity and not incur a System Entry Overrun Charge. Ofgem rejected the proposal on the grounds that, among other things, the implementation costs seemed high compared to the demonstrated benefits.
- **Approval of Exit Capacity Substitution to Damhead Creek – 20 December 2012.** The letter approves the substitution of exit capacity to Damhead Creek under NGG's Exit Capacity Substitution and Revision Methodology following receipt of an incremental exit capacity signal at the Damhead Creek NTS exit point.

European Issues Update Table

Workstream	Status
<i>Capacity Allocation</i>	ENTSOG re-submitted an amended version of the code on 17 September 2012. Following this the Commission released the initial text for discussion at comitology - Ofgem circulated this at the DECC/Ofgem stakeholder group for comments by 06 November 2012. The first comitology meeting is on 24 January 2013.
<i>Tariffs</i>	Draft Framework Guideline consultation closed on 05 November 2012. ACER is now summarising responses. ACER is to hold a public workshop on 23 January 2013 in Brussels with a VC link to Ljubljana (this is a very good opportunity for stakeholders to give their views

	and to hear what changes ACER is considering following consultation).
<i>Congestion Management</i>	The text was published in the European Official Journal on 28 August 2012 and will be in force 20 days after publication. CMP implementation was discussed at the DECC/Ofgem stakeholder meeting in November. First requirements need to be in place by October 2013. Ofgem is currently working on an implementation consultation.
<i>Gas Balancing</i>	ENTSOG published a Network Code (NC) on 26 October 2012. ACER's reasoned opinion is due on 26 January 2013. The initial indication is that ACER is likely to ask ENTSOG to amend elements of the NC. ENTSOG would then resubmit a revised NC as soon as possible.
<i>Interoperability</i>	ENTSOG is now holding workshops on individual topics in the code. Gas quality and data exchange have been covered so far. A Draft code is to be produced by mid-late January 2013. The Commission requests final submission by September 2013.
<i>Incremental Capacity</i>	In the context of the Tariffs Framework Guideline (FG), ACER has commissioned Frontier to produce a study on Incremental Capacity and tariffication issues. A kick-off meeting of the Steering Committee on the consultancy study was held on 29 November 2012, with attendance from the CEER Task Force co-chairs (Ofgem, CRE, BNetzA). Development of new rules on incremental capacity is scheduled for consultation in 2013. This will initially take the form of a paper and slide set to be presented at the Madrid Forum in April. Ongoing coordination with the ACER/Frontier Economics study on IC is also needed.

1.4 European Developments

National Grid NTS presented on the following areas.

1.4.1 EU Interoperability and Data Exchange Network Code

Providing an update on the current position, PH reported that business rules were being finalised and that draft legal text was under preparation.

PH then gave brief details of the key outstanding issues:

Interconnection Agreements

Operational Balancing Agreements (OBAs) are common on the Continent, but

this would create new issues for the GB regime. PB suggested that more detail on the debates be provided to give a clearer understanding of National Grid NTS' view and the role of monopoly TSOs in the market place. PH pointed out that the concept of OBAs differs between member states and explained some examples.

Gas Quality

Provision of information by TSOs was discussed. National Grid NTS was of the belief that the publication of real time Wobbe and CV data at IPs would have zero value to the community: if the community held different views, these would be welcomed. JCx suggested that it might be of value if a site was close to the IP, and if it was about to come on. It was observed that if there was potential for commingling it would be of very little value.

The provision of 'advanced warning' to 'sensitive' end users was considered. PH reported that some TSOs do this already, but that it appears to be totally uncontractualised. TSOs need to know how they will comply with the new obligations, and consider costs/funding as the Commission was of the view that it should be a free service to users. This could mean socialisation and potential for subsidisation by others.

Data Exchange and Units

Common units are still under debate.

National Grid NTS was arguing that ENTSOG's proposal for AS4 and Edigas as the 'common solution' for 'document based' data exchange was 'the wrong way round' and there would be a need to go through comitology to move anything on if it needs to go to AS5 or AS6, etc. National Grid NTS does not support inclusion in the code.

Further key stakeholder meetings are being arranged by ENTSOG to address these areas. Consultation on the draft legal text will take place this month, and the formal consultation on the draft Code is expected to commence in February.

EU Gas quality harmonisation

PH then drew attention to a related issue, EU Gas quality harmonisation, reporting that the proposed parameters for the EU gas quality standard should be finalised shortly, with a public consultation expected some time within the first half of 2013. The main areas of debate have focused on Wobbe Index, sulphur limits and the inclusion of a methane number (driven by the automotive industry).

For further information in this area please contact:
philip.hobbins@nationalgrid.com (or on 01926 653432).

1.4.2 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
• Changing the Gas Day	07 February 2013

<ul style="list-style-type: none"> • Tariff feedback • Interoperability • CAM 	
<ul style="list-style-type: none"> • Balancing update – ACER opinion • Interoperability – formal consultation on draft Code • Ten Year Network Development Plan (TYNDP) update 	07 March 2013
<ul style="list-style-type: none"> • To be confirmed 	04 April 2013

A Gas Codes timeline was displayed for information, together with a Table indicating the current status of each Code and its estimated implementation date.

JC queried the focus of the CMP consultation and when it might be implemented. PH advised he would provide a post meeting note to clarify this.

