

**Workgroup 0415 Minutes**  
**Revision of the Gas Balancing Alert Arrangements**  
**Thursday 01 March 2012**  
**Elexon, 350 Euston Road, London NW1 3AW**

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Bob Fletcher (Secretary)	(BF)	Joint Office
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Roddy Monroe	(RM)	Centrica Storage
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*Copies of all papers are available at: [www.gasgovernance.co.uk/0415/010312](http://www.gasgovernance.co.uk/0415/010312)*

**1. Outline of Modification**

MA gave a presentation, outlining the background and intent of the modification, whereby it was proposed to refine prevailing UNC GBA provisions by introducing two separately defined Within Day and Day Ahead signals. The proposed revisions and how they would operate were then explained in greater detail.

**2. Initial Discussion**

MA explained and illustrated how the GBA methodology would be applied, the triggers for within Day and Day ahead and what areas may be taken into account to inform any assessments. Examples were given of likely scenarios that may result in a GBA.

MA explained that National Grid NTS were considering whether GBA was the right terminology as the term alert is outside agreed European terminology – it may

become a warning, though he intends to provide an update at the next meeting and asked for any preferences.

DT explained the notification methodology for both Day ahead and within Day. SD advised that, despite notifications being issued, there is normally sufficient gas available in the system – it is just an indication that supplies are getting tight and ensures that the market has time to respond.

RF challenged the triggers. He wanted to understand why European storage levels, for example, were an issue for the GB market – this may generate too early a response. SD explained a number of scenarios that could impact the market. It would be difficult to write specific rules to manage each situation and generate a numeric trigger level – the aim is to give notice to the market that there could be a problem.

RF remained concerned about timing as shippers would have their own information and may be reacting already. The NTS notification may therefore lead to an over reaction by the market – there is a risk of a GBA being the wrong signal at the wrong time. SD accepted that in previous instances where a GBA has been issued there have been cases of over delivery and the SO has had to act to keep the system in balance. However, the intention is to provide a signal that the market should be aware of and should take this into account of when considering the position. RF was still concerned the impacts were too wide spread for NTS to take account of, and that discretion should be avoided as far as possible. The market would already be reacting and NTS should restrict their view to the UK only.

To inform assessment of the impact of the change, TD asked, if the modification had been implemented earlier, would GBAs have been issued this winter – MA confirmed none would have been. TD also asked if on the days when a GBA has been issued, would there have been both a D-1 and a D signal? This could not be confirmed in the meeting; however, SD was of the opinion that the potential number of notices should reduce due to the proposed change in rules.

JCx felt that the provision of additional information would not be an overload or create additional actions as parties would be aware of the situation and would be taking their own actions. It might be helpful for them to be able to confirm they are taking the right action in a response to the GBA.

RF wanted some assurance about the sources of information being provided to the market - it should not be based on verbal updates or views unless backed up with evidence.

The Workgroup agreed the intent of the proposal was clear and it was agreed to review the Workgroup Report at the next meeting, with the intention of submitting it to the April UNC Modification Panel. National Grid NTS agreed to provide draft text for assessment and inclusion within the Workgroup Report.

### **3. Terms of Reference**

No comments were offered.

### **4. Any Other Business**

None raised.

**5. Diary Planning for Workgroup**

*Details of planned meetings are available at: [www.gasgovernance.co.uk/Diary](http://www.gasgovernance.co.uk/Diary)*

The next meeting will be accommodated within the Transmission Workgroup, scheduled to take place on Thursday 05 April 2012 at Elexon, 350 Euston Road, London NW1 3AW.