

Workgroup 0376
Increased Choice when Applying for NTS Exit Capacity
Minutes
Thursday 01 September 2011
Elxon, 350 Euston Road, London NW1 3AW

Attendees

Tim Davis (Chair)	(TD)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Amrik Bal	(AB)	Shell
Andrew Fox	(AF)	National Grid NTS
Charles Ruffell	(CR)	RWE npower
Chris Wright	(CW)	Centrica
David Corby	(DC)	National Grid NTS
Derek Jamieson	(DJ)	ESBI Investments
Dora Ianora	(DI)	Ofgem
Fergus Healy	(FH)	National Grid NTS
Fiona Gowland*	(FG)	Total
Gerry Hoggan	(GH)	ScottishPower
Jeff Chandler	(JC)	SSE
Jill Brown	(JB)	RWE Npower
Lewis Hodgart	(LH)	Ofgem
Mark Cockayne	(MC)	Xoserve
Natasha Ranatunga	(NR)	Ofgem
Nick Wye	(NW)	Waters Wye Associates
Phil Broom	(PB)	GDF Suez
Richard Fairholme	(RF)	E.ON UK
Rob Cameron-Higgs	(RCH)	Wales & West Utilities
Steve Pownall	(SP)	National Grid NTS

**via teleconference*

Copies of all papers are available at: www.gasgovernance.co.uk/0376/010911.

1. Review of Minutes and Actions from previous meeting (04 August 2011)

1.1 Review of Minutes

The minutes of the previous meeting were accepted.

1.2 Review of Actions

WG0801: FH to make the ROM available for publication on the Joint Office website. **Update:** Provided and published on 1 September. **Closed**

WG0802: FH to provide a view on the apportionment of systems costs. **Update:** Presentation given. **Closed**

2. Discussion

TD drew attention to the late submission of papers shortly before the meeting. National Grid NTS had provided a copy of Xoserve's ROM (dated 3 August 2011) showing the anticipated costs to implement either Modification 0376 or

0376A, together with a presentation setting out views on the appropriate split of costs under the User Pays approach. The Workgroup's view was then sought on whether or not it was happy to accept these papers at short notice. It was confirmed that no one present had had the opportunity/time to review the papers prior to the meeting.

TD then pointed out that the ROM provided did not include the information requested at the previous meeting, where National Grid NTS had been asked "...to ensure that it contained sufficient supporting information to explain the expected changes and the consequence for costs – identifying which of the proposed changes were particular cost drivers." FH apologised for the late submission of papers, and agreed to discuss the provision of more detail with Xoserve.

TD then asked JC, as proposer of 0376, how he would like this moved forward, and a discussion ensued in an effort to assist JC in ascertaining an appropriate decision. When asked, LH stated that Ofgem had no view at present on whether or not 0376 was User Pays.

FH indicated that he had asked Xoserve for clarification on the two reports which would be impacted by implementation. (This information was not contained within the ROM.) One was a report internal to National Grid, and one was external to the industry; there was not a great deal of detail available at present. The reports did not affect the systems functionality; the issue was a change to the application processes (for both ad hoc and annual exit capacity windows).

CW believed there was merit in waiting for more detail. Variable start dates/months have knock-on impacts on these reports and maybe on others – this may not be clear until further analysis is carried out and information provided.

FH then explained the User Pays options that National Grid NTS was considering and used the presentation to illustrate an example of apportionment. He proposed to check with Xoserve what the systems implications and costs were. NW commented that it was clear what both modifications intended in respect of User Pays. TD pointed out that JC had agreed to review his modification in light of the ROM, and may wish to amend it to be a User Pays Modification with some costs attributed to Shippers.

LH thought it important to have the extra level of detail before proceeding. PB was concerned to avoid the need for reconsideration should more detail become available later. TD pointed out that if the cost of a non-critical element could be established it would make sense to consider eliminating that from the modification and proceed accordingly.

FH indicated that he would approach Xoserve for more detail on the reports affected and on the obligations that require the reports to be produced/provided.

In light of this discussion JC confirmed that he proposed to defer progress for a month before continuing such that he could reconsider Modification 0376.

3. Consider Legal Text

0376

It was agreed that this would not be discussed since the modification may change.

0376A

TD requested that the legal text for 0376A, together with the ACS change, be provided as soon as possible.

4. Completion of Workgroup Report

Comments on the draft Workgroup Report were encouraged in advance of the next meeting.

Completion of the Workgroup Report was deferred until the next meeting, bearing in mind that the Workgroup Report was due to be submitted to the Modification Panel no later than 20 October 2011.

5. Any Other Business

None raised.

6. Diary Planning for Workgroup

The next Workgroup meeting will be accommodated during the business proceedings of the Transmission Workgroup, and has been scheduled for Thursday 06 October 2011, at Elexon, 350 Euston Road, London NW1 3AW.

Action Log - Workgroup 0376 (01 September 2011)

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
WG 0801	04/08/11	2.0	Make the ROM available for publication on the Joint Office website.	National Grid NTS (FH)	Closed
WG 0802	04/08/11	2.0	Provide a view on the apportionment of systems costs.	National Grid NTS (FH)	Closed