1.4.3 General Observations

Any developments, concerns, and options will be brought to the attention of the industry and the Workgroup for discussion and the seeking of views. Conversely, if the Workgroup has any concerns or views, National Grid NTS would also welcome these.

2. Workgroups

The following Workgroup meeting took place:

2.1 0439 – Notice for Enduring Annual Exit (Flat) Capacity Reduction Applications

Minutes for this meeting are at: www.gasgovernance.co.uk/0439/100113

3. Issues

3.1 Aligning the connections and capacity processes

The next meeting to progress work in this area has been arranged for Thursday 31 January 2013 (see 5 below, for details).

3.2 Changing the Gas Day

RF questioned when the Workgroup might be actively progressing work in this area.

The next National Grid NTS update (on impacts from its viewpoint) is to be provided at the February Workgroup meeting.

RF suggested there was a role for Ofgem to consider wider impacts and perhaps initiate work/convene meetings for a wider audience.

3.3 Gas Security of Supply Significant Code Review (SCR) Proposals: Credit Implications for the GB Gas Market

Awaiting developments; no further update.

3.4 New Issues

None raised.

4. Any Other Business

4.1 Annual Review Entry Capacity Transfer and Trade Methodology Statement

AF gave a brief presentation. In response to Ofgem’s approval letter indicating that “...a comprehensive review of the ECTT methodology in 2013 will be required in order to reflect the outcome of the RIIO-T1 price control...”, National Grid NTS had undertaken an internal review, and AF proceeded to outline the outcome reached.

Concluding that National Grid NTS was proposing that fundamental changes are not made at this time, AF indicated that industry views would be welcomed, and requested that any identified potential revisions to the methodology should be notified to National Grid NTS via email by 31 January 2013 to: box.transmissioncapacityandcharging@nationalgrid.com

Subject to Industry responses the formal consultation on any proposed changes to the Methodology Statement is expected to begin later in 2013. Alternatively, and subject to the proposed Licence being accepted, the standard annual review may be deferred until May 2014.

5. Diary Planning

A Transmission Workgroup meeting will take place at 10:30 on Thursday 31 January 2013, at 31 Homer Road, Solihull B91 3LT, to progress work on the issue ‘Aligning the connections and capacity processes’.

The February 2013 Transmission Workgroup will take place at 10:00, on Thursday 07 February 2013, at ELEXON, 350 Euston Road, London NW1 3AW.

The following Transmission Workgroup meetings are scheduled for 2013:

Date	Time	Location
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Thursday 31 January 2013 <i>(Capacity/Connection Issues)</i>	10:30	31 Homer Road, Solihull B91 3LT
Thursday 07 February 2013	10:00	Elexon, 350 Euston Road, London NW1 3AW
Thursday 07 March 2013	10:00	Elexon, 350 Euston Road, London NW1 3AW
Thursday 04 April 2013	10:00	Elexon, 350 Euston Road, London NW1 3AW
Thursday 02 May 2013	10:00	Elexon, 350 Euston Road, London NW1 3AW
Thursday 06 June 2013	10:00	Elexon, 350 Euston Road, London NW1 3AW
Thursday 04 July 2013	10:00	Elexon, 350 Euston Road, London NW1 3AW
Thursday 01 August 2013	10:00	Elexon, 350 Euston Road, London NW1 3AW
Thursday 05 September 2013	10:00	Elexon, 350 Euston Road, London NW1 3AW
Thursday 03 October 2013	10:00	Elexon, 350 Euston Road, London NW1 3AW
Thursday 07 November 2013	10:00	Elexon, 350 Euston Road, London NW1 3AW
Thursday 05 December 2013	10:00	Elexon, 350 Euston Road, London NW1 3AW <i>In the ORANGE ROOM</i>

Action

Log – UNC Transmission Workgroup: 10 January 2013

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
TR0801	02/08/12	3.2.2	<i>Development of the capacity and connection processes – Planning and Advanced Reservation of Capacity Agreement (PARCA) – Provide worked examples of the PARCA approach under differing scenarios.</i>	National Grid NTS (MW)	Carried forward
TR0903	18/09/12	2.1.4	<i>Capacity and Connections: Produce an expanded document (based on a modification proposal template) to clearly demonstrate the need for change, how this might be achieved, and giving consideration to wide ranging industry impacts.</i>	National Grid NTS (MW/SP)	Carried forward

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
TR1101	01/11/12	3.1.1	<i>Long term non-firm capacity:</i> Draft a new modification.	National Grid NTS (MW)	Carried forward
TR1201	19/12/12	3.1.1	Establish the specifications, eg size and delivery capabilities, of available pipes, and any associated caveats relating to potential multi-party use.	National Grid NTS (MW)	Carried forward
TR1202	19/12/12	3.1.1	Review, compare and assess the interactive offers process in place on the electricity side with what is being proposed on the gas side, and report on any useful findings that can be considered for inclusion.	National Grid NTS (SP)	Carried forward
TR1203	19/12/12	3.1.2	<i>PARCA Stages</i> - Consider appropriate timescales between stages, and at the last stage.	Energy-UK (JCx)	Carried forward
TR1204	19/12/12	3.1.2	<i>Planning consents</i> – Check and confirm all time limits.	National Grid NTS (SP)	Carried forward