

**Review Group 0217 Minutes**  
**Thursday 13 November 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
Chris Milne	(CM) RWE Trading
Chris Wright	(CW) Centrica
Claire Thorneywork	(CT) National Grid NTS
Douglas Fernandez	(DF) British Gas Trading
Mark Cockayne*	(MC) xoserve
Patricia Moody*	(PM) xoserve
Paul Gallagher	(PG) National Grid NTS
Richard Fairholme	(RF) E.ON UK
Sean McGoldrick	(SM) National Grid NTS
Steve Pownall	(SP) National Grid NTS

**Apologies**

Caroline Watson	(CW) xoserve
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\*by teleconference

**1. Review of Minutes and Actions**

**1.1 Minutes**

Chair (JB) apologised for the incorrect date stated on the minutes. Thereafter, the minutes of the previous meeting were accepted.

**1.2 Review of actions.**

Appendix A contains a tabulated update on actions.

RG0217 004 – PG informed members that he has discussed the implications of implied negative trading with the xoserve Application Support Team contacts and is currently awaiting a response.

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

**Action RG0217 004: Carried Forward**

RG0217 005 – In response to the question of whether or not API access would be available during a Gemini contingency situation, PG suggested that as a general rule, the API's would not be available during a Gemini system failure. However, this may be heavily dependant upon the timing involved. Should the system be returned before the end of the gas day (i.e. with four (4) or more hours remaining) it is feasible that the API's would also be made available. He went on to say that caution must be exercised as a sudden surge in API submissions may well cause as big a problem than the initiating event. The type of failure also has a significant bearing upon possible options. Regardless of the specific details, a decision on the appropriate recovery action(s) would be taken at the time. Members should note that the four (4) hour reference has been removed from National Grid NTS's flow and procedure documentation to be considered later in the meeting.

In closing, PG acknowledged the view that, in the event of a recovery from a failure, it is usually preferable for users to be able to input data sooner rather than later. He went on to advise members that discussions with xoserve have looked at how to return the system post failure and whether or not it is better to adopt an approach whereby the system is returned in a manual only format, or a combination of manual and API. The key consideration here is that ALL parties will be made fully aware of the recovery process and will be given an opportunity to comment on its appropriateness.

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

**Action RG0217 005: Closed**

RG0217 006 and 007 – No comments had been received. Chair (JB) commented that he would be making some comments of a consistency nature to National Grid NTS but had not yet done so. PG suggested that parties might wish to await the completion of a consolidated document before making a final decision.

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

**Actions RG0217 006 and 007: Carried Forward**

RG0217 008 and 009 – Chair (JB) pointed out that both of these actions would be covered elsewhere in the meeting. Please see item 2.1.2 below.

**Actions RG0217 008 and 009: Closed**

RG0217 010 – PG advised members that data management associated with the auction process is tricky to fully appreciate and work to identify the issues is ongoing. He will be providing a more detailed update at the December meeting.

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

**Action RG0217 010: Carried Forward**

RG0217 011– Chair (JB) pointed out that this action would be covered elsewhere in the meeting. Please see item 2.1.3 below.

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

**Actions RG0217 011: Closed**

RG0217 012 – Chair (JB) pointed out that this action would be covered elsewhere in the meeting. Please see item 2.2 below.

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

**Actions RG0217 012: Closed**

RG0217 013 – Chair (JB) advised members that the October 08 panel had granted the group an extension to March 2009, although he expects to be able to submit their report sooner than this.

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

**Action RG0217 013: Closed**

## **2. Review Group Discussions**

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

PG walked through the process maps which had been produced to help clarify the contingency provisions focusing on each in turn. The aim is to put procedures in place to 'cover' how we will communicate to the market in the event of a Gemini Contingency. Members should note that the procedural stages pages provide addition detail not present in the flow charts.

### 2.1.1. Gas Flow Nominations and Gas Trades (v1.1)

Looking at the flowchart, PG pointed out that at a point in the process (box 7), National Grid NTS and xoserve will take a view as to the most appropriate course of action to ensure that wherever possible all data can be entered into Gemini by the end of the Day (box 11).

Considering box 12 requirements, MC pointed out that the file provided by the market operator is 'time bound' and he believes that this criticality needs to be highlighted in the flowchart and procedural documentation. In response, PG suggested that as it stands, by 11:00hrs on D+1 provides sufficient latitude. MC agreed to take an action to investigate whether the proposal has any adverse invoicing impacts.

Moving on, PG pointed out that boxes 16 and 17 have been modified slightly compared to the 'original' drafting. Members should note that at point 21, Users will be asked to carry out validation checks. MC suggested that, from a billing perspective, any delayed submissions passing D+5 may have billing (reconciliation) implications, although he believes that the existing process is sufficient as long as it is referenced correctly within the documents.

