

**Special Meeting of UNC Offtake Arrangements Workstream**

**Thursday 14 February 2008**

**Elxon, 350 Euston Road, London NW1 3AW**

**Attendees**

Tim Davis (Chair)	(TD) Joint Office of Gas Transporters
Lorna Dupont	(LD) Joint Office of Gas Transporters
Alison Chamberlain	(AC) National Grid Distribution
Brian Durber	(BD) E.ON UK
Joel Martin	(JM) Scotia Gas Networks
Richard Wilson	(RW) National Grid NTS
Robert Cameron-Higgs	(RCH) Northern Gas Networks
Stefan Leedham	(SL) EDF Energy

**Apologies**

Keith Dixon	(KD) Northern Gas Networks
Simon Trivella	(ST) Wales and West Utilities

**1. Introduction**

TD welcomed all attendees to the meeting. The agreed focus of the meeting was to review the Guidelines associated with Modification Proposal 0185 and any changes that may be required to the OAD, with the purpose of arriving at one Modification Proposal that was capable of implementation.

**2. Review of Guidelines**

AC led a review of the proposed changes to the Guidelines as provided in version 0.6. The proposed changes were discussed individually, and appropriate amendments to the text were agreed.

Section 6 (last bullet point): Concern was expressed regarding the definition of User Representatives and their being from separate legal entities. Further consideration was to be given to an acceptable form of words that would make clear the intention not to permit closely related business entities to submit a request and thereby be considered as 'two (2) or more "Users' Representatives"'.

Section 7: Ranking arrangements were discussed. It was accepted that the process might be for Shippers and Transporters collectively to choose three each, collate the choices, rank them, and then provide the result to the Offtake Committee for endorsement.

Sections 13 and 14: After some discussion it was agreed to remove the bullet points that referred to the MER and the SMER as "Is a contractualised document".

Following acceptance of the amendments a revised version 0.7 will be produced.

### **3. Modification Proposals**

#### **3.1 Modification Proposals 0185 and 0185A and the OAD**

The way forward was discussed. SL reported that impressions formed from discussions he had had with Ofgem led him to believe that neither Modification Proposal in its present guise would be capable of implementation. The scope of the Modification Proposals was not to correct all errors in the OAD, however it was obvious that some errors or conflicts would have to be considered and possibly remedied. Changes would be required to the OAD and legal text may need to be provided to give more assurance. TD suggested that a varied Proposal might indicate that consequential amendments to the OAD will be required "as shown in the associated text".

The possible inclusion of the guidelines within the OAD was briefly discussed, with both Shippers and Transporters preferring that it should be kept as a separate document.

OAD Section D was reviewed and discussed. Potential areas for change might include the following: 3.5, 4.2, 5.2.1(a), 5.2.4, and 6, although this was not considered to be exclusive. Definitions will need to be added, eg MER and SMER, and the guidelines would need to be identified and cross referenced.

There was also the question of the role of the Offtake Committee and how this should be handled. It was noted that within the Guidelines various decision points were reached and the UNC did not currently give these responsibilities to the Offtake Committee. Perhaps through consideration of TPD Section N, an extra function could be added.

It was pointed out that there was a need to ensure that the outcome of the SMER is to be binding on all parties.

The timescales for preparing an acceptable variation with text were considered and recognised to be tight. Having associated text would help, but the Modification Proposal should come before the text, although AC could see no point in reconsulting without the text. If the variation was acknowledged as a material change, the varied Modification Proposal would be treated as an entirely new one, which could then be sent to Workstream or consultation. It was recognised that text would be needed for the benefit of consultation, but this would probably not be ready for the Modification Panel on 21 February 2008.

It was suggested that any further comments be sent to SL and he would endeavour to produce a variation request as soon as possible.

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

None.

### **5. Diary Planning for Workstream**

No further meeting was agreed.