

Review Group 0217 Minutes
Thursday 11 December 2008
held at Elexon, 350, Euston Road, London

Attendees

John Bradley (Chair)	(JB)	Joint Office of Gas Transporters
Mike Berrisford (Secretary)	(TD)	Joint Office of Gas Transporters
Adam Lane	(AL)	Centrica
Chris Wright	(CW)	On behalf of R Fairholme, ON UK
Claire Thorneywork	(CT)	National Grid NTS
Mark Cockayne*	(MC)	xoserve
Patricia Moody*	(PM)	xoserve
Paul Gallagher	(PG)	National Grid NTS
Sean McGoldrick	(SM)	National Grid NTS
Simon Trivella	(ST)	Wales & West Utilities

Apologies

Richard Fairholme	(RF)	E.ON UK
Steve Pownall	(SP)	National Grid NTS

*by teleconference

1. Review of Minutes and Actions

1.1 Minutes

The minutes of the previous meeting were accepted.

1.2 Review of actions.

Appendix A contains a tabulated update on actions.

RG0217 004 – When asked, National Grid NTS (PG) indicated that he would be discussing the issue of how to deal with putting implied negative flows back onto the system during a contingency recovery, amongst other items with xoserve next week.

Chair (JB) asked, and members agreed to carry forward the action.

Action RG0217 004: Carried Forward

RG0217 006 and 007 – Comments have been received from xoserve and these will be incorporated into the Code Contingency Guidelines document in due course. Members briefly discussed the differences between the term 'UK Link User' and 'User'. For avoidance of doubt, a UK Link User is defined within the UNC TPD Section U as being:

"1.1.4 A **"UK Link User"** is:

- (a) any User, provided that a Discontinuing User shall cease to be a UK Link User upon the User Discontinuance Date; and
- (b) any other person permitted to have access to and use of UK Link under paragraph 1.3."

Chair (JB) asked, and members agreed to close both of the actions.

Actions RG0217 006 and 007: Closed

RG0217 010 – National Grid NTS (PG) advised members that the RMTTSEC contingency arrangements requirements have now been included in the Contingency Scenario Development documentation to be reviewed later in the meeting. PG went on to point out to members that the processes involved are complex and suggested that they look at the documentation in more detail outside of the meeting and where appropriate provide feedback to National Grid NTS.

Chair (JB) asked, and members agreed to close the action.

Action RG0217 010: Closed

RG0217 014 – xoserve (MC) informed members that he had met with National Grid NTS (CT) to consider whether or not the proposed 11:00hrs on D+1 'window' would have any adverse invoicing impacts. The conclusion was that it would not.

Chair (JB) asked, and members agreed to close the action.

Action RG0217 014: Closed

RG0217 015 – xoserve (MC) apologised to members as he has not had an opportunity to review the ASA document provisions for recovery of capacity during a Gemini contingency.

Chair (JB) asked, and members agreed to carry forward the action.

Action RG0217 015: Carried Forward

RG0217 016 – National Grid NTS (PG) advised members that the bid criteria requirements have now been included in the revised Contingency Scenario Development documentation and will be discussed later in the meeting under item 2.1.2.

RG0217 017 – National Grid NTS (CT) informed members that whilst she had met with xoserve (MC) to discuss various Gemini contingency requirements, she does not think that how to manage a Shipper failure was an item which was discussed. MC supported this view. CT now expects to meet with xoserve to discuss this and other outstanding items before reporting back at the January 09 meeting.

Chair (JB) asked, and members agreed to carry forward the action.

Action RG0217 017: Carried Forward

RG0217 018 – National Grid NTS (CT) apologised to members as she has not had an opportunity to review the potential impacts of UNC Review Proposal 0221 (baseline & incremental capacity) during a Gemini contingency.

Chair (JB) informed members that National Grid NTS had issued a 'strawman' on this matter which will need further consideration within the 0221 Review Group. CT pointed out that it is not realistic, from a timeline perspective, to be able to 'integrate' this piece of work into 0217 and would therefore like to close the action.

Chair (JB) asked, and members agreed to close the action.

Action RG0217 018: Closed

RG0217 019 – National Grid NTS (PG) advised members that the various validation requirements have now been included in the revised Contingency Scenario Development documentation to be discussed later in the meeting under item 2.2.5.

RG0217 020 – National Grid NTS (CT) advised members that the various validation requirements have now been included in the revised Code Contingency Guidelines documentation to be discussed later in the meeting under item 2.1.

Chair (JB) asked, and members agreed to close the action.

