

Review Group 0217 Minutes
Thursday 14 August 2008
held at Elexon, 350, Euston Road, London

Attendees

Tim Davis (Chair)	(JB) Joint Office
Mike Berrisford (Secretary)	(MiB) Joint Office
Adam Lane	(AL) Centrica
Chris Milne	(CM) RWE Trading
Chris Wright	(CW) Centrica
Claire Thorneywork	(CT) National Grid NTS
Joel Martin	(JM) Scotia Gas Networks
Lesley Ramsey	(LR) National Grid NTS
Nicola Rigby	(NR) National Grid NTS
Paul Gallagher	(PG) National Grid NTS
Patricia Moody*	(PM) xoserve
Richard Fairholme	(RF) E.ON UK
Simon Trivella	(ST) Wales & West Utilities
Stuart Wing	(SW) Shell Energy Trading

Apologies

Caroline Watson	(CW) xoserve
James Smith	(JS) EDF Energy
Jim Walsh	(JW) E.ON UK
Steve Pownall	(SP) National Grid NTS

** Denotes teleconference link*

1. Review of Minutes and Actions

1.1 Minutes

The minutes of the July meeting were accepted.

1.2 Review of actions.

It was agreed that all actions had been overtaken given the conclusions reached at this meeting and could be closed.

2. Review Group Discussions

2.1 Contingency Scenario Development

National Grid NTS (PG) opened the item by asking if members believe that the current contingency procedures/processes are appropriate. SW highlighted concerns surrounding communications and the utilisation of pdf documents which required handwritten entries. Apart from this, attendees felt the contingency arrangements were appropriate.

When asked about thoughts on the loss of Gemini for periods greater than 12 hours and impacts they would expect to experience as a consequence, it was suggested this probably depended upon the Shipper concerned (i.e. their size,

internal processes and portfolio etc.), but those in attendance were satisfied with the present arrangements even for a relatively long outage.

PG suggested that one of the issues to consider should be how interactive the system interfaces need to be in the event that Gemini is unavailable. When asked whether or not Shippers are happy with the current 'end of day' Gemini position correction options, SW accepted that longer failures pose the biggest problem, but this is compounded by the inappropriate supporting communication mechanism. AL added that he also has concerns regarding what information National Grid require Shippers to provide during these periods. To clarify this, PG provided an overview of the Gas Trade and Gas Flow Input/Output Noms or Renominations – Gemini System Fails procedure – C05/9011 (& C05/9017), copies of which are available on the National Grid web site. He pointed out that when Gemini is unavailable at the end of the day, users will utilise the input template. Furthermore, the templates have recently been updated.

Moving on, PG pointed out that post the October 07 contingency, various parties had indicated that they believed the current contingency procedures were insufficient, contrary to the view of attendees who felt the main issues surround the communication mechanisms. RF enquired if the communications issued during a contingency could contain a reference to where the guideline procedures reside, believing this could help clarify requirements and expectations, potentially avoiding some of the adverse feedback received.

In summary, subsequent discussion identified the following points:

- Key issues revealed by the October 2007 incident surround the level of information, how it is exchanged between parties and the level of visibility;
- Work is underway on streamlining the Gemini Contingency Procedures – *a copy of the draft documentation is available to view or download from the Joint Office of Gas Transporters web site at: <http://www.gasgovernance.com/Code/Reviews/Rev0217/14Aug08/>*
 - References contained within the document reflect current arrangements;
 - No capacity procedures have been included to date, although these are being considered;
- Consideration will be needed for possible adoption of different contingency arrangements where incidents impact single or multiple shippers;
- From the October 2007 incident, National Grid NTS have learnt that they cannot provide everything to everyone and consideration of 'matching' what can be provided to users needs is required;
 - Consideration is needed for how National Grid provide NDM information to assist Shippers to balance;
 - Shippers own balance estimates may drift over time during the duration of contingency arrangements depending upon several factors i.e. NDM portfolio size, weather variability etc.;
 - Concerns remain that it is not just the NDM position that is an issue, but also the system position;
 - National Grid NTS (PG) acknowledged that they remain obliged to provide Linepack information;
 - Maintaining transactions throughout the day should not be at the expense of provision of end-of-day information;

- Duration is not necessarily a problem, it is the provision of sufficient levels of information in terms of both detail and frequency;
- Support by National Grid NTS should strike a balance between information, time and resource availability;
- National Grid NTS should guard against providing differentiated support and potential criticism surrounding discrimination ;
- Engagement should be sought with the Shippers who were most critical of the October 07 incident handling;
- Undertaking 'dry run' exercises may educate all parties as to what to do and when to do it in the event of a contingency;
- Moving contingency procedures from the UKLink Manual to the UNC would be subject to UKLink and UNC governance procedures;
 - Potential dual governance conflicts could mean that retaining procedures within the UKLink Manual and supplementing these with publication on the Joint Office web site may be beneficial;
 - Information accessibility is the main driver - the UKLink Manual has restricted access;
 - National Grid NTS proposed having a UNC ancillary document as a means of avoiding invoking the 'full' UNC modification processes;
 - National Grid NTS believed having an ancillary document supported by Joint Office publication of information could enhance communications and improve flexibility in the event of a contingency;
- Consideration of default level contingency arrangements may prove beneficial;
 - Adoption of a default minimum level response could be tailored to meet additional requirements based upon the nature of the contingency being experienced;
 - Tailored approach could provide built in flexibility which will allow you to respond to a changing situation;
- Further consideration on how to improve communications is needed;
 - Replace the current pdf format with Excel spreadsheets;
 - Adoption of email based communication supported by facsimile back-up for end-of-day processes; and
- Consideration of a combined supply emergency procedure / Gemini contingency exercise may provide benefits.

In light of this, PG suggested that worthwhile improvements to the contingency arrangements can be made by addressing the main issues associated with enhancing the existing procedures, rather than changing them, supported by a clearly defined 'global minimum level of service' provision.

PG proposed, and attendees agreed, that the next steps should involve continuation of the development of the scenarios (including the transfer of current scenario procedures into a new template and the identification and filling in of any gaps) and development of new testing models as, currently, none exist.

3. Diary Planning for Work Group

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

- 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.

4. AOB

NR advised that an updated version of the current contingency arrangements document is available on the National Grid web site and a communication to this effect will be issued in due course.

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	Closed
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)	Closed
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)	Closed

*** Key to action owners**

PG Paul Gallagher, National Grid NTS