

Transmission Workgroup Minutes

Thursday 04 September 2014

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

Attendees

Les Jenkins (Chair)	(LJ)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Andrew Pearce	(AP)	BP Gas
Andy Heppel	(AH)	TGPP
Anna Shrigley	(AS)	ENI
Antonio Ciavoletta	(AC)	BP Gas
Antony Miller	(AMi)	Centrica Storage
Charles Ruffell	(CR)	RWEst
Colin Hamilton	(CH)	National Grid NTS
David Reilly	(DRe)	Ofgem
Dennis Rachwal*	(DRa)	National Grid NTS
Fergus Healy	(FH)	National Grid NTS
Francisco Goncalves	(FG)	Gazprom
Gerry Hoggan	(GH)	ScottishPower
Graham Jack	(GJ)	Centrica
Jeff Chandler	(JC)	SSE
Julien Quainon*	(JQ)	GDF Suez
Julie Cox	(JCx)	Energy UK
Kevin Brown	(KB)	Petronas
Kirsten Elliott-Smith	(KES)	Cornwall Energy
Lucy Manning	(LM)	Interconnector UK
Marshall Hall	(MH)	Oil & Gas UK
Natasha Ranatunga	(NR)	EDF Energy
Nick Wye	(NW)	Waters Wye Associates
Nigel Sisman	(NS)	SEC
Richard Fairholme*	(RF)	E.ON UK
Ritchard Hewitt	(RH)	National Grid NTS
Steve Nunnington	(SN)	Xoserve

*via teleconference

Copies of papers are available at: <http://www.gasgovernance.co.uk/tx/040914>

1. Introduction and Status Review

1.1 Review of Minutes and Actions from the previous meeting (07 August 2014)

1.1.1 Minutes

The minutes of the previous meeting were accepted.

1.1.2 Actions

TR0501: Establish whether permit arrangements might be reconsidered once decisions have been reached on the PARCA arrangements.

Update: Responses to the Ofgem consultation should be sent by email to: james.thomson@ofgem.gov.uk by 01 October 2014. To be reviewed at the November meeting. **Carried forward**

1.2 Ofgem Update

DRe provided a general update, published at <http://www.gasgovernance.co.uk/tx/040914>.

1.3 Pre Modification Discussions

None for consideration.

2. Workgroups

2.1 Combined Workgroup: 0498 and 0502 – Amendment to Gas Quality NTS Entry Specification at BP Teesside System Entry Point

Minutes available at www.gasgovernance.co.uk/0498/040914.

3. Issues

3.1 New Issues

No new issues raised.

4. Any Other Business

4.1 Shipper Termination Rules

FH gave a short presentation, drawing attention to a potential issue whereby, in certain limited circumstances, the Termination Rules do not prevent a Shipper from deferring its NTS Entry Capacity obligation to another party. FH gave an example whereby a Shipper with could transfer its obligations from one of its entities (A) to another (B), with A being terminated, and the transferred obligations could then be agreed with B to commence from a future date, thereby in effect deferring payment. Whist recognising that the opportunity to trade to another party could alleviate a distressed party’s position to the extent that it could continue trading and not be forced into termination, it also exposed a loophole that could conceivably be used inappropriately. It was confirmed that no abuse had occurred to date, but having identified the issue it seemed sensible to consider if a cost effective remedy might be put in place as a safeguard.

Being mindful of applying a disproportionate remedy and creating wider adverse effects, National Grid NTS had considered a number of solutions that FH then proceeded to outline.

The Workgroup was then asked for its views and whether there were any other alternatives that might be considered. The options were discussed and it was suggested that FH clarify identified scenario(s) in more detail. It would then be determined if this item should be formally designated an Issue and progress tracked through the Issues Status Report. FH would welcome any Shipper views in the interim.

Action TR0901: *Shipper Termination Rules* - Provide example scenario(s) for review and consideration at the October meeting.

5. Diary Planning

These meetings will immediately follow the proceedings of the UNC European Workgroup unless otherwise notified.

Date	Location
Thursday 02 October 2014	ENA, 6 th Floor, Dean Bradley House, 52 Horseferry Road,

	London SW1P 2AF
Thursday 06 November 2014	ENA, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF
Thursday 04 December 2014	ENA, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF

Action Table

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
TR0501	01/05/14	1.3	Establish whether permit arrangements might be reconsidered once decisions have been reached on the PARCA arrangements.	Ofgem (DRe)	To be reviewed at the November meeting. Carried forward
TR0901	04/09/14	4.1	<i>Shipper Termination Rules</i> - Provide example scenarios for review and consideration at the October meeting.	National Grid NTS (FH)	Pending