

## Transmission Workgroup Minutes

Thursday 05 November 2015

Energy Networks Association, 52 Horseferry Road, London SW1P 2AF

### Attendees

Les Jenkins (Chair)	(LJ)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Anna Shrigley	(AS)	Eni
Antony Miller	(AM)	Centrica
Bill Goode	(BS)	National Grid
Charles Ruffell	(CR)	RWEST
Colin Hamilton	(CH)	National Grid NTS
Danielle Stoves	(DS)	Interconnector
David Reilly	(DR)	Ofgem
Duncan Michie*	(DM)	KPMG
Fergus Healy	(FH)	National Grid NTS
Francisco Gonçalves	(FG)	Gazprom
Gareth Davies	(GD)	National Grid NTS
Gerry Hoggan	(GH)	ScottishPower Energy Management
Graham Dickson	(GD)	Interconnector
Graham Jack	(GJ)	Centrica
John Costa	(JCo)	EDF Energy
John McNamara	(JMc)	National Grid NTS
Julie Cox	(JCx)	Energy UK
Kirsten Elliott-Smith	(KES)	Cornwall Energy
Lucy Manning	(LM)	Gazprom
Marshall Hall	(MH)	Oil & Gas UK
Nick Wye	(NW)	Waters Wye
Phil Hobbins	(PH)	National Grid NTS
Richard Fairholme*	(RF)	E.ON
Steve Nunnington	(SN)	Xoserve
Sue Ellwood	(SE)	Gas Terra
Terry Burke	(TB)	Statoil

\*via teleconference

Copies of papers are available at: <http://www.gasgovernance.co.uk/tx/051115>

### 1. Introduction and Status Review

LJ welcomed all to the meeting.

#### 1.1 Approval of Minutes from the previous meeting (01 October 2015)

The minutes of the previous meeting were approved.

#### 1.2 Ofgem Update

In this month's update, DR stated there were no topics that needed special focus and confirmed that The Gas Transmission Charging Review (GTCR) letter was imminent.

*Post meeting note:* The Gas Transmission Charging Review (GTCR) letter was published on 13 November 2015.

#### 1.3 Pre Modification Discussions

No business for discussion.

### 2. European Codes

*General*

CH stated there had been one change to the Code Status Update information and the Road Map with regards to the Tariffs (TAR) and Incremental Capacity Implementation date, this has now been amended to a more-realistic date, given current thinking, January 2019.

## 2.1 EU Tariffs Code (TAR NC) Update

CH gave a brief update on the current position and the latest timeline. There had been no TAR NC presentations at the Madrid Forum, due to ACER not agreeing a Recommendation. In this respect, the EC would be taking into account ACER, ENTSOG and Stakeholder's opinions, and this would be 'parked' for now, however, the EC would still proceed with the Comitology process on TAR NC in Quarter 1 of 2016. Development timescales remained the same. CH confirmed the text was being revised presently and would be forwarded to Comitology in due course.

CH explained that Member states had recorded '10 Major Issues' for the EC to look at. CH explained that the next Comitology meetings were scheduled for March and May 2016 and that a third meeting might be required.

CH confirmed that the Impact Assessment had now been published (link in the NTS slides), and noted that there was a Summary Table at the end, which overviewed the preferred policy options. The Commission would produce a starter version, which may have different policy options within it. Transparency and Storage Tariffs were being investigated, and that the new text should be available in December 2015.

CH also stated that the EC was pushing for a reduced timeline for the TAR NC implementation, which was currently 24 months. This was being consulted on with the National Regulatory Authorities (NRA's) and ACER, who now have 3 months to consider this matter.

## 2.2 EU Incremental Amendment Update

This had now been signed off and sent to Comitology. The ACER board had passed the text, however early implementation would not be possible as both the TAR NC and CAM amendment needed to be implemented in parallel. More detail will be provided at the next Transmission meeting on this status.

## 2.3 NTS Optional Tariff (Shorthaul)

In a brief presentation FH overviewed the revised arrangements for the NTS Optional Tariff (Shorthaul) at the Bacton ASEP, which was now split into two new ASEP's (Bacton UKCS and Bacton IP).

In addition to discussions at the CAM-related UNC Workgroups, Shippers had been contacted in September 2015 via various communication mediums, advising that Shippers would need to submit their Shorthaul nominations at either UKCS or IP ASEP in readiness for 01 November implementation of the split. FH advised that some Shippers still had not yet nominated at one of the new ASEPs and that, in these instances, the Standard Commodity Tariff would apply.

