

Workgroup 0381 Minutes
Removal of the NTS Exit (Flat) Capacity “deemed application” process

Thursday 04 August 2011
Elxon, 350 Euston Road, London NW1 3AW

Attendees

Tim Davis (Chair)	(TD)	Joint Office
Bob Fletcher (Secretary)	(BF)	Joint Office
Alan Raper	(AR)	National Grid Distribution
Antonio Ciavolella	(AC)	BP Gas
Colin Thomson	(CT)	Scotia Gas Networks
Chris Wright	(CW)	Centrica
Fergus Healy	(FH)	National Grid NTS
Fiona Gowland*	(FG)	Total
Graham Jack	(GJ)	Centrica
Ian Taylor	(IT)	Northern Gas Networks
Jacopo Vignola	(JV)	Centrica Storage
Jayne Dawson	(JD)	Northern Gas Networks
Jeff Chandler	(JC)	SSE
Jill Brown	(JB)	RWE npower
John Costa	(JCo)	EDF Energy
Julie Cox	(JCx)	AEP
Natasha Ranatunga	(NR)	Ofgem
Nick Wye	(NW)	Waters Wye Associates
Phil Broom	(PB)	GDF Suez
Phil Hobbins	(PH)	National Grid NTS
Richard Fairholme	(RF)	E.ON UK
Steve Pownall	(SP)	National Grid NTS

**teleconference*

Copies of all papers are available at www.gasgovernance.co.uk/0381/040811.

1. Review of Minutes and Actions from the previous meeting

1.1 Minutes

The minutes from the previous meeting were accepted.

1.2 Actions

No actions outstanding.

2. Review of Legal Text and Agency Charging Statement

ST outlined the legal text and noted that this would be incorporated within the modification, and the User Pays element would be clarified since no implementation costs were anticipated and no ACS change is required. It was agreed that the changes and text were acceptable and the Workgroup Report could be completed.

3. Completion of Workgroup Report

TD introduced the Workgroup Report, which had been published for review ahead of the meeting, and ran through the salient points on screen..

LH asked if there were any downsides to the modification, and why the principle had been introduced previously. While there was no certainty why the arrangement was introduced, it was recognised that this was to reinforce the overrun regime. ST suggested that the overrun regime provides sufficient incentive to ensure that required capacity is booked, providing consistency at entry and exit. If there were an unintended overrun at any point, the deemed application process would produce inefficient outcomes.

In response to questions, FH explained that there is no distinction between off-peak and other capacity – if you flow more than is booked, this is considered to be an overrun irrespective of system demand. NW asked if DNOs face overruns, and ST confirmed that they are. However, a flow swap process also operates at the request of either a DN or NTS, such that flow can be above booked capacity at one offtake and below at another.

Attendees approved the Workgroup Report with a recommendation that the modification be issued for consultation

4. Diary Planning for Workgroup

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

No further meetings are planned.