

UNC Workgroup 0696V Minutes
Addressing inequities between Capacity booking under the UNC and
arrangements set out in relevant NExAs

Thursday 26 March 2020

Via Teleconference

Attendees		
Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
Anna Stankiewicz	(AS)	National Grid
Carl Whitehouse	(CW)	Shell Energy
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
Ellie Rogers	(ER)	Xoserve
Gareth Evans	(GE)	Waters Wye Associates
Guv Dosanjh	(GD)	Cadent
India Koller	(IK)	SGN
Kirsty Dudley	(KD)	E.ON
Lea Slokar	(LS)	Ofgem
Lorna Lewin	(LL)	Orsted
Oorlagh Chapman	(OC)	British Gas
Phil Lucas	(PL)	National Grid
Rebecca Cailles	(RC)	BU-UK
Richard Pomroy	(RP)	Wales & West Utilities
Steve Britton	(SB)	Cornwall Insights
Steve Mulinganie	(SM)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: www.gasgovernance.co.uk/0696/260320

The Workgroup Report is due to be presented at the UNC Modification Panel by April 2020.

1. Introduction and Status Review

Alan Raper (AR) provided an update of the recent discussion held at UNC Panel on 19 March 2020 and explained that Panel members determined that the Variation Request was accepted as an immaterial change to the Modification, by unanimous vote and that Modification 0696V be returned to Workgroup with a report due to Panel on 16 April, also by unanimous vote.

1.1. Approval of Minutes (27 February 2020)

The minutes from the previous meeting were accepted.

1.2. Review Outstanding Actions

Action 0201: AR to produce a draft Workgroup Report

Update: The Workgroup Report has been created and was circulated to the Workgroup for review and comment prior to the meeting. **Closed**

2. Development of Supplemental Report

2.1. Clarification of the current capacity booking arrangements, particularly in relation to:

- 2.1.1. Procedures
- 2.1.2. Responsibilities
- 2.1.3. Timing of events
- 2.1.4. Legal arrangements

These have been addressed in the Workgroup Report.

3. Detail on the deficiencies in the current arrangements – as described in the proposal

This was covered in the Workgroup Report.

4. Review of impact on central systems, processes, and procedures

This was covered in the Workgroup Report.

5. Review and assessment of the Legal Text

Richard Pomroy (RP) provided an overview of the drafted Legal Text Drafting which can be viewed here: www.gasgovernance.co.uk/0696/260320.

RP advised Workgroup that this is quite a complex piece of code.

Steve Mulinganie (SM) said that the legal text is common between Modification 0696V and Modification 0701 and that the only difference is the retrospective element. However, Tracey Saunders (TS) advised there are different people drafting the legal text for Modification 0701 and that the modifications have developed along different paths, although conceptually there is a degree of commonality. TS added that Ofgem have previously confirmed each Modification will be looked at independently. SM sought assurance from Ofgem that this is not a concern. Lea Slokar (LS) confirmed that Ofgem will look at both Modifications in isolation.

AR summarised that Ofgem are aware of the issue of the legal drafting for Modification 0696V addresses issues similar to Modification 0701, but that since the Legal Text has been drafted independently by different transporters there will be some differences in the way the legal text is constructed.

Review of Workgroup Report

AR provided an overview of the updated Workgroup report whereby Workgroup made suggestions for additional text and clarifications to be made where AR made live updates to the report:

Timetable

AR explained this has been updated to account for the Variation of the Modification.

Code Specific Matters

AR asked if one of the DNs could provide a blank template of a NExA, however, TS advised that the NExA agreements are DN specific. RP clarified that most of what is needed is annex A and the Workgroup Report could refer to the general content.

New Action 0301: TS to forward an email to Joint Office for inclusion in the Workgroup Report and Mod 701 Workgroup Report.

Post meeting note: Complete

Section 5

SM explained that the variation is the addition of Business Rule 3.

For avoidance of doubt, Ellie Rogers (ER) specified Modification 0696 was originally proposed as an offline solution. For consistency, there will be a minor system change and this needs to be reflected in the Workgroup Report.

Section 6

Central systems impacts

ER suggested a slight amendment to clarify that it is still a manual solution for the capacity correction.

Workgroup Impact Assessment

AR asked for any specific comments from Workgroup regarding the retrospective element. SM suggested this should be left to individual representations during consultation to show support or not for the retrospective element.

Relevant Objectives

When asked, RP suggested commentary for licensee obligations advising it aligns the commercial arrangement better with the operational arrangement with the site, therefore, assists in managing capacity, however, the retrospective element conflicts with that.

AR added that the Supplementary Information included in the Workgroup Report provides a synopsis of procedures and responsibilities, as requested by Ofgem in their “send-back” letter.

6. Next Steps

AR confirmed the next steps:

- The Workgroup Report will be updated and published for comment and final review.
- Present Workgroup Report to April UNC Panel

7. Any Other Business

None raised.

8. 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
No further meetings planned		

Action Table (as at 26 March 2020)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0201	27/02/20	1.0	AR to produce a draft Workgroup Report	Joint Office	Complete
0301	26/03/20		TS to forward an email to Joint Office for inclusion in the Workgroup Report and Mod 701 Workgroup Report.	NGN (TS)	Complete

