

UNC Workgroup 0653 Minutes
Updating the parameters for the NTS Optional Commodity Charge –
Introducing the NTS Optional Capacity Charge

Wednesday 16 May 2018

at Elexon, 4th Floor, 350 Euston Road, London NW1 3AW

Attendees

Rebecca Hailes (Chair)	(RH)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andrea Godden *	(AG)	National Grid NTS
Andrew Blair	(AB)	IUK
Anna Shrigley	(AS)	ENI
Charles Ruffell	(CR)	RWE
Colin Hamilton *	(CH)	National Grid NTS
Graham Jack	(GJ)	Centrica
Jeff Chandler *	(JCh)	SSE
Jon Dutton *	(JD)	National Grid NTS
Julie Cox *	(JCx)	Energy UK
Mark Rixon	(MH)	Engie
Nicola Lond	(NL)	National Grid NTS
Nick King	(NK)	CNG Services
Nick Tyler *	(NT)	National Grid NTS
Nick Wye *	(NW)	Waters Wye Associates Limited
Phil Hobbins	(PH)	National Grid NTS
Ranjit Patel	(RP)	Xoserve
Robin Dunne	(RD)	Ofgem
Richard Fairholme *	(RF)	Uniper
Shiv Singh *	(SS)	Cadent
Steven Britton *	(SB)	Cornwall Insight
Steve Pownall	(SP)	Xoserve
Terry Burke	(TB)	Statoil

**via teleconference*

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0653/160518>

The Workgroup Report is due to be presented to the UNC Panel on 21 June 2018.

1.0 Approval of minutes

The minutes from the previous meeting held on 21 March 2018 were approved.

2.0 Modification overview

Graham Jack, GJ, explained to the Workgroup that due to the concerns with Modification 0636, and some concerns with the 4 alternatives that have been raised against Modification 0636, this modification was raised in March 2018 but due to the Modification 0621 activities, time was lost dealing with anything other than Modification 0621.

He advised that this modification is trying to come up with a better solution than what is outlined in Modification 036 and its 4 alternatives.

The main concerns are as follows:

- The solution for Modification 0636 is interim.
- There is discrimination of gas flows at Interconnection Points, which gives a different economic outcome for IPs and non-IPs.
- There is uncertainty as to whether 0636 is compliant with the EU Tariff Code.
- In all of the proposals (Modification 0636 and its Alternatives), the full methodology will not be contained within the Uniform Network Code itself.
- The solution proposed will introduce an optional capacity charge.

Colin Hamilton, CH, asked if analysis requirements have been articulated to National Grid. It was confirmed that National Grid would like to present analysis findings for Modification 0653 to the NTSCMF Workgroup meeting on 5 June 2018.

GJ said that, because Modification 0653 is changing the same part of Uniform Network Code as Modification 0636 and its alternatives, GJ has requested that Modification 0653 is consulted on at the same time.

New Action 0501: Joint Office, Rebecca Hailes, RH, and Ofgem, Robin Dunne, RD, to raise that Modification 0653 is to be considered and consulted on alongside Modification 0636 and its alternatives with Ofgem and within Joint Office.

JCx stated that Ofgem have been asked for a View with regards to Modification 0621 and Modification 0636 and it should be noted that Modification 0653 sits within that request.

New Action 0502: Joint Office, RH, to update the Workgroup Report with the revised timetable.

RH showed the Workgroup an onscreen view of the Workgroup Report.

Steve Pownall, SP, advised that the proposal for the decimal points amendment is a significant change to Gemini and UKLink and that the EU GB Charging project team would need to look at this.

Workgroup agreed to request a ROM from Xoserve.

New Action 0503: Joint Office, RH, to send an email to Xoserve formally requesting ROM for Modification 0653.

Post Meeting note: Email request sent to Xoserve 17 May 2018.

Workgroup requested Legal Text from National Grid.

The workgroup discussed some of the modification, it was noted that if Modification 0621J, (postage stamp methodology), was implemented for Modification 0621 a new calculation would need to be considered.

3.0 National Grid Analysis

National Grid would like to present analysis findings for Modification 0653 when the Modification is next considered at the NTSCMF Workgroup meeting on 5 June 2018.

4.0 Completion of Workgroup Report

This will be considered at the next meeting and if at all possible finalised at that meeting.

5.0 Review of Outstanding Actions

No Actions are outstanding at this time.

6.0 Next Steps

Consideration of Analysis to be presented by National Grid NTS at the next NTSCMF meeting to be held on 05 June 2018.

7.0 Any Other Business

None.

8.0 Diary Planning

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

Time / Date	Venue	Workgroup Programme
Included in the NTSCMF Monday 05 June 2018	Elexon, 350 Euston Rd, London NW1 3AW	<ul style="list-style-type: none"> Amended Modification National Grid Analysis Development of Workgroup Report

Action Table (as at 16 May 2018)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0501	16/05/18	2.0	Joint Office, Rebecca Hailes, (RH), and Ofgem, Robin Dunne, (RD), to raise that Modification 0653 is to be considered and consulted on alongside Modification 0636 and its alternatives with Ofgem and within Joint Office.	Joint Office, (RH), and Ofgem, (RD),	Pending
0502	16/05/18	2.0	Joint Office (RH), to update the Workgroup Report with the revised timetable.	Joint Office (RH)	Pending
0503	16/05/18	2.0	Joint Office (RH), to email Xoserve formally requesting ROM for Modification 0653.	Joint Office (RH)	Pending