

UNC Workgroup 0675S Minutes

Enabling changes to the BBL Interconnection Agreement to facilitate physical reverse flow

Monday 21 January 2019

at Elexon, 350 Euston Road, London NW1 3AW

Attendees

| | | |
|-----------------------------|-------|------------------------------|
| Rebecca Hailes (Chair) | (RH) | Joint Office |
| Mike Berrisford (Secretary) | (MB) | Joint Office |
| Adam Bates | (AB) | South Hook Gas |
| Alex Nield* | (AN) | Storengy UK |
| Andrew Blair | (AB) | Interconnector UK |
| Andrew Pearce | (AP) | BP |
| Anna Shrigley | (ASh) | Eni Trading & Shipping S.p.A |
| Angharad Williams | (AW) | National Grid NTS |
| Bill Reed | (BR) | RWE Supply & Trading GmbH |
| Graham Jack | (GJ) | Centrica |
| Jennifer Randall | (JR) | National Grid NTS |
| John Costa* | (JCo) | EDF Energy |
| Julie Cox | (JCx) | Energy UK |
| Kamila Nugumanova | (KN) | ESB |
| Lea Slokar* | (LS) | Ofgem |
| Malcolm Montgomery | (MM) | National Grid NTS |
| Nick Wye | (NW) | Waters Wye Associates Ltd |
| Phil Hobbins | (PH) | National Grid NTS |
| Sinead Obeng | (SO) | Gazprom |
| Steve Britton* | (SB) | Cornwall Energy |
| Steve Pownall | (SP) | Xoserve |
| Terry Burke | (TB) | Equinor |
| William Webster | (WW) | Oil & Gas UK |

*via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/675/210119>

1. Outline of Modification

Opening discussions, JR explained that the legal text is being developed with the assistance of external lawyers but would not be ready in time for consideration at the February 2019 Workgroup meeting – to that end, National Grid NTS would request that the Workgroup looks to progress the (draft) Workgroup Report as far as is practicably possible at today's meeting with a view to seeking an extension (at the 21 February 2019 Panel meeting) to the Panel reporting date through to March 2019.

1.1. Overview of the 20 December 2018 Panel Presentation and Modification (JR)

During a brief onscreen review of the National Grid NTS Panel presentation in support of the modification, RH pointed out that technically the Workgroup is not quorate as there is only one (1) Transporter in attendance.

JR explained that the initial Interconnection Agreement start date proposed (and supported) by BBL of 01 October 2019 had now been superseded following a recent BBL Press Release within which a June 2019 date was identified as a potential 'target date'. JR then provided a brief background to the rationale behind the various commissioning driven timelines.

RH pointed out that any change to the Interconnection Agreement start (effective implementation) date would require submission of an amended modification, which would be needed no later than 5 business days prior to the 07 March 2019 Workgroup meeting (i.e. no later than 17:00 on Tuesday 26 February 2019).

In quickly considering the legal text provision, JR advised that it is anticipated that this might take the form of an abridged version of the Interconnection Agreement, subject to BBL approval that non-confidential elements can be published.

JR then provided a brief explanation of the differences between 'standard' and 'normal' conditions and how the Interconnection Agreement would be updated to better reflect these differences going forwards.

In suggesting that there could be some potential Gemini system (meter read) related impacts, SP agreed to discuss the matter offline with JR following the meeting.

Mindful of the potential timeline changes that might be forthcoming, JR believed that it might be prudent to defer further consideration of the modification until such a time as more clarity around the Interconnection Agreement changes is known.

New Action 0101: Reference Interconnection Agreement - National Grid NTS (JR) to examine the current Interconnection Agreement and ascertain whether the 01 October 2018 date is 'hardcoded' in the Agreement and thereafter consider if NTS wish to remove the date from the modification.

1.2. Development of the Draft Workgroup Report

Building on the discussions undertaken during consideration of item 1.1 above, RH undertook an onscreen review and development of the (draft) Workgroup Report (v0.1, dated 20 January 2019), as follows (by exception):

Front Page Panel Reporting Date & Timetable

Amended to reflect the reporting extension request, and subsequent 'knock on' impacts on the proposed timetable.

Section 4 Code Specific Matters

Tidied up to better reflect Workgroup views.

Section 6 Impacts & Other Considerations

The Workgroup participants noted that the 20 December 2018 Panel had requested that the Workgroup provide a view on the proposed implementation date and reasons for the selection of this date.

The Workgroup once again noted the potential change to the effective implementation date for the Interconnection Agreement changes and the fact that an amended modification might be needed in due course.

RH updated the 'Consumer Impact Assessment' table to acknowledge that GB consumers are unlikely to see any impact from the implementation of this (facilitating only) modification.

The Workgroup also noted that a provision already exists for commercial reverse flows (i.e. nominations and allocations) and as a consequence, no change is required.

New Action 0102: Reference ROM Assessment Requirements – CDSP (SP) to double check the Gemini system metering setup and identify any potential impacts.

Section 7 Relevant Objectives

Reviewed and amended to reflect the Workgroup participants views on relevant objectives d) and g).

Section 9 Legal Text

The Workgroup noted that this is essentially a facilitating (enacting style) modification with **NO** associated Uniform Network Code textural changes involved.

During a general discussion around how the BBL nominations aspects are expected to work, GJ reminded those present that any BBL nominations take precedent and that the principles revolve around an 'allocate as nominate' process (i.e. matching).

JR pointed out that the current commercial regime would not be changing as a direct consequence of the provisions proposed by the modification (i.e. no shipper impacts). It was pointed out that BBL may well raise their own modification (outside of the UNC) in order to address changes within their Shipper specific agreements.

2. Initial Discussions

2.1. Issues and Questions from Panel

As outlined under item 1.2 above.

2.2. Initial Representations

None.

2.3. Terms of Reference

<https://www.gasgovernance.co.uk/mods>

3. Next Steps

The following key points are noted, as follows:

- Joint Office (RH) to request an extension to the Workgroup reporting date (to April 2019) at the 21 February 2019 Panel meeting, and
- National Grid NTS to provide an amended modification plus appropriate legal text for consideration at the 07 March 2019 Workgroup meeting.

4. Any Other Business

None.

5. Diary Planning

Further details of planned meetings are available at:

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

| Time / Date | Venue | Workgroup Programme |
|-------------------------------|---|---|
| 10.00, Thursday 07 March 2019 | Elaxon, 350 Euston Road, London NW1 3AW | Standard Agenda plus <ul style="list-style-type: none">• Consideration of amended modification• Consideration of legal text• Development / Completion of Workgroup Report |

Action Table (as at 21 January 2018)

| Action Ref | Meeting Date | Minute Ref | Action | Owner | Status Update |
|------------|--------------|------------|---|------------------------|----------------|
| 0101 | 21/01/19 | 1.2 | <i>Reference Interconnection Agreement - National Grid NTS (JR) to examine the current Interconnection Agreement and ascertain whether the 01 October 2018 date is 'hardcoded' in the Agreement and thereafter consider if NTS wish to remove the date from the modification.</i> | National Grid NTS (JR) | Pending |
| 0102 | 21/01/19 | 1.2 | <i>Reference ROM Assessment Requirements – CDSP (SP) to double check the Gemini system metering setup and identify any potential impacts.</i> | CDSP (SP) | Pending |