
Review Group 0217 Minutes
Thursday 10 July 2008
held at Elexon, 350, Euston Road, London

Attendees

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| John Bradley (Chair) | (JB) Joint Office of Gas Transporters |
| Mike Berrisford (Secretary) | (MiB) Joint Office of Gas Transporters |
| Adam Lane | (AL) Centrica |
| Caroline Watson | (CW) xoserve |
| Chris Milne | (CM) RWE Trading |
| Chris Wright | (CW) Centrica |
| Claire Thorneywork | (CT) National Grid NTS |
| James Smith | (JS) EDF Energy |
| Jim Walsh | (JW) E.ON UK plc |
| Joel Martin | (JM) Scotia Gas Networks |
| Paul Gallagher | (PG) National Grid NTS |
| Richard Fairholme | (RF) E.ON UK plc |
| Simon Trivella | (ST) Wales & West Utilities |
| Steve Pownall | (SP) National Grid NTS |
| Stuart Wing | (SW) Shell Energy Trading |

Apologies

| | |
|-----------------|----------------------------|
| Gareth Mills | (GM) Northern Gas Networks |
| Michael Doherty | (MD) Centrica |
| Patricia Moody | (PM) xoserve |

1. Introduction and Review Group Operation

Chair (JB) outlined the role of the Review Group whose work may culminate in a revised UNC Modification Proposal that it can recommend going to consultation. He went on to point out that it is anticipated that the (final) Review Group Report (similar to a Final Modification report) will be presented to the UNC Modification Panel in December 08. The 'normal' duration for a Review Group is 6 months.

2. Outline of Proposal

National Grid NTS (PG) provided a brief outline of their rationale for the Proposal highlighting the following points of interest:

- October 2007 Gemini Incident highlighted shortfall in the contingency procedures, and
- Key Areas for consideration to include:
 - what is the role of Gemini;
 - what 'core' procedures need to be maintained during a contingency, and
 - clarification of roles and responsibilities is needed.

3. Consider Terms of Reference

Chair (JB) introduced the next item explaining that members' changes will be made on-line culminating in a agreed draft Terms of Reference (v1.0) being presented for consideration at the August 08 UNC Panel meeting.

JB informed members that the draft terms of reference are based upon the suggested document provided by the Proposer.

The following items were discussed and the appropriate amendments made on screen, as follows:

- In the 'Purpose' section, distinction should be made between Transporters and the Distribution Networks;
- In the 'Background' section, members indicated that they are happy with the term *"It is not the aim of this Review Group to review specific contingency procedures around the other elements of the UK Link suite at this time,....."*;
- In the 'Scope and Deliverables' section change the word define to assess in the statement *"Assess the need for separate procedures....."*;
- In the 'Limits' section item 4,. amend statement to read as *"Introduction of a new UNC Related Document"*.

Members discussed the merits of making provision for preparation of legal text drafting prior to the formal raising of a UNC Modification Proposal and agreed that this was an item to be deferred until later in the process, as per the workplan recommendation, and

- In the 'Composition' section, remove N Rigby and add A Raper, J Martin and S Trivella.

In closing the review of the draft terms of reference, Chair (JB) asked, and members agreed to attempt to meet on a monthly basis, each second Thursday in the month following the UK Link Committee meeting where possible. Additional meetings may be convened on an as and when required basis.

A copy of the revised terms of reference (v1.0) are available to view or download from the Joint Office web site at: <http://www.gasgovernance.com/Code/Reviews/Rev0217/ToR/>

4. Review Group Process (Workplan)

Changes to this document were also made on-line.

JB informed members that the workplan has been prepared in conjunction with the Proposer and that it will be appended to the terms of reference as presented to the Panel in due course.

Chair (JB) informed members that conducting monthly meetings to coincide with the UK Link Committee meetings reflected the potentially high workload (as identified by the proposer) that the group will need to undertake and the constraints of booking rooms in the London area, and Elexon in particular.

Looking at the planned individual sessions, JB asked, and members indicated approval of, an 11:30am start to the meetings that fall on the same day as the UK Link Committee meetings. Other venues and times will be agreed as and when required.

In closing, JB pointed out to members that provision of the Final Review Group Report to the December 08 UNC Panel will possibly mean a 'breach' of the minimum 5 day provision of documentation period and therefore an earlier meeting may be considered.

A copy of the revised workplan (v1.0) is available to view or download from the Joint Office web site at: <http://www.gasgovernance.com/Code/Reviews/Rev0217/10Jul08/>

5. Code Contingency Guidelines Document – Gemini Contingency Arrangements

National Grid NTS (PG) provided a presentation on the Gemini Contingency Arrangements document. He informed members that the intention is to set out the high level principles and identify the detailed processes.

The following points of interest are identified by exception:

- In item 1, sub paragraph a) – this statement is a direct ‘lift’ from the UK Link Manual/UNC;
- In item 3, sub paragraph e) – currently it is a ‘one process, fits all’ approach which ‘covers’ a wide range of potential scenarios and consideration maybe required to identify how to move forward.

