

**ENERGY BALANCING CREDIT COMMITTEE MEETING**  
**16 September 2005**

**Participants**

**Joint Office (Non voting)**

Julian Majdanski (Chair)

**Shippers**

Gavin Ferguson

David Roberts

Lee Selway

Accord

Centrica

EdF Energy

**Xoserve (Non voting)**

Mark Cockayne

**Ofgem (Non voting)**

Bryony Sheldon

**Apologies**

Julie McNay

David Greenwell

Stacey Elliott Smith

SSE

RWE Trading

Statoil

**Introduction of Joint Office**

Julian Majdanski welcomed members to the meeting, which was not quorate.

**Minutes and Actions from the Previous Meetings**

The minutes and actions from the previous meeting were reviewed together with the following actions, which had been carried forward:

Shrinkage Overview: Julian Majdanski, Joint Office of Gas Transporters to refer aspects of the UNC legal drafting back to the NGT Blackwater project team (Transco defined as a User within Code, but can not be terminated etc. DNO classification throughout Code).

***Update:*** Julian informed members that the NG Blackwater team had indicated that the drafting was as originally intended and that paragraph 1.5 of Section X specifically excludes DNO Users.

*Mark Cockayne said that it was up to the Committee members to decide if they were content with this and there was discussion around the level of awareness in the industry and whether further consideration should be given at the shrinkage forum.*

Multiple User Letter of Credit

***Update:*** Mark Cockayne confirmed that this had been issued.

**The following represents August's Operational update:**

Mark Cockayne provided the following Operational update:

EBCC Pack issued 05 September 2005.

**Cash Call Notices:**

During August no Cash Call Notices (CCN) were issued. Therefore the total CCN's issued year to date remains at 105, of which, 92 have been paid, 13 have been appealed and 12 withdrawn and 1 revised. Six Failure to Pay Cash Call Notices were issued during the month.

#### Further Security Requests:

No Further Security Requests were issued during August.

#### Settlement:

The following performance was reported:

Month	Payment Due Date	Payment Due Date +6
July	99.2%	100%
August	98.4%	100%
Year to date	98.89%	100%

#### **A.O.B.**

##### **Gemini Implementation**

Gemini implementation is due on 18 October 2005. Mark Cockayne advised members that the exposure monitoring facility may be offline on 18th and 19th October. This is the worse case scenario and CRME will advise the EBCC whether or not it will be offline at that time.

Gavin Ferguson raised the concern that there may be Users who experience problems with downloading the files for the EBI as issued from Gemini for the first time, as the test data had been manually derived and pre validated. It has been agreed that contact will be made with all Users within 48 hours of invoice issue to ensure that the invoice has been received successfully. This exercise will only be carried out for the 1st EBI invoice issued from Gemini.

The following issue was also raised by Gavin;

In the event of a defaulting User, what would happen if a supplier went under and they were a net buyer of gas at the beach. Could parties who would have sold them gas at the beach, re-route that gas prior to the CVA closeout and therefore avoid the bad debt that they would otherwise expect. If that were to happen, a User whose indebtedness looked OK initially may be very out of balance in the final outcome. The issue here is probably title - when does it transfer? If this were to occur, what view would Ofgem take? Further investigation of the above is to be carried out by CRME.

**Next Meeting: 10:30 hours on 21 October 2005, at EdF Energy's Offices, 40, Grosvenor Place, Victoria, London.**