
UNC Workgroup 0662 Minutes
Revenue Recovery at Combined ASEPs
Thursday 04 October 2018
at Elexon, 350 Euston Road, London, NW1 3AW

Attendees

| | | |
|-------------------------|-------|---------------------------|
| Chris Shanley (Chair) | (CS) | Joint Office |
| Kully Jones (Secretary) | (KJ) | Joint Office |
| Adam Bates | (AB) | South Hook Gas |
| Alex Nield* | (AN) | Storengy |
| Andrew Blair* | (ABI) | Interconnector |
| Andrew Pearce | (AP) | BP |
| Andrew Sealey | (AS) | South Hook Gas |
| Angharad Williams | (AW) | National Grid NTS |
| Anna Shrigley | (ASh) | ENI |
| Bill Reed | (BR) | RWE Supply & Trading GmbH |
| Colin Hamilton | (CH) | National Grid NTS |
| Edward Fyfe | (EF) | SGN |
| Graham Jack | (GJ) | Centrica |
| Jeff Chandler | (JCh) | SSE |
| John Costa | (JCo) | EDF Energy |
| Julie Cox* | (JCx) | Energy UK |
| Kamila Nugumanova | (KN) | ESB |
| Lea Slokar | (LS) | Ofgem |
| Malcolm Montgomery | (MM) | National Grid NTS |
| Mark Carolan* | (MC) | Ofgem |
| Mark Rixon* | (MR) | Engie |
| Nick Wye | (NW) | Waters Wye Associates |
| Penny Jackson* | (PJ) | Npower |
| Phil Hobbins | (PH) | National Grid NTS |
| Shiv Singh* | (SS) | Cadent |
| Steve Pownall | (SP) | Xoserve |
| Steven Britton* | (SB) | Cornwall |
| Terry Burke | (TB) | Equinor |

Apologies

| | | |
|-----------|------|--------------|
| Nick King | (NK) | CNG Services |
|-----------|------|--------------|

**via teleconference*

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0662/041018>

1. Introduction and Status Review

1.1. Approval of Minutes (06 September 2018)

The minutes from the previous meeting were approved.

2. Consider Amended Modification

Colin Hamilton (CH) informed the Workgroup that the Modification had been amended to reflect the discussion at the last meeting. Specifically, National Grid (NG) has amended the Modification to clarify that it deals with the issue of capacity procured to allow gas to enter the national Transmission System from storage at all combined ASEPs and is not solely focused on Bacton IP.

It also clarifies that the proposed changes shall impact the capacity-based revenue recovery at Bacton IP from October 2019 and at all other combined ASEP points from October 2021.

3. Consideration of Legal Text

This agenda item was deferred to the next meeting.

4. Development of Workgroup Report

This agenda item was deferred to the next meeting.

5. Review of Outstanding Actions

Action 0901: National Grid NTS (CH) to confirm whether booked storage capacity needs to be 'netted off' from the FCC, on the grounds that it is historical capacity, and therefore is already catered for as the 'capacity model' already 'nets' off the capacity.

Update: CH confirmed that Modification 0662 does not impact Forecasted Contracted Capacity (FCC) and that there is no netting-off required. Modification 0662 alters the calculation of adjusted revenue and storage is taken off this value. This action was considered to be closed.

6. Next Steps

CH confirmed that the next steps are to develop the detailed process, adopting a pragmatic approach as this is expected to be a transitional arrangement.

National Grid will also be having discussions with key affected parties and with their legal team to develop the legal text at an appropriate time.

A decision will need to be taken on whether the Modification will continue or be withdrawn depending on the outcome of Modification 0621.

CH agreed to advise Joint Office when a further discussion would be needed and whether it is needed for the November or December meeting of the Transmission Workgroup.

New Action 1001: National Grid (CH) to advise if a meeting of Workgroup 0662 is required in November.

7. Any Other Business

None.

8. Diary Planning

Further details of planned meetings are available at:

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

| Time / Date | Venue | Workgroup Programme |
|-------------|-------|---------------------|
|-------------|-------|---------------------|

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|---|---|-----------------|
| 10.00, Thursday 01 November 2018 (tbc) | Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA | Standard Agenda |
| 10.00, Thursday 06 December 2018 (tbc) | Elaxon, 350 Euston Road, London NW1 3AW | Standard Agenda |

Action Table (as at 04 October 2018)

| Action Ref | Meeting Date | Minute Ref | Action | Owner | Status Update |
|------------|--------------|------------|--|------------------------|----------------|
| 0901 | 06/09/18 | 2.2 | To confirm whether booked storage capacity needs to be 'netted off' from the FCC, on the grounds that it is historical capacity, and is already catered for as the 'capacity model' already 'nets' off the capacity. | National Grid NTS (CH) | Closed |
| 1001 | 04/10/18 | 6.0 | National Grid (CH) to advise if a meeting of Workgroup 0662 is required in November. | National Grid NTS (CH) | Pending |