
UNC Energy Balancing Credit Committee Minutes
Monday 21 May 2018
via teleconference

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office	Non-Voting
Helen Cuin (Secretary)	(HCu)	Joint Office	Non-Voting
Adam Lane	(AL)	Shipper	Voting Member
Mark Cockayne	(MC)	Xoserve	Non-Voting
Pauline Babb*	(PB)	Shipper	Voting Member
Richard Fairholme	(RF)	Shipper	Voting Member
Sallyann Blackett	(SB)	Shipper	Voting Member – Alternate
Sandra Dworkin	(SDw)	Xoserve	Non-Voting

Apologies

James Rigby	(JR)	Shipper	Voting Member
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Copies of all papers are available at: <https://www.gasgovernance.co.uk/ebcc/210518>

1. Introduction and Status Review

BF welcomed the members to the meeting, which was quorate.

1.1. Apologies for absence

See above table.

1.2. Note of Alternates

None.

1.3. Approval of Minutes (23 April 2018)

The minutes from the previous meeting were accepted.

1.4. Review of Outstanding actions

None outstanding.

2. Operational Update

SDw provided the operational report for the Year to date and for April 2018.

2.1. Cash Call Notices

During the past year to date there had been 24 Cash Call Notices issued so far. 12 were appealed and withdrawn and 12 were paid on the due date.

SDw confirmed there were no cash calls issued for April.

SB questioned if the committee should be concerned about the value increase for the yearly cash calls. MC explained that CDSP are being proactive with customers to ensure payment.

2.2. Further Security Requests (FSRs)

During April there were no Further Security Requests issued.

2.3. Settlement

The following performance was reported:

Month	Payment Due Date	Payment Due Date +2
April 2018	99.99%	100%
Rolling 12 Months	98.56 %	100%

SDw confirmed that there was 1 Failure to Pay Notices issued in April for a small value.

The committee considered the UIG and gas price impacts.

3. Modifications

No update.

4. 12 Month Review

MC provided a review of the last 12 months. The rolling 12 month remains above 98.56%, with proactive management of users reaching 75% of indebtedness which minimises cash calls.

MC confirmed that there had been some challenges during the winter periods, security renewals remains at 100%, and the impact on cash calls has been minimal.

SB explained that there are issues with Gemini which are causing balancing issues for parties. It was questioned of the Allocation issues on Gemini had impacted the indebtedness. MC explained that this does impact the team but nothing has been raised through the credit route.

MC summarised that the EBCC credit rules was last reviewed 01 May 2017, the credit team had undergone some re-organisation, and had been successful with obtaining reaccreditation from the Chartered institute of Credit Management (CICM).

MC confirmed there had been some focus on the Committee's membership this year, however an increase in representatives was not realised. CS explained the election process for 2018 is due to commence and the Joint Office are raising awareness of this process in hope to encourage participation in the process and improve representation for under-represented committees.

MC confirmed a number of team changes are taking in place with staff changes and explained the steps the CDSP are undertaking to ensure the right skills are maintained on the team.

MC reported that the that that a review of the credit rating data had been undertaken and an update to the EBCR will be made to bring these in line with changes to the Moody's long-term ratings. With regards to systems Gemini is to implement some process improvements and a number of manual processes are being reviewed.

5. Security Review

MC provided an overview of the Financial Institution's (FI) exposure. He reported a number of improvements, and a shift with more parties moving into the higher categories. He also provided a summary of the Deposit Deeds between April 2016 and April 2018.

6. Any Other Business

6.1. Voluntary Discontinuance

MC confirmed there was one organisation requesting a voluntary discontinuance which has not been active or trading. The Committee members agreed to the discontinuance.

6.2. Financial Institute List

RF enquired if the FI list is commonly being used and if there were any parties using any new FIs. MC confirmed that have been a few changes but by and large the main FIs are used.

7. Diary Planning

Further details of planned meetings are available at:

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

Time / Date	Venue	Workgroup Programme
14:30 Monday 25 June 2018	Teleconference	Standard agenda items
14:30 Monday 23 July 2018	Teleconference	Standard agenda items