

**UNC Transmission Workgroup Minutes**  
**Thursday 04 July 2019**  
**at Elexon, 350 Euston Road, London, NW1 3AW**

**Attendees**

Rebecca Hailes (Chair)	(RH)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Alan Raper*	(AR)	Joint Office
Chris Wright	(CR)	Exxon Mobil
Graham Jack	(GJ)	Centrica
Kamla Rhodes	(KR)	Conoco Phillips
Mark Carolan*	(MC)	Ofgem
Mark Rixon	(MR)	National Grid NTS
Nick Wye*	(NW)	Waters Wye Associates
Phil Hobbins	(PH)	National Grid NTS
Richard Fairholme*	(RF)	Uniper
Shiv Singh*	(SS)	Cadent
Steve Britton*	(SB)	Cornwall Insight
Steve Pownall	(SP)	Xoserve
Terry Burke	(TB)	Equinor

*\*via teleconference*

Copies of all papers are available at: <http://www.gasgovernance.co.uk/tx/040719>

**1. Introduction**

**1.1. Approval of minutes (06 June 2019)**

The minutes from the previous meeting were approved.

**1.2. Ofgem update**

An overview was provided by Mark Carolan (MC) of the Industry update which covered the topics as detailed below:

Please view this complete document here: <http://www.gasgovernance.co.uk/tx/040719>

**Compressor Emissions Compliance Strategy Guidance**

[https://www.ofgem.gov.uk/system/files/docs/2019/06/compressor\\_emissions\\_compliance\\_guidance.pdf](https://www.ofgem.gov.uk/system/files/docs/2019/06/compressor_emissions_compliance_guidance.pdf)

**Decision on new Applications Regulations and guidance document**

<https://www.ofgem.gov.uk/publications-and-updates/decision-new-applications-regulations-and-guidance-document>

**Decision on proposed modifications to BBL Company's Access Rules and decision not to apply certain articles of CAM (Capacity Allocation Mechanisms in gas transmission systems) in relation to the Implicit Allocation Mechanism**

<https://www.ofgem.gov.uk/publications-and-updates/decision-proposed-modifications-bbl-companys-access-rules-and-decision-not-apply-certain-articles-cam-relation-implicit-allocation-mechanism>

### **Ofgem data: Upcoming release calendar**

<https://www.ofgem.gov.uk/publications-and-updates/ofgem-data-upcoming-release-calendar>

### **Consumer Impact Report Financial Year 2018-19**

[https://www.ofgem.gov.uk/system/files/docs/2019/06/20190626\\_consumer\\_impact\\_report.pdf](https://www.ofgem.gov.uk/system/files/docs/2019/06/20190626_consumer_impact_report.pdf)

### **RIIO-2 tools for cost assessment consultation**

[RIIO2@ofgem.gov.uk](mailto:RIIO2@ofgem.gov.uk)

[https://www.ofgem.gov.uk/system/files/docs/2019/06/maindocument\\_riio-2\\_tools\\_for\\_cost\\_assessment.pdf](https://www.ofgem.gov.uk/system/files/docs/2019/06/maindocument_riio-2_tools_for_cost_assessment.pdf)

## **1.3. Pre-Modification discussions**

### **1.3.1. Improvements to Margins Notice Arrangements (PH)**

Phil Hobbins (PH) introduced the draft Modification and explained the purpose of it was to make a number of improvements to the arrangements for National Grid NTS provision of Margins Notices (UNC TPD V5.9.3) and introduce a new 'early warning' notice as per the recommendations of Request 0669R. He further explained that the Uniform Network Code TPD Section V5.9 ('Operational and Market Data') includes an obligation for National Grid NTS to issue a notice to the market (a 'Margins Notice') where the forecast demand for a gas flow day is equal to, or greater than, the expected available supply for that gas flow day. This effectively signals to market participants that they may need to either source more gas or limit demand to avoid a supply / demand imbalance on the following day. He added that the expected levels of non-storage sources of supply comprising UK Continental Shelf (UKCS), Norway, Interconnectors and Liquefied Natural Gas (LNG) are currently set by National Grid NTS ahead of each winter as part of its Winter Outlook process. He explained that National Grid NTS has discretion to adjust these levels as the winter progresses, although National Grid NTS has experienced challenges in what to assume for the more flexible sources. Greater transparency and dynamism for these calculations would therefore be desirable.