Continuing, the two (2) yellow boxes reference links to other procedures. PG also informed members that consideration of the Shipper NDM positions is still ongoing. In closing, PG advised members that updated versions of the respective documents will be provided in time for the December meeting.

When asked, members indicated that they were happy with the discussions on this chart.

**Action RG0217 014: xoserve (MC) to investigate whether or not the proposed 11:00hrs on D+1 'window' for step 12 would have any adverse invoicing impacts.**

### 2.1.2. Gemini Long Term Entry Capacity Auctions (v0.1)

Looking at the flowchart, PG pointed out that with respect to boxes 8, 9 and 10, the key consideration is that Shippers should be able to identify their respective positions and one major concern is how much off-line auction data is required during a Gemini contingency. Looking back at box 5, PG believes that a 10 day deferral period is appropriate, based on previous group discussions. However, CW believes that in the shorter term, 10 days may cause top-up impacts to become a concern. When discussing the 28 day notice period as defined within Code, PG reminded members that this is there to allow parties to get into position prior to the auction. PG advised members that where Gemini fails prior to an auction, and in some cases even if it is returned before the auction date, National Grid NTS may wish to defer the auction and seeing as notification has already been given anyway he would question the validity of issuing another 28 day notice. CW pointed out that currently this remains a Code obligation. CT suggested that, in future, having these provisions within the Contingency Guidelines document, as preferable to within Code, would provide for a more flexible governance arrangement. PG went on to add that where a contingency is expected to be >5 days duration, parties would meet to discuss the issues anyway.

Moving on, MC enquired if National Grid NTS would undertake credit checks during a contingency, to which PG indicated that this was currently being considered.

MC advised members that UNC TPD Section B allows for recovery of Capacity during a contingency event and believes that he will need to review the Agency Service Agreement (ASA), focusing on the accruals

process etc – the items that fall outside the UNC. PG pointed out that the criteria for box 14 need to be defined and agreed to take an action to discuss this with xoserve and report back in due course. MC also believes that shipper failures (i.e. Enron) prior to, or during an auction are a concern. CT agreed to take an action to discuss this in more detail with xoserve and report back in due course.

Discussions then centred on how to deal with auction bid results that cannot be issued during a Gemini Contingency, to which PG advised that Shippers would be contacted by another means and National Grid NTS would advise them (the Shippers) on how they might wish to bid. He will clarify this within the procedural documentation in due course. Regardless, if parties have any concerns surrounding this proposed arrangement, please contact him direct to discuss.

Members then discussed the possible impacts of UNC Modification 0221 changes (baseline and incremental capacity) and whether or not these will have a potential impact on the Gemini Contingency arrangements. CT agreed to take an action to discuss this with her National Grid NTS colleagues and report back.

In closing this particular item, PG reminded members that the onus is on the Shipper to know their own position.

**Action RG0217 015: xoserve (MC) to review the ASA document to ensure appropriate provision is made for recovery of capacity during a Gemini contingency event.**

**Action RG0217 016: National Grid NTS (PG) to liaise with xoserve to discuss and define the criteria for establishing whether or not bids can be input to the system at step 14.**

**Action RG0217 017: National Grid NTS (CT) to liaise with xoserve to discuss how to manage a Shipper failure during a Gemini contingency event.**

**Action RG0217 018: National Grid NTS (CT) to investigate the potential impacts of UNC Modification 0221 (baseline and incremental capacity) during a Gemini contingency event.**

### **2.1.3. Gemini Daily Entry Capacity Auctions (v0.1)**

PG opened by advising members that they will need to define the validation criteria for box 10 (*Please note: this also applies to the equivalent step in the Long Term process*). Continuing, PG suggested that the 'loop' between steps 16a and b looks wrong and will be amended in due course.

PG pointed out the currently the documentation does not identify what Short Term auctions would actually be run in the event of a contingency, but as a minimum, he would expect to run a within day auction in order to satisfy the licence and Code obligations of National Grid NTS.

In closing, PG suggested that as a minimum he would expect to be able to allow Shippers to be able to bid for their minimum level of capacity to fulfil their requirements.

**Action RG0217 019: National Grid NTS (PG) to 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.**

#### 2.1.4. Gemini Discretionary Release of System Entry Capacity Auctions (DRSEC) (v0.1)

PG began by apologising for the late submission of this item and informed members that a copy will be available to view or download from the Joint Office of Gas Transporters web site immediately following this meeting at: <http://www.gasgovernance.com/Code/Reviews/Rev0217/13Nov08/>

#### 2.1.5. Further Flowcharts

PG went on to advise members that RMTTSEC and Buy Back (including process definitions) would be covered in a future meeting as work is currently underway on these but is proving to be quite a complicated affair. Consideration of Interruption issues is also ongoing.

When asked what role Gemini would play in the Capacity Trades, CT suggested that there is probably not an issue with delaying these during a Gemini contingency as they could be registered on Gemini later.