He went on to explain that Modification 0534 (which has the effect of treating Bacton as a single ASEP for Shorthaul purposes) was going through the Governance and costing processes and no confirmed implementation date had been agreed. However, 0534 did not remove the need to re-nominate. *Responding to a question, FH confirmed that the 0534 provisions would only apply from the date that a party's shorthaul nomination had been received confirmed for i.e. on or after the 1 November 2015.*

## 2.4 EU Systems Update

JMc reported the status of Actions TR1001 and TR1002.

**TR1001:** *SSN and DSN Duplicates* - National Grid NTS to provide a view on what the rules

demand and what the functionality allows.

JMc reported that single-sided (SSN) and double-sided (DSN) nominations could only be achieved through API's and not on the screen. JMc stated that having spoken to some TSOs this would not be possible when doing a single-sided nomination, and highlighted that National Grid could only currently address this issue by managing a datafix in Gemini. Both JMc and PH stated that they would need to know if a single-sided and double-sided nomination process was the preference. JMc requested feedback as to what the appetite was for this functionality, to then be discussed at the next meeting. It was then agreed this action could be closed.

**TR1002:** *User Testing Environment window* - National Grid NTS to consider extending the window and advise Shippers.

JMc reported that there were no plans to re-open this, as the system was already live and training material was available on the EU process. Both LM and AS explained that there were still many un-resolved issues with regards to systems queries, together with mixed and out of date communications sent by National Grid which had impacted on their internal system interfaces and their ability to prove that processes worked. JMc apologised for the mixed messages and would re check to ensure the Training Notes were correctly published.

A lengthy discussion then took place within the Workgroup about un-resolved issues still being experienced by Shippers, and a significant amount of dissatisfaction with the support received was noted.

LJ asked the impacted parties to take this matter outside of the meeting as it was not a UNC development matter. NW felt that NTS should, in recognition of the concerns raised, set out how it will clearly and consistently communicate progress and issues in future releases. It was then agreed by JMc, that this action could then be closed.

## **2.5 EU Phase 3 Project Overview**

BG provided the overview with regards to this Project and explained it was to ensure system compliance in line with various modifications aligned to EU Codes.

The Scope Criteria, Drivers and Requirements were explained, together with the key dates for the testing procedures and current status progress. BG also provided a TSO-Shipper Data Exchange Update concerning the common data and the exchange obligations regarding the B2B Gateway process.

BG stated that feedback on this solution had been requested via the UK Link Committee in August 2015 and that no objections had been raised by the industry. National Grid NTS had subsequently engaged in discussions with Ofgem regarding the solution and a feedback window will be open until the next Transmission meeting on 03 December 2015, to allow Users to propose additional scenarios to be tested. BG requested feedback with any questions or suggested scenarios. ([bill.goode@nationalgrid.com](mailto:bill.goode@nationalgrid.com))

## **2.6 Interconnection & Tripartite Agreements**

PH confirmed that the 'Track Changed' version of the final agreement had now been published on the National Grid website and there was nothing material for Shippers. <http://www2.nationalgrid.com/UK/Industry-information/Europe/Consultations>.

## **2.7 EU Webpage**

PH advised that the webpage now had information regarding key points for Gas Days since 01 November 2015

## **2.8 EU Gas Quality Harmonisation: CEN Standard Update**

PH outlined the next steps. The standard was approved for adoption by majority vote of Member States in late September 2015. There were 18 approvals, 4 disapprovals (including UK) and 10 abstentions. The reasons for the UK position were explained.

PH stated from a UK viewpoint, clarity has been requested regarding the Carbon Dioxide aspect and commented that the amendments are unlikely to happen in a short timeframe. A further update will be provided in due course.

PH then went on to explain that the Wobbe Index work will be re-started, to develop a harmonised Wobbe Index for future incorporation into the CEN standard. A meeting will be held on 18 November 2015 for this matter to be discussed. MH asked what the relationship would be between CEN and ENTSO, PH stated they would work together and confirmed he would provide an update at the next meeting on 03 December 2015.

### **3. Workgroups**

#### **3.1 0560 - (Urgent) - Addressing under-allocation of flows from BBL arising from misalignment of reference conditions**

Minutes of this meeting are located at: [www.gasgovernance.co.uk/0560/051115](http://www.gasgovernance.co.uk/0560/051115)

### **4. Issues**

#### **4.1 ISS 0067 – Transparency of future SMP prices and artificial buy price.**

GD provided an overview of Issue 0067, which had been identified at the Demand Side Response (DSR) Workgroup. The Issue focused on the transparency of System Marginal Prices (SMP's) further in advance than the day ahead and the potential for artificial buy prices being set.

