

UNC Workgroup 0653 Minutes
Updating the parameters for the NTS Optional Commodity Charge –
Introducing the NTS Optional Capacity Charge

Tuesday 05 June 2018

at Elexon, 4th Floor, 350 Euston Road, London NW1 3AW

Attendees

Rebecca Hailes (Chair)	(RH)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Alex Nield *	(AN)	Storengy UK
Andrew Pearce	(AP)	BP
Anna Shrigley	(AS)	ENI
Colin Hamilton	(CH)	National Grid NTS
Colin Williams	(CW)	National Grid NTS
Debra Hawkin	(DH)	TPA Solutions
Graham Jack	(GJ)	Centrica
Jeff Chandler	(JCh)	SSE
John Costa	(JCo)	EDF Energy
Julie Cox	(JCx)	Energy UK
Kirsty Ingham	(KI)	ESB
Matt Hatch	(MH)	National Grid NTS
Nahed Cherfa	(NCh)	Equinor
Niall Coyle *	(NCo)	E.ON Energy Solutions
Nick Wye *	(NW)	Waters Wye Associates Limited
Paul Youngman *	(PY)	Drax
Penny Jackson	(PJ)	npower
Sean Hayward	(SH)	Ofgem
Steve Pownall	(SP)	Xoserve

**via teleconference*

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0653/050618>

1.0 Introduction and Status Review

1.1 Approval of Minutes (16 May 2018)

The minutes from the previous meeting were approved.

2.0 Amended Modification

Graham Jack (GJ) confirmed that no amended modification has been raised as yet.

3.0 National Grid Analysis

Colin Williams (CW) confirmed what the expectations are on the National Grid analysis, explaining that if there is to be a literal comparison to Modification 0636, this would be the same method in terms of the application. With Modification 0653, the scope for analysis needs to be completed.

CW added that the nature of Modification 0653 is changing, therefore, a like for like analysis could be flawed.

Workgroup agreed that more detail is required around exactly what analysis is required.

GJ confirmed that this modification is similar to the transition solution for Modification 0621C.

It was asked if this modification can be implemented alongside Modification 0621C? Modification 0653 was intended to be an alternative to Modification 0636 but Panel decided it is a separate modification.

Workgroup discussed options as to what to do with Modification 0653, with regards to Modifications 0636 and 0621.

New Action 0601: GJ to arrange for CW to liaise with Centrica colleague with regards to analysis.

Rebecca Hailes (RH) requested a concise statement of what question the analysis should be answering.

The analysis should measure how much revenue is going to be generated or foregone by using the optional capacity charge in comparison with today. Accessibility should also be considered.

When asked, GJ explained the intention of this modification and highlighted some of the differences of this modification compared to 0636 (and its alternatives) and 0621 (and its alternatives).

Steve Pownall (SP) provided a Xoserve systems update, the presentation can be found here: <https://www.gasgovernance.co.uk/0653/050618>.

SP confirmed that:

- Joint Office has requested a formal Modification 0653 ROM (17th May)
- Xoserve is endeavouring to provide a full ROM Response as soon as possible
- An initial, high-level systems impact assessment (SIA) has been conducted

- The SIA does not include costs, these will be included in the final ROM Response

He then gave a brief overview of Modification 0653 explaining that UKLink and Gemini would require extensive change to support the introduction of NTS Optional Capacity Charge.

A System Impact Assessment of Modification 0653 was then given by SP, this slide showed the complexity of change by Red, Amber, Green status against each of the impacted Xoserve systems.

A ROM response is expected week commencing 11 June 2018.

Workgroup agreed that the Business Rules needed to be developed in order for the systems changes to be properly identified. It was noted that some business rules will probably come out of discussion based on the analysis and further workgroup development thereafter.

4.0 Review of Outstanding Actions

Action 0501: Joint Office, Rebecca Hailes, (RH), and Ofgem, Robin Dunne, (RD), to raise that Modification 0653 is to be considered and consulted on alongside Modification 0636 and its alternatives with Ofgem and within Joint Office.

Update: This topic was raised at Panel, no response. GJ explained to Ofgem and asked if it is sensible to completely divorce 0653 from the 0636 suite of modifications. From a good governance perspective, 0621; 0636 and 0653 are all dealing with the same piece of code. SH confirmed there is no change on the impact assessment.

Completed

Action 0502: Joint Office (RH), to update the Workgroup Report with the revised timetable.

Update: This has been completed. **Completed**

Action 0503: Joint Office (RH), to email Xoserve formally requesting ROM for Modification 0653.

Update: Request complete. **Completed**

5.0 Completion of Workgroup Report

Rebecca Hailes (RH) clarified that the Workgroup Report is partially completed and that progress of completion is delayed due to lack of analysis. It was confirmed that analysis will be available for discussion at workgroup on 3 July 2018.

Matt Hatch (MH) advised that until there is clarity on the modification and its business rules, development of the Legal Text will not be initiated.

RH confirmed that the modification is currently set to report to the July UNC Panel and advised that she will ask for an extension to August 2018 at UNC Panel on 21 June 2018.

New Action 0602: RH to request an extension to August 2018 at UNC Panel on 21 June 2018.

She reiterated that if there was some input from Ofgem for a View on how to look at the Modification 0636, 0621 and 0653 interactions it would be helpful. Sean Hayward (SH) will take this back to Ofgem.

Discussion followed as to whether Ofgem will provide a View, SH suggested it was an Industry problem. JCx clarified that the ability to request a View resides in the UNC Modification rules.

6.0 Next Steps

Analysis to be available for discussion at the next NTSCMF meeting (03 July 2018)

ROM response from Xoserve expected w/c 11 June 2018

Development of Business Rules

7.0 Any Other Business

8.0 Diary Planning

Further details of planned meetings are available at:

<https://www.gasgovernance.co.uk/events-calendar/month>

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:00 Tuesday 03 July 2018	Elexon, 350 Euston Road, London NW1 3AW	Standard Workgroup Agenda
10:00 Wednesday 01 August 2018	Radcliffe House, Blenheim Court Warwick Road Solihull B91 2AA	Standard Workgroup Agenda
10:00 Tuesday 04 September 2018	<i>Elexon, 350 Euston Road, London NW1 3AW</i>	<i>Standard Workgroup Agenda (if required)</i>

Action Table (as at 16 May 2018)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0501	16/05/18	2.0	Joint Office, Rebecca Hailes, (RH), and Ofgem, Robin Dunne, (RD), to raise that Modification 0653 is to be considered and consulted on alongside Modification 0636 and its alternatives with Ofgem and within Joint Office.	Joint Office, (RH), and Ofgem, (RD),	Closed
0502	16/05/18	2.0	Joint Office (RH), to update the Workgroup Report with the revised timetable.	Joint Office (RH)	Closed
0503	16/05/18	2.0	Joint Office (RH), to email Xoserve formally requesting ROM for Modification 0653.	Joint Office (RH)	Closed
0601	05/06/18	3.0	GJ to arrange for CW to liaise with Centrica colleague with regards to analysis.	Centrica (GJ)	Pending
0602	05/06/18	5.0	RH to request an extension to August 2018 at UNC Panel on 21 June 2018.	Joint Office (RH)	Pending