

**UNC Transmission Workgroup Minutes**  
**Thursday 03 June 2021**  
**via Microsoft Teams**

<b>Attendees</b>		
Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HCu)	Joint Office
Adaeze Okafor	(AO)	Equinor
Alex Nield	(AN)	Storengy
Andrew Blair	(AB)	Interconnector UK
Andrew Pearce	(AP)	BP
Anna Stankiewicz	(ASt)	National Grid
Ashley Adams	(AA)	National Grid
Bethan Winter	(BW)	WWU
Carlos Aguirre	(CA)	Pavilion
Daniel Hisgett	(DHi)	National Grid
Emma Buckton	(EB)	Northern Gas Networks
Eric Fowler	(EF)	Joint Office
Hannah Reddy	(HR)	Correla on behalf of Xoserve
Henk Kreuze	(HK)	Vermilion
Jeff Chandler	(JCh)	SSE
Jennifer Randall	(JR)	National Grid
Julie Cox	(JCx)	Energy UK
Kamila Nugumanova	(KM)	ESB
Kamla Rhodes	(KR)	ConocoPhillips
Lucy Manning	(LM)	Grain LNG
Max Lambert	(ML)	Ofgem
Phil Hobbins	(PH)	National Grid
Phil Lucas	(PL)	National Grid (0761 only)
Richard Fairholme	(RF)	Uniper
Ritchard Hewitt	(RHe)	Hewitt Home and Energy Solutions (on behalf of BBL)
Rudi Streuper	(RS)	BBL Company
Samuel Dunn	(SD)	Interconnector UK
Sarah Cooper	(SC)	Interconnector UK
Sinead Obeng	(SO)	Gazprom
Steven Britton	(SB)	Cornwall Insight

Copies of all papers are available at: <https://www.gasgovernance.co.uk/tx/030621>

**1. Introduction and Status Review**

Alan Raper (AR) welcomed all parties to the meeting.

### **1.1. Approval of minutes (06 May 2021)**

The minutes from the last meeting were approved.

### **1.2. Approval of Late Papers**

No late papers received.

### **1.3. Review of Outstanding Actions**

No outstanding actions to consider.

### **1.4. Ofgem Industry Update**

Max Lambert (ML) provided an overview of the Ofgem Industry update published on the meeting page and captured below:

#### **Decision on the proposed modifications to the RIIO-2 Transmission, Gas Distribution and Electricity System Operator licence conditions**

On 14 April 2021, Ofgem published a statutory consultation on proposed changes to the licence conditions that implement the RIIO-2 price control settlement for the transmission companies, gas distribution networks and the electricity system operator.

Ofgem received 9 responses to the statutory consultation. Following careful consideration of these responses, we have decided to implement the licence modifications as set out in the notices that they have published. The licence modifications will come into effect on 24 July 2021.

<https://www.ofgem.gov.uk/publications-and-updates/decision-proposed-modifications-riio-2-transmission-gas-distribution-and-electricity-system-operator-licence-conditions>

#### **Code modification/modification proposals with Ofgem for decision – Expected publication dates timetable**

This table gives the expected decision date, or date Ofgem intend to publish an impact assessment or consultation, for code modifications/proposals that are with Ofgem for decision. It also identifies the responsible Ofgem team. The dates in the table may change (for example due to developments in respect of the modification proposal or due to other calls on our resources) and Ofgem will update the table to reflect this.

<https://www.ofgem.gov.uk/publications-and-updates/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable>

#### **UNC701: Aligning capacity booking under the UNC and arrangements set out in relevant NExAs – Decision**

The Authority have approved 'UNC701: Aligning capacity booking under the UNC and arrangements set out in relevant NExAs'. The decision letter, published 27 May 2021, is below.

<https://www.ofgem.gov.uk/publications-and-updates/unc701-aligning-capacity-booking-under-unc-and-arrangements-set-out-relevant-nexas-decision>

#### **COP26 launch event: Regulating for a green, fair future**

With six months to go before COP26 in Glasgow, Ofgem hosted an event on 24 May to launch Ofgem's Green, Fair Future campaign – a programme of events to bring together the international regulatory community on our countries' collective climate ambitions and enabling energy-related decarbonisation. The event focused on climate commitments and challenges within regulation, data, and digitalisation, as well as the role of consumers in decarbonisation and exploring how behavioural challenges can be addressed. The recordings for each session are below.

<https://www.ofgem.gov.uk/publications-and-updates/cop26-launch-event-regulating-green-fair-future>

## **Statutory Consultation on proposed changes to Part B of Special Condition 2.1 and Part B of Special Condition 2.3 of National Grid Gas Plc Gas Transporter Licence**

On 25 May 2021, Ofgem published a statutory consultation proposing to modify Part B of Special Condition 2.1 (Transportation owner revenue restriction (AR<sub>t</sub>)), and Part B of Special Condition 2.3 (System operator revenue restriction (SOAR<sub>t</sub>)) of National Grid Gas Plc Gas Transporter Licence.

Please send any views on the issues raised in the letter below and the accompanying statutory consultation by 25 June 2021 to: [Gas.TransmissionResponse@ofgem.gov.uk](mailto:Gas.TransmissionResponse@ofgem.gov.uk).

<https://www.ofgem.gov.uk/publications-and-updates/statutory-consultation-proposed-changes-part-b-special-condition-21-and-part-b-special-condition-23-national-grid-gas-plc-gas-transporter-licence>

### **UNC764: UNC TPD Section Y (Part A-I) amendments to Kt to align to RIIO2 Licence**

On 19 May 2021, Ofgem decided to approve 'UNC764: UNC TPD Section Y (Part A-I) amendments to Kt to align to RIIO2'. The decision letter is below.

<https://www.ofgem.gov.uk/publications-and-updates/unc764-