The Workgroup discussed the time period when the 'weighting factors' were published and the impact of multi-day trades on the SMP prices, especially the indicative price for Day 2. GD overviewed the schematic of the 'Impact of multi-day trades on SMP prices', in relation to Day 1, Day 2 and Day 3.

Recognising that this needed more consideration, LJ asked GD to provide more detail and clarity in relation to the indicative price for Day 2 and for participants to consider this issue, discuss internally and provide feedback to GD in advance of a further discussion at the next meeting.

**New Action TR1101: GD to provide more detail and clarity in relation to the indicative price for Day 2**

**New Action TR1102: All to consider the indicative price for Day 2 issue and provide feedback to GD.**

### **5. Any Other Business**

#### **5.1 Funding, Governance and Ownership (FGO) of Xoserve - Update**

DM provided a high-level overview of the Funding, Governance and Ownership (FGO) programme regarding the main updates from the last meeting. UNC Modification 0565 would be presented to the Panel in November 2015 and that the GT Licence Conditions are to be issued for statutory consultation soon. DM also stated that the Xoserve Business Plans were now available to the Stakeholders.

DM suggested that if anyone had any further questions about the overall update to contact himself or Nicola Cocks at KPMG direct.

[Nicola.Cocks@KPMG.co.uk](mailto:Nicola.Cocks@KPMG.co.uk)

[Duncan.Michie@KPMG.co.uk](mailto:Duncan.Michie@KPMG.co.uk)

#### **5.2 Communication Channels – Stakeholder Events**

PH confirmed that the communication channels for Stakeholder information were being reviewed and that these plans would be shared at the next meeting.

AS said that she had experienced issues regarding trying to obtain information for the Capacity Auction and where to find the relevant information, especially in relation to where information should be published.

PH stated that the communications are sent via ENA and he would investigate the issue surrounding the publishing of the Auction Capacity information.

## 6. Outstanding Actions

**TR1001:** *SSN and DSN Duplicates* - National Grid NTS to provide a view on what the rules demand and what the functionality allows.

**Update:** JMc provided an update and it was agreed this action should be carried forward, please see **Section 2.4 EU Systems Update** for the overview of the discussion. This action is now closed. **Closed.**

**TR1002:** *User Testing Environment window* - National Grid NTS to consider extending the window and advise Shippers.

**Update:** JMc provided an update and it was agreed this action should be carried forward, please see **Section 2.4 EU Systems Update** for the overview of the discussion. This action is now **Closed.**

## 7. Diary Planning

Agenda items (and any associated papers) for the December meeting should be submitted to the Joint Office by Tuesday 24 November 2015.

### 2015

Time/Date	Location
10:00, Thursday 03 December 2015	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

### 2016

Time/Date	Location
10:00, Thursday 07 January 2016	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
10:00, Thursday 04 February 2016	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
10:00, Thursday 03 March 2016	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
10:00, Thursday 07 April 2016	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
10:00, Thursday 05 May 2016	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
10:00, Thursday 02 June 2016	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

10:00, Thursday 07 July 2016	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
10:00, Thursday 04 August 2016	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
10:00, Thursday 01 September 2016	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
10:00, Thursday 06 October 2016	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
10:00, Thursday 03 November 2016	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
10:00, Thursday 01 December 2016	ENA, 6 <sup>th</sup> Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

### Action Table (05 November 2015)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
TR1001	01/10/15	2.6	<i>SSN and DSN Duplicates</i> - National Grid NTS to provide a view on what the rules demand and what the functionality allows.	National Grid NTS (JMc)	<b>Closed</b>
TR1002	01/10/15	2.6	<i>User Testing Environment window</i> - National Grid NTS to consider extending the window and advise Shippers.	National Grid NTS (JMc)	<b>Closed</b>
TR1101	05/11/15	4.1	GD to provide more detail and clarity in relation to the indicative price for Day 2 and for the Workgroup to consider this issue, discuss internally and provide feedback to GD.	National Grid NTS (GD) Shippers	<b>Pending</b>
TR1102	05/11/15	4.1	All to consider the indicative price for Day 2 issue and provide feedback to GD.	All	<b>Pending</b>