Action RG0217 020: Closed

RG0217 021 – Members discussed the potential overlap in contingency provisions within the UNC, UK Link Manual and the Code Contingency Guidelines (CCG) document. xoserve (TM) informed members that she will be undertaking a review of the UK Link manual contingency provisions and will report back in due course.

PG informed members that his intention is to provide a full list of the existing Gemini contingencies, identifying which will disappear from where, and which will be replaced by the new CCG provisions.

Chair (JB) asked, and members agreed to close the action.

Action RG0217 021: Closed

2. Review Group Discussions

2.1 Review of Code Contingency Guidelines Document (Gemini Contingency Arrangements)

National Grid NTS (CT) opened by informing members that the bulk of the significant changes have been undertaken within section 4.0 of the document which has also been expanded in response to both discussions at the November meeting and continued ongoing work within National Grid NTS. The logic behind the process is to tease out the Gemini related contingencies from the UK Link Manual. PG advised members that some procedures such as QSEC and AMSEC have been separated out to enable key differences to be highlighted.

2.2 Review of Contingency Scenario Development (inc. RMTTSEC & Buy Back etc.)

National Grid NTS (PG) provided a brief overview of the proposed procedures, as follows whilst reminding members that any feedback on the proposals would be welcomed.

2.2.1. Manage Gas Flow and Energy Trade Nominations (v1.1)

Looking at the flowchart, PG informed members that Gas Flow and Energy Trade Nominations (4.3.2) is due to be discussed in more detail next week.

2.2.2. Manage QSEC Auction (v0.3)

Moving on, PG pointed out that for each process (flowmap) there will be a standard set of proformas developed which will in turn be supported by standardised communications. The format of these communications will be via AMS, supplemented by web site communications, when and where, appropriate. During the initial stages of a contingency, the first communication will 'normally' request that Shippers provide contact information in alignment with the type and nature of the specific incident. MC added that the provision and utilisation of the correct 3 digit Shipper Short Code is of paramount importance.

Each of the proposed procedures are aligned to a daily process and the various communications (both ways) will identify the progress made and whether or not the contingency will 'flow over' into the next business day.

However, in line with discussions he intends to 'beef up' step 6 to include the additional stability requirements.

Chair (JB) asked, and members agreed to close action RG0217 016.

Action RG0217 016: Closed

2.2.3. Manage AMSEC Auction (v0.3)

PG informed members that the proposed AMSEC process is mainly the same as the one for QSEC differing only at the auction stage. For the avoidance of

doubt he went on to point out that currently National Grid NTS's support during a contingency goes beyond the 'basic' Code requirements.

2.2.4. Manage RMTTSEC (v0.3)

PG informed members that the process flow map for RMTTSEC covers two pages, reflecting the somewhat complicated requirements. The first page relates specifically to the 'surrender' process whilst the second page is the bulk of the main process.

2.2.5. Manage Short Term Auctions (Firm & Interruptible) (v0.3)

PG opened by informing members that the 'loop' between steps 16a & 16b in the November presentation material has been replaced by step 21 in today's presentation as originally it was out of sequence.

PG suggested that further consideration will be needed on how to address issues relating to a National Grid NTS material error that occurs after an auction has taken place. In discussing one possible scenario, whereby a User has submitted a valid bid but National Grid NTS has run the process with either NO bid information, or has inadvertently input incorrect bid information, members felt that one option may be for National Grid NTS to waive the overrun charge or reallocate the capacity. In response, PG highlighted that there are wider system and buy-back issues involved. Furthermore, in the absence of Gemini, this may require a 'blind' auction, although ultimately, it may end up in a dispute resolution in one form or another.

In closing, PG added that the basic process is sound but it is what goes on in step 21 that is the issue and he would welcome any feedback on how to improve this area.

Chair (JB) asked, and members agreed to close action RG0217 019.

Action RG0217 019: Closed

2.2.6. Manage DRSEC Auction (v0.3)

No significant changes.

2.2.7. Manage Capacity Trades (v0.2)

No significant changes.

2.2.8. Manage Capacity Buyback Auctions

PG informed members that his preference would be to utilise AMS communications and opt for a scale back process rather than a buy-back process.

Continuing, PG informed members that whilst he would welcome feedback on the proposed processes he believes that fundamentally the Code Contingency Guidelines document is complete apart from the provision of the standard proformas. He asked members to review the document, and provide any feedback in time for the next meeting in January as National Grid NTS hope to have the 'final' version ready for consideration at that meeting.