Chair (JB) asked if members had any more concerns over and above those already mentioned (RMTTSEC, Capacity Constraints and Trades and Interruption issues) to which they indicated that they did not at this point in time.

PG went on to question if consideration of how to manage contingency impacts in the 'Exit World' is required prior to 2012, suggesting that any off-line procedures would need to be understood by 2010, as the supporting processes would need to be input in to Gemini.

PG informed members that National Grid NTS are also considering what contingency arrangements would be needed to 'cover' items such as Entry and Exit Capacity Trades, Interruption, OM Contestability including Interruption.

### 2.2 Identify UNC Change Requirements

National Grid NTS (CT) opened the presentation by informing members that the document is primarily looking at the relationship between UNC TPD Sections U and V.

Further discussion with xoserve on what additional items should be 'pulled out' from the UK Link Manual to 'sit' within the Gemini Code Contingency Guidelines Document (GCCGD) has not made significant changes to those previously presented to the group although this may change in future. Members are reminded that where (e.g. TPDU) a problem exists, Code requirements take precedent over GCCGD ones.

Focusing on the Class A item, CT suggested that there may well be issues surrounding overrun and acknowledges that she still needs to check various references. SP supported this view and suggested that consideration of 'other' Code TPD sections (i.e. C, D and H) is needed. CT reminded members that with regard to TPDC, the Nominations timetable goes 'out of the window' during a contingency.

In closing, Chair (JB) suggested that a 'top level' document should reference its various 'children' and governance of these documents would fall under Uniform Network Code Committee in future. He asked ALL members to consider this matter in time for discussion at the next meeting.

**Action RG0217 020: National Grid NTS (CT) to examine what other Class A references are required within the Code for contingency arrangements and report back to the December meeting.**

**Action RG0217 021: ALL members to consider how the various contingency document sets will be established and governed in future.**

**3. Diary Planning for Work Group**

It was agreed to meet again following the December UK Link Committee meeting:

- 11 December 2008 11.30hrs – Elexon, 350 Euston Road, London.

**4. AOB**

When asked about interim arrangements in the event of a Gemini contingency happening now, PG pointed out that in recent events National Grid NTS had issued an ANS notification identifying what contingency arrangement were in place.

Members then discussed the possibility of hosting industry seminars to educate parties on what and how to respond during a contingency event. PG thought that preparing a high level presentation to give to the January 09 Operational Forum and supplementing this with additional industry seminars would be beneficial.

**APPENDIX A.****ACTION LOG – Review Group 0217**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
RG0217 004	09/10/08	2.1	Confirm implications of implied negative trading	National Grid NTS (PG)	Update due at December meeting. <b>Carried Forward</b>
RG0217 005	09/10/08	2.1	Clarify acceptability of API data under various scenarios	National Grid NTS (PG) xoserve (DA)	Update provided. <b>Closed</b>
RG0217 006	09/10/08	2.1	Provide any additional comments on the proposed contingency arrangements to National Grid NTS	All	Update due at December meeting. <b>Carried Forward</b>
RG0217 007	09/10/08	2.1	Provide any additional comments on the draft Contingency Guidelines to National Grid NTS	All	Update due at December meeting. <b>Carried Forward</b>
RG0217 008	09/10/08	2.2	Draft QSEC contingency arrangements	National Grid NTS (PG)	Flowchart Presented <b>Closed</b>
RG0217 009	09/10/08	2.2	Draft AMSEC contingency arrangements	National Grid NTS (PG)	Flowchart Presented <b>Closed</b>
RG0217 010	09/10/08	2.2	Draft RMTTSEC contingency arrangements	National Grid NTS (PG)	Update due at December meeting. <b>Carried Forward</b>
RG0217 011	09/10/08	2.2	Draft DSEC contingency arrangements	National Grid NTS (PG)	Flowchart Presented <b>Closed</b>
RG0217 012	09/10/08	2.3	Identify UNC modifications necessary to incorporate the proposed changes to contingency arrangements	National Grid NTS (PG)	Drafting Presented <b>Closed</b>

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
RG0217 013	09/10/08	4.0	Request that Modification Panel extend the date by which the Group should report	Joint Office (JB)	Completed. <b>Closed</b>
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 due at December meeting.
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 December meeting.
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 due at December meeting.
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 December meeting.
RG0217 018	13/11/08	2.1	Investigate the potential impacts of UNC Modification 0221 (baseline and incremental capacity) during a Gemini contingency event.	National Grid NTS (CT)	Update due at December meeting.
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 due at December meeting.
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 due at December meeting.
RG0217 021	13/11/08	2.3	Consider how the various contingency document sets will be established and governed in future.	ALL members	Discussion at December meeting.



**\* Key to action owners**

PG Paul Gallagher, National Grid NTS

MC Mark Cockayne, xoserve

CT Claire Thorneywork, National Grid NTS