

Workgroup 0355 - Meeting 1
Minutes
Thursday 03 February 2011
Elxon, 350 Euston Road, London NW1 3AW

Attendees

Tim Davis (Chair)	(TD)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Asma Jalal	(AJ)	Centrica
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
Jacopo Vignola	(JV)	Centrica Storage Ltd
Joanna Ferguson	(JF)	Northern Gas Networks
Louise McGoldrick	(LM)	National Grid NTS
Malcolm Arthur	(MA)	National Grid NTS
Mark Dalton	(MD)	BG Group
Mike Wassell	(MW)	National Grid NTS
Nick Wye	(NW)	Waters Wye Associates
Phil Broom	(PB)	GDFSuez
Phil Hobbins	(PH)	National Grid NTS
Richard Fairholme	(RF)	E.ON UK
Richard Miller	(RM)	Ofgem
Shelley Rouse	(SR)	Statoil
Sue Ellwood	(SE)	TPA Solutions

1. Introduction and Explanation of Workgroup Operation

Copies of all papers are available at www.gasgovernance.co.uk/0355/030211.

TD welcomed attendees to the meeting and explained the purpose and the operation of the Workgroup.

2. Outline of Modification 0355 – Alignment of CV and Wobbe Limits at NTS System Entry Points

Following the presentation made at the January Transmission Workgroup the proposal was believed to be sufficiently clear and required no further explanation at this point.

3. Consider Terms of Reference

The Workgroup considered the Terms of Reference. TD drew attention to the need to consider the means for ensuring all DFOs and other interested parties are aware of the opportunity provided by the modification, and encouraged all those present to contact any such parties (with whom they may be in communication) to make them aware as appropriate.

Recognising that this was a facilitating modification and that there was likely to be a follow on stage to agree Wobbe limits once implemented, CW suggested

that, if this was in effect 'opening the door', there may be benefit perhaps in making it more generic in order to accommodate any later requests either received from parties who had not responded this time around or from new entrants, thereby removing the constraint of consultation.

PH explained that the objective was to address the point made by Ofgem in previous decision letters regarding the raising of a 'blanket' modification. The presumption is that many DFOs will never breach the existing limits and they therefore did not see any benefit in participating. He added that it had taken some time to get to this point with those DFOs who had decided to participate, in terms of communications and performing the analysis required. Further modifications would be required to address any future requests from other parties.

It was suggested that analysis might be performed for all parties regardless of participation in this modification. However, there was concern that the CV shrinkage impact could be different in, say, a year's time and new parties might enter the frame and this could give a different picture entirely. Analysis had been performed for those parties who wished to participate at present. If any other parties subsequently wished to do the same then analysis would be done at that point in time. There were a number of permutations possible to consider and each generated a significant piece of work.

The Terms of Reference were then accepted and approved.

4. Shrinkage Analysis

Transmission Workgroup Action TR0103: Draft Modification: Alignment of the CV and Wobbe Limits at NTS Entry Points - Confirm whether specifications for both entry and exit flows in SCAs would be changed.

Response: LM explained that the SCA contains gas quality provisions for entry only. Since a storage connection offtakes gas from the NTS which is GS(M)R compliant, National Grid NTS will allow that gas to be returned to the system.

Action closed

LM then gave a presentation outlining the scenarios modelled to assess the potential change in CV Shrinkage, illustrating the changes made to the gas quality limits from current specification (Wobbe Lower) to proposed specification for various NTS System Entry Points.

The conclusion drawn was that all scenarios modelled were within the expected annual CV Shrinkage ranges. The harmonisation of gas quality limits proposed under this modification was therefore not expected to materially increase CV shrinkage volumes.

Accepting that the analysis indicated that there were no anticipated problems, it was agreed that no further analysis was required.

TD then confirmed that consideration and development of the Workgroup report would be commenced, and potentially completed, at the next meeting.

5. Diary Planning for Workgroup

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

The next Workgroup 0355 meeting will follow the meeting of the Transmission Workgroup on Thursday 03 March 2011, at Elexon, 350 Euston Road, London NW1 3AW.