## UNC Workgroup 0779 0779A Minutes 0779 Introduction of Entry Capacity Assignments 0779A Introduction of Entry Capacity Assignments with Defined End Date

# Thursday 04 November 2021

## via Microsoft Teams

#### Attendees

Kate Elleman (Chair)	(KE)	Joint Office	
Helen Cuin (Secretary)	(HCu)		
Adam Bates	(AB)	South Hook Gas	
Alex Neild	(AN)		
Amber Talbot	(AT)	Storengy	
Andrew Blair	(ABÍ)	Interconnector	
Andrew Pearce	(APe)	BP	
Anna Shrigley	(ASh)	Eni	
Anna Stankiewicz	(ASt)	National Grid	
Ashley Adams	(AA)	National Grid	
Bethan Winter	(BW)	Wales & West Utilities	
Carlos Aguirre	(CA)		
Chris Wright	(CW)		
Christiane Sykes	(CS)		
Daniel Hisgett	(DH)	National Grid	
David Mitchell	(DM)	SNG	
Davide Rubini	(DR)	Vitol	
Hannah Reddy	(HR)	Corella	
Henk Kreuze	(HK)	Vermillion	
Jeff Chandler	(JCh)	SSE	
Joseph Leyon	(JL)	SGN	
Julie Cox	(JCx)	Energy UK	
Kamla Rhodes	(KR)	Conoco Phillips	
Lauren Jauss	(LJ)	RWE (from 1pm)	
Malcolm Montgomery	(MM)	National Grid	
Marion Joste	(MJ)	ENI	
Mark Field	(MF)	Sembcorp Energy UK	
Max Lambert (from 11am)	(ML)	Ofgem	
Nick Wye	(NW)	Waters Wye Associates	
Paul O'Toole	(POT)	NGN	
Pavanjit Dhesi	(PD)	Interconnector	
Phil Hobbins	(PH)	National Grid	
Richard Fairholme	(RF)	Uniper	
Richard Selmen	(RS)	Ancala Midstream	
Ritchard Hewitt	(RH)	Hewitt Home and Energy Solutions	
Samuel Dunn	(SM)	Interconnector	
Samuele Repetto	(SR)	Gazprom	
Shiv Singh	(SS)	Cadent	
Terry Burke	(TB)	Equinor	

Copies of all papers are available at: <u>https://www.gasgovernance.co.uk/0779/041121</u>

The Workgroup Report is due to be presented at the UNC Modification Panel by 20 January 2022.

#### 1. Introduction and Status Review

Kate Elleman (KE) welcomed all parties to the meeting.

#### 1.1. Approval of minutes (01 October 2021)

The minutes from the 07 October meeting were approved.

#### **1.2.** Approval of Late Papers

KE advised that there were 2 late papers, a draft Amended Modification and Presentation.

#### **1.3.** Review of Outstanding Actions

None to consider.

#### 2. Amended Modification(s)

Daniel Hisgett (DH) provided the Workgroup with an overview of the <u>Entry Capacity Assignment</u> <u>analysis</u> National Grid had undertaken and an outline of the process. For the details of the presentation please refer to: <u>https://www.gasgovernance.co.uk/0779/041121</u>

Lauren Jauss (LJ) enquired about the accessibility to the short haul discount for users. DH provided an overview of assigning short-term entry assignments and the benefits that arise where entry assignments are used in conjunction with Exiting Contracts and Short-haul discounts. DH confirmed from the analysis, National Gird can see that monetary benefits arise, but this benefits only a small number of Users at specific Entry/Exit Point combinations and negatively impacts all others.

LJ asked the Workgroup if there would be benefits from a credit perspective and where limited capacity is available, Shippers could trade secondary capacity.

To give the Modifications the best chance of approval, DH confirmed the need to ensure a robust justification which demonstrates the benefits of Entry Assignments for more than a select few Users and to provide strong reasoning behind the inclusion of start and end dates. He went onto explain the potential of combining the two proposals in to one Modification and asked for the Workgroup views/feedback.

The Workgroup considered combining elements of both Modifications and progressing the changes as one Modification. It was envisaged by doing this the Workgroup could report early in December. The Workgroup considered the timeline and the ability to implement the changes in October 2022.

LJ provided an overview of the additional clarification which had been proposed for an Amended Modification for 0779A. LJ clarified that any start or any ends date can be defined, and that there is no minimum period for the assignment.

LJ asked the Workgroup views on the notice periods of 1, 2 or 3 days' notice, and if it was suitable to have a minimum one day. It was acknowledged that the Workgroup would need to consider in terms of costs what the optimum notice period would be.

It was anticipated the Rough Order of Magnitude (ROM) could be available for 22 November and it may be possible to have some Legal Text which would allow the Workgroup to meet at the end of November.

The Workgroup also briefly considered that if combining the two changes it could allow the Modification to proceed under Self-Governance procedures.

#### 3. Development of Workgroup Report

It was agreed to defer the development of the Workgroup Report whilst the two Proposers consider whether to incorporate the required changes into one Modification and withdraw the other.

#### 4. Next Steps

National Grid (JR) and RWE (LJ) to consider whether to amend their respective Modifications or incorporate the required changes into one Modification for further consideration at the next meeting.

## 5. Any Other Business

None.

### 6. Diary Planning

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

Time / Date	Paper Publication Deadline	Venue	Programme
10:00 Monday 29 November 2021	5pm Friday 18 November 2021	Microsoft Teams	Development of Workgroup Report
10:00 Thursday 06 January 2022	5pm Friday 28 December 2021	Microsoft Teams	Completion of Workgroup Report