

Governance Workgroup Minutes
Thursday 20 January 2011
ENA, 52 Horseferry Road, London

Attendees

Tim Davis (Chair)	TD	Joint Office
Bob Fletcher (Secretary)	BF	Joint Office
Chris Shanley	CS	National Grid NTS
Chris Warner	CWa	National Grid Distribution
Chris Wright	CWr	British Gas
Clare Cameron	CC	Ofgem
Dora Ionara	DI	Ofgem
Joanna Ferguson	JF	Northern Gas Networks
Joel Martin	JM	Scotia Gas Networks
Phil Broom	PB	GDF Suez
Richard Fairholme	RF	E.ON UK
Richard Hall	RHa	Consumer Focus
Ritchard Hewitt	RHe	National Grid NTS
Simon Trivella	ST	Wales & West Utilities
Stefan Leedham	SL	EDF Energy

1.0 Introduction and Status Review

- 1.1 Minutes from the previous meeting were approved.
- 1.2 No actions were outstanding.
- 1.3 All live modifications and topics were on the agenda.

2.0 Modifications

- 2.1 Modification 0294 - Changes to UNC Modification Panel Constitution

CWr indicated that he had no issues for discussion but anticipated providing an update at the next meeting.

3.0 Topics

- 3.1 013Gov, Industry Codes Governance Review

TD outlined some of the changes following implementation of modifications to reflect the Industry Codes Governance Review outcome. He then ran through the revised process for dealing with alternative modifications as set out in the Modification Rules.

The group discussed if an alternative can be an idea or needs to be a formal modification. RHe considered it should be formal, though the modification may need further development. CWr asked if there is link in the process between the original and alternative modification - if not, it might cause problems when modifications need to be compared on their benefits and they are then in different stages of the process. TD advised that the previous requirement for an alternative to be linked to the original modification, and so be subject to an identical process, had been removed from the Modification Rules. His interpretation of the revised rules was that an alternative is treated as a new modification and given a new number. The Panel could then choose whether or not to direct this to the same Workgroup as the original for compilation of a single report covering all related modifications. JF noted

that the de-linkage of alternatives could allow existing modifications to be developed and not held back by alternatives, though this may not be the case if Panel ask for a joint report.

SL was unsure the process in the modifications rules is clear, and believed other codes included linkage between the original and alternative modifications. He questioned whether this was a drafting issue and hence the legal text should be reviewed again? CS thought that the changes initially proposed in UNC0318 were very detailed with respect to alternatives. However, discussions suggested less detail was wanted and, as a result, there may now be some anomalies with interpretation of the rules. RHe added that National Grid NTS are rechecking the drafting to identify potential issues and conflicts and asked parties to bring forward any identified issues so the drafting can be considered and, if necessary, clarified.

CS advised a draft modification was being developed to clarify some concerns with the drafting raised by Ofgem. These also include a number of policy changes and he also asked all to provide comments on the rules if they had any concerns which they wished to see addressed.

3.2 New Topics

None raised.

4.0 Any other business

4.1 Development of the Smart Energy Code, DCG Subgroup 3 (regulatory & commercial arrangements)

ST suggested that discussion of UNC impacts was likely to be required for the as the smart energy code project moved forward. SL was unsure what this aimed to achieve as it was unlikely to deliver the changes needed, and was likely to be subject to an SCR such that development would be managed through that process. ST advised that he had raised this as a holding item to ensure that issues were not missed.

DI advised that the planned Ofgem meetings for January and February might be put on hold until DECC has completed their review of codes and their respective roles.

5.0 Diary Planning for Workgroup

Next Meeting 17 February 2011, ENA, following the UNC Committee meeting.