UNC Workgroup 0701 Minutes Aligning Capacity booking under the UNC and arrangements set out in relevant NExAs

Tuesday 17 December 2019

at Elexon, 350 Euston Road, London NW1 3AW

| Attendees | | | | |
|---------------------------|-------|---------------------------------------|--|--|
| Alan Raper (Chair) | (AR) | Joint Office | | |
| Helen Bennett (Secretary) | (HB) | Joint Office | | |
| Loraine O'Shaughnessy | (LO) | Joint Office | | |
| Maitrayee Bhowmick-Jewkes | (MBJ) | Joint Office | | |
| Andy Clasper | (AC) | Cadent | | |
| Carl Whitehouse* | (CW) | Shell Energy Retail Limited | | |
| David Addison | (DA) | Xoserve | | |
| David Mitchell | (DM) | SGN | | |
| Ed Fyfe* | (EF) | SGN | | |
| Ellie Rogers | (ER) | Xoserve | | |
| Gareth Evans* | (GE) | Waters Wye Associates | | |
| Kirsty Dudley* | (KD) | E.ON | | |
| Lea Slokar* | (LS) | Ofgem (Workgroups 0696 and 0701 only) | | |
| Lorna Lewin | (LL) | Orsted | | |
| Megan Coventry* | (MC) | SSE | | |
| Oorlagh Chapman | (OC) | British Gas | | |
| Phil Lucas | (PL) | National Grid | | |
| Richard Pomroy | (RP) | Wales & West Utilities | | |
| Stephanie Clements* | (SC) | Scottish Power | | |
| Steve Britton* | (SB) | Cornwall Insights | | |
| Steve Mulinganie | (SM) | Gazprom Energy | | |
| Tracey Saunders | (TS) | Northern Gas Networks | | |
| *via teleconference | | | | |

Copies of all papers are available at: <u>www.gasgovernance.co.uk/0701/171219</u> The Workgroup Report is due to be presented at the UNC Modification Panel by 20 February 2020.

1.0 Introduction and Status Review

1.1. Approval of Minutes (28 November 2019)

The minutes from the 28 November 2019 were accepted.

1.2. Review of outstanding actions

2.0 Amended Modification

TS updated the Workgroup and provided an overview of the changes in Version 2 of the Modification:

- provided more clarification of the Modification
- removed the Business Rules from the Solution
- added clarity if a shipper tries to book capacity that exceeds the NExA it will create a referral
- Solution section added that, any new capacity requested cannot exceed the value in the NExA and that the Provisional Maximum System Offtake Quantity (PMSOQ) should also not exceed the NExA.

The Solution now states:

It is proposed that any new or additional daily capacity or hourly flow for Supply Meter Points (excluding NTS Supply Points) requested under the UNC should not exceed the value stated in the NExA, nor should the PMSOQ exceed the value stated in the NExA. Where a site ratchets then the DM Supply Point Capacity cannot ratchet above that listed in a NExA should one exist.

In line with existing code TPD G5.5.3 any application for increase in Capacity that exceeds the PMSOQ will create a Supply Point Nomination referral to the relevant Transporter.

For Class 1 and 2 Supply Points: Any requests for new or additional System capacity made by the Shipper shall not, where a relevant NExA exists, exceed either the DM Supply Point Capacity (SOQ) or the Supply Point Offtake Rate ("SHQ") set out in the NEXA. Where there is only an SHQ value in the NExA the SOQ value will be taken as a calculation of [24] times the SHQ value quoted in the NExA

After TS provided further clarity regarding the changes made to the Solution, Workgroup considered the amendments and agreed that the definition of PMSOQ in Uniform Network Code would need to be redefined to reflect the link to the NExA value.

RP advised that the scenarios that Xoserve have produced won't change the rules but may change how they are applied in the system.

DA sought further clarity and asked, where the SOQ is higher than the NExA SOQ, the Shipper would be required reduce the booked capacity, raising similar points to those discussed Modification 0696. TS advised she would investigate and, depending on the outcome, may submit a version 3.0 of the Modification. TS confirmed that there is already a ROM in place, and discussions are ongoing with Xoserve.

3.0 Consideration of Business Rules

Business Rules were not considered any further.

4.0 Review of Impacts and Costs

Impacts and costs were not considered any further.

5.0 Next Steps

AR confirmed that based on discussions today:

• Completion of the Workgroup Report.

6.0 Any Other Business

None.

7.0 Diary Planning

Further details of planned meetings are available at: <u>https://www.gasgovernance.co.uk/events-</u> calendar/month

Workgroup meetings will take place as follows:

| Time / Date | Venue | Workgroup Programme |
|------------------------------------|---|--|
| 10:30, Thursday 23 January 2020 | Radcliffe House, Blenheim Court, Warwick Road, Solihull, B91 2AA | Distribution Workgroup standard Agenda |

Action Table (as at 17 December 2019)

| Action Ref | Meeting Date | Minute Ref | Action | Owner | Status Update |
|---------------|-----------------|---------------|------------------------|-------|---------------|
| | | | No outstanding actions | | |