National Grid NTS went on to suggest that there may be value in including a 'post event' review and assessment following a contingency as the more flexible approach being proposed would enable such an exercise to be undertaken with the minimum of fuss.

Members then discussed how best to resolve the contingency scenario testing requirements suggesting that participation in any testing should be made mandatory, although it was recognised that the 'smaller players' maybe reluctant.

Action RG0217 022: ALL members to review the Code Contingency Guidelines document and provide feedback/comments to National Grid NTS by no later than 09/01/09 to enable publication of the 'final' version no later than 1 business days before the meeting.

2.3 Identify UNC Change Requirements

National Grid NTS (CT) opened the presentation by informing members that the main body of the document remains unchanged from the version presented at the November meeting. However, the document now incorporates enhancements to the Class A section on page 4.

CT went on to state that she would welcome feedback on how best to manage the relocation of UK Link Manual Code contingency references. Furthermore, she believes that the current document provides a good starting point on which to base any legal text development. To this end, she will be discussing matters with her legal colleagues within National Grid NTS before the January 09 meeting. However, members need to appreciate that any (draft) legal text will NOT be available in time for the 15/01/09 meeting.

When discussing who, and how someone might wish to raise a UNC modification, CT indicated that she would be prepared to draft a new modification proposal in due course, possibly in time for a February 09 meeting.

3. Diary Planning for Work Group

It was agreed to meet again following the January 09 UK Link Committee meeting to sign off the Code Contingency Guidelines, Contingency Scenario Development and UNC Change Requirements documentation. The intention is, subject to signing off the above documents, to meet again in early February 09 to discuss preparation and submission of a suitable formal UNC Modification Proposal:

- 15 January 2009 11.30hrs – Elexon, 350 Euston Road, London.
- xx February 2009 – details to be confirmed in due course.

4. AOB

None.

APPENDIX A.

ACTION LOG – Review Group 0217

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
RG0217 004	09/10/08	2.1	Confirm implications of implied negative trading	National Grid NTS (PG)	Update due at January 09 meeting. Carried Forward
RG0217 006	09/10/08	2.1	Provide any additional comments on the proposed contingency arrangements to National Grid NTS	All	Update provided. Closed
RG0217 007	09/10/08	2.1	Provide any additional comments on the draft Contingency Guidelines to National Grid NTS	All	Update provided. Closed
RG0217 010	09/10/08	2.2	Draft RMTTSEC contingency arrangements	National Grid NTS (PG)	Update provided. Closed
RG0217 014	13/11/08	2.1	Investigate whether or not the proposed 11:00hrs on D+1 'window' for step 12 would have any adverse invoicing impacts.	xoserve (MC)	Update provided. Closed
RG0217 015	13/11/08	2.1	Review the ASA document to ensure appropriate provision is made for recovery of capacity during a Gemini contingency event.	xoserve (MC)	Update due at January 09 meeting. Carried Forward
RG0217 016	13/11/08	2.1	Liaise with xoserve to discuss and define the criteria for establishing whether or not bids can be input to the system at step 14.	National Grid NTS (PG)	Update provided. Closed
RG0217 017	13/11/08	2.1	Liaise with xoserve to discuss how to manage a Shipper failure during a Gemini contingency event.	National Grid NTS (CT)	Update due at January 09 meeting. Carried Forward
RG0217 018	13/11/08	2.1	Investigate potential impacts of UNC Modification 0221 (baseline and incremental capacity) during a Gemini contingency event.	National Grid NTS (CT)	Update provided. Closed

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
RG0217 019	13/11/08	2.1	Liaise with xoserve to refine the flowchart process map for steps 16a and b and provide further clarity within the procedural documentation and develop appropriate communication mechanisms.	National Grid NTS (PG)	Update provided. Closed
RG0217 020	13/11/08	2.3	Examine what other Class A references are required within the Code for contingency arrangements and report back to the December meeting.	National Grid NTS (CT)	Update provided. Closed
RG0217 021	13/11/08	2.3	Consider how the various contingency document sets will be established and governed in future.	ALL members	Update provided. Closed
RG0217 022	11/12/08	2.2	Review the Code Contingency Guidelines document and provide feedback/comments to National Grid by no later than 09/01/09 to enable publication of the 'final' version no later than 1 business days before the meeting.	ALL members	Update due at January 09 meeting.

*** Key to action owners**

PG Paul Gallagher, National Grid NTS

MC Mark Cockayne, xoserve

CT Claire Thorneywork, National Grid NTS