

Workgroup Terms of Reference

0541/A/B – Removal of uncontrollable UNC charges at ASEPs which include sub-terminals operating on a 06.00 to 06.00 Gas Day

Date referred from Panel: 16 July 2015

Background – Why Change?

Please refer to <http://www.gasgovernance.co.uk/0541>

Solution

Proposed by EdF Trading (0541), BP (0541A) and Gazprom Energy (0541B)

These modifications propose to address in three different ways the same issue, which is a consequence of the change to the GB Gas Day (under Modification 0461) to an 05.00 start effective from 01 October 2015. This change has only been applied, via the UNC, to the downstream system and some gas entry terminals will continue to operate to the prior 06.00 arrangements.

The Shipper's Claims Validation Agent would therefore receive terminal data on a '6 to 6' basis and NTS data on a '5 to 5' basis. Allocating flows on the basis of different aggregate daily quantities will produce a mismatch. The Proposers believe this is not a result of a failure to balance and is not something they can mitigate, nor is the treatment of the monies raised consistent with the EU Regulation that brought about the change in the first instance.

0541 proposes to amend each User's User Daily Quantity Input (UDQI) at affected terminals so no mismatches are created.

0541A proposes to remove any resulting charges before they are levied by using the '6-6' UDQI at affected terminals

0541B proposes to reimburse affected Users by creating a second category of Capacity and Balancing Neutrality charges applicable only where required to address mismatches.

Topics for Discussion

- Understanding the objective
- Assessment of alternative means to achieve objective
- Development of Solution (including business rules if appropriate)
- Assessment of potential impacts of the modification
- Assessment of implementation costs
- Assessment of legal text.

Outputs

Produce a Workgroup Report for submission to the Modification Panel, containing the assessment and recommendations of the Workgroup.

Composition of Workgroup

The Workgroup is open to any party that wishes to attend or participate.

A Workgroup meeting will be quorate provided at least two Transporter and two User representatives are present.

Meeting Arrangements

Meetings will be administered by the Joint Office and conducted in accordance with the Code Administration Code of Practice