One member suggested that the various ‘triggers’ will also need consideration, including who and how a contingency might be initiated (triggered) in the 1st instance along with consideration of what will constitute a minimum level requirement;

- In item 4, sub paragraph a) – PG confirmed that this includes elements such as planned maintenance etc.;
- In item 5, members discussed the impact of losing Gemini during a Gas Emergency. CT suggested that both scenarios are similar and neither would hinder instigation of contingency arrangements in the event of an emergency. However, she believes that these should be mentioned separately as there is a need to prioritise issues.

Chair (JB) pointed out that with regard to a gas emergency scenario, Shippers are keen to see provision of ‘End of Day’ information;

- In item 6, PG informed members that a post incident report was prepared and published following the October 2007 Gemini Incident and consideration of a similar mechanism would be advantageous. Members remain unsure as to the ‘true value’ of UK Link Committee participation during an actual contingency, but acknowledged that their involvement in a post incident review could be beneficial, and
- With regard to item 7, PG advised members that these are his initial thoughts on the matter.

When asked for an opinion of the document and its intentions, members voiced their concerns surrounding potential overlap between any Code and Gemini Contingencies and whether or not this could result in two sets of contingency arrangements. PG believes that the preferred option would be to ‘pull’ them together in one set of contingency arrangements but only examine the Gemini aspects. CW advised members that xoserve (P Moody) is looking at the SPA contingency requirements and that an update on these could be given by her at the next meeting and furthermore review work associated with a possible revision of the UK Link Manual is ongoing.

ST suggested that clarity is the key element to consider as there are risks associated with having potentially two sets of contingency processes, especially if they both relate to the UK Link system.

Chair (JB) suggested that whilst a principle of one Code Contingency fits all is feasible; it may prove impractical to achieve. CT reminded members that Code

Contingency documents sit under the Code Related Documents banner making their governance easier.

In closing, JB placed an action on ALL members to review the document with a view to feeding back their thoughts and suggestions at the next meeting.

Action RG0217 001: All members to review the Code Contingency Guidelines Document – Gemini Contingency Arrangements with a view to providing their thoughts and suggestions at the Session 2 meeting.

6. Scenario Overview

National Grid NTS (PG) provided a brief overview and explanation of the possible approach to ‘mapping’ requirements for the management of different processes during a contingency. He pointed out to members that this suggestion does not infer that the group is limited to simply looking at the scenarios.

When asked about what they would like Shipper members suggested guidance from National Grid NTS on what is expected from them. Shippers also believed that some form of questionnaire issued to the wider industry would prove beneficial. PG reminded members that the concern is not just about identification of individual contingencies, but also involves what constitutes the minimum level requirements. Members also stressed that they believe it is about focusing on what happened in October 2007 and developing the requirements based on this experience, especially items such as poor communication which was a key issue. Members felt that understanding of what needs to be done is poor and training would help all parties.

Members believe that the format of information provided during a contingency is more important than when it maybe utilised and PG acknowledged that during the October 2007 incident ‘matching’ was a concern.

Members voiced their concerns surrounding energy balancing data input during a contingency as this is of paramount importance to them. PG suggested that resolving the issues around what information is required for ‘within day’ and what is required for ‘after the day’ would ‘cover’ 80% of the requirements.

In closing, Chair (JB) asked all members to consider what is actually required in time for the next session. PG agreed to take an action to approach some Shippers with a view to developing a questionnaire to assist parties to identify their requirements. He also agreed to continue looking at and developing the scenario breakdown.

A copy of the scenario overview (v1.0) is available to view or download from the Joint Office web site at: <http://www.gasgovernance.com/Code/Reviews/Rev0217/10Jul08/>

Action RG0217 002: National Grid NTS (PG) to approach Shippers and discuss and prepare a questionnaire for issue by the Joint Office of Gas Transporters prior to the next meeting.

Action RG0217 003: National Grid NTS (PG) to continue developing and defining the various scenarios with a view to presenting them at the next meeting.

7. Diary Planning for Work Group

Chair (JB) provided a brief outline of the proposed workgroup meetings as follows:

- 14 August 2008 11.30am – Elexon, 350 Euston Road, London;
- 11 September 2008 11.30am – Elexon, 350 Euston Road, London;
- 09 October 2008 11.30am – Elexon, 350 Euston Road, London;
- 13 November 2008 11.30am – Elexon, 350 Euston Road, London, and
- 11 December 2008 11.30am – Elexon, 350 Euston Road, London.

- 8. AOB**
None.

APPENDIX A.

ACTION LOG – Review Group 0217

| Action Ref | Meeting Date | Minute Ref | Action | Owner | Status Update |
|-------------------|---------------------|-------------------|--|------------------------|--------------------------------------|
| RG0217 001 | 10/07/08 | 5.0 | Members to review the Code Contingency Guidelines Document – Gemini Contingency Arrangements with a view to providing their thoughts and suggestions at the Session 2 meeting. | All members | Update due at the August 08 meeting. |
| RG0217 002 | 10/07/08 | 6.0 | National Grid NTS (PG) to approach Shippers and discuss and prepare a questionnaire for issue by the Joint Office of Gas Transporters prior to the next meeting. | National Grid NTS (PG) | Update due at the August meeting. |
| RG0217 003 | 10/07/08 | 6.0 | National Grid NTS (PG) to continue developing and defining the various scenarios with a view to presenting them at the next meeting. | National Grid NTS (PG) | Update due at the August meeting. |

*** Key to action owners**

PG Paul Gallagher, National Grid NTS