

# Workgroup 0391 - Distributed Gas Charging Arrangements

## Workgroup Minutes

### Monday 30 April 2012

at the National Grid Office, 31 Homer Road, Solihull B91 3LT

#### Attendees

Tim Davis (Chair)	(TD)	Joint Office of Gas Transporters
Mike Berrisford (Secretary)	(MB)	Joint Office of Gas Transporters
Andy Manning	(AM)	British Gas
Bernard Kellas	(BK)	SSE
Joel Martin	(JM)	Scotia Gas Networks
Joanne Parker	(JP)	Scotia Gas Networks
John Edwards	(JE)	Wales & West Utilities
Jonathan Wisdom	(JW)	RWE npower
Lesley Ferrando	(LF)	Ofgem
Marie Clark*	(MC)	ScottishPower
Steve Armstrong	(SA)	National Grid Distribution
Will Guest	(WG)	Northern Gas Networks

\* via teleconference link

Copies of all papers are at: [www.gasgovernance.co.uk/0391/300412](http://www.gasgovernance.co.uk/0391/300412)

#### 1. Introduction and Status Review

TD welcomed all to the meeting.

##### 1.1 Review of minutes

The minutes of the previous meeting (30/04/12) were approved.

##### 1.2 Review of actions

Please note the following actions were discussed in reverse order.

**WG0391 02/001:** Distribution Networks (SA) to seek updated cost information from Xoserve, including whether a lower cost approach might be feasible.

**Update:** SA advised that the costing information is still based around the original quotation. Xoserve do not foresee any significant changes to their original cost estimate. A cost estimate (circa £1.5 million) is included within the summary section of the Workgroup Report.

**Closed**

**WG0391 03/001:** Joint Office (TD) to prepare a draft Workgroup Report for circulation prior to the April meeting with a view to presenting to the May UNC Panel meeting.

**Update:** This had been published.

**Closed**

**WG0391 03/002:** National Grid Distribution (SA) to amend the modification proposal to reflect the discussions and agreements reached at the meeting.

**Update:** This had been amended.

**Closed**

## **2. Discussion**

### **2.1 Completion of Workgroup Report**

SA provided a brief overview of the intent of the modification. He confirmed that the proposals relate to gas entering the system, with the charges structured in the form of a commodity style charge to avoid potential 'gaming' opportunities.

JW enquired about network reinforcement aspects associated with the modification, to which SA responded that the DNs intend retaining a deep boundary approach – current deep connection charges would continue to apply, although this is not explicitly linked to investment signals on a tier-by-tier basis. Should any reinforcement be required to accommodate a connection, the connectee would be charged at the time of connection.

SA confirmed that the modification would apply to existing DN Entry Points that are not explicitly designated as NTS Entry Points.

TD then reviewed and completed the Workgroup Report in line with the comments made. Attendees approved the Workgroup Report as amended, which will be referred to the May Modification Panel meeting.

### **3. Any Other Business**

None.

### **4. Diary Planning for Workgroup**

It was noted that, unless the Modification Panel request further work, no further meetings are expected.

**Action Log – UNC Workgroup 0391**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
WG0391 02/001	27/02/12	2.1	To seek updated cost information (including actual costs and possible cheaper solutions) from Xoserve for consideration at the next meeting.	DNs (SA)	Update provided. <b>Closed</b>
WG0391 03/001	26/03/12	4.	To prepare a draft Workgroup Report for circulation prior to the April meeting with a view to presenting to the May UNC Panel meeting.	Joint Office (TD)	Update provided. <b>Closed</b>
WG0391 03/002	26/03/12	4.	To amend the modification proposal to reflect the discussions and agreements reached at the meeting.	National Grid Distribution (SA)	Update provided. <b>Closed</b>