PH said that the Request Workgroup 0669R was established to review the robustness and effectiveness of the existing 'Margins Notice' and 'Gas Deficit Warning' processes. These identified that the existing information provided to Users of the NTS, in the event that forecast levels of demand were approaching the expected available supply, and the process for determining the expected available supply, could be improved.

PH explained that the proposal was to modify the UNC as below:

- Oblige National Grid NTS to issue a new early warning notification of a reducing gap between forecast demand and expected available supply (within the winter);
- Include a specific method for establishing the expected level of supply from LNG terminals;

- Limit the need to evaluate whether a Margins Notice needs to be issued to the winter;
- Oblige National Grid NTS to monitor the non-storage supply position during the winter.

PH then moved through the content of the draft Modification and stated that the proposal is for the Modification to be self-governance and there would be no systems, data or material impacts. The proposal is to utilise a definition of 01 October to 31 March each year as the duration of winter for these processes; the Workgroup were in agreement, although some Workgroup participants suggested it should also encompass April.

PH explained that the Legal Text would be included within the Modification and he was proposing the Modification should go straight out to consultation, all were in agreement. PH then said his proposal was for the draft Modification to be submitted to the July Panel.

## 2. Workgroups

### 2.1. 0669R - Review of the Gas Deficit Warning (GDW) and Margins Notice (MN) Arrangements

*(Report to Panel 18 July 2019)*

[www.gasgovernance.co.uk/0669](http://www.gasgovernance.co.uk/0669)

### 2.2. 0671 – New Capacity Exchange process at NTS exit points for capacity below baseline (\* *Deferred until August 2019*)

*(Report to Panel 15 August 2019)*

[www.gasgovernance.co.uk/0671](http://www.gasgovernance.co.uk/0671)

### 2.3. 0688 - Recovery of Shipper Losses incurred in Supplier of Last Resort events

*(Report to Panel 19 September 2019)*

[www.gasgovernance.co.uk/0688](http://www.gasgovernance.co.uk/0688)

## 3. European Updates

### 3.1. EU Code Update – (PH)

PH explained there was no EU Code update this month.

## 4. Issues

None.

## 5. Any Other Business

### 5.1. National Grid NTS Data Enhancement Project

Mark Rixon (MR) provided an overview of the Data Enhancement Project and explained that the amendments presently being undertaken are following the feedback in relation to the different areas of data. He said that future changes were being discussed regarding additional MIPI Data processing procedures.

He asked interested parties to visit the Data Community Website, as this was the main medium for the communications in this area. He also explained that the Data Enhancement Project was being promoted at the Operational Forum, UIG Workgroup and the Demand Estimation Credit Committee.

<https://datacommunity.nationalgridgas.com/>

**6. Review of Outstanding Actions**

There were no outstanding actions.

**7. Diary Planning**

*Further details of planned meetings are available at:*

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

<b>Time / Date</b>	<b>Venue</b>	<b>Workgroup Programme</b>
10.00, Thursday 01 August 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull, B91 2AA	Transmission Workgroup standard Agenda plus any associated Modifications
10.00, Thursday 05 September 2019	Elexon, 350 Euston Road, London NW1 3AW	Transmission Workgroup standard Agenda plus any associated Modifications
10.00, Thursday 03 October 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull, B91 2AA	Transmission Workgroup standard Agenda plus any associated Modifications
10.00, Thursday 07 November 2019	Elexon, 350 Euston Road, London NW1 3AW	Transmission Workgroup standard Agenda plus any associated Modifications
10.00, Thursday 05 December 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull, B91 2AA	Transmission Workgroup standard Agenda plus any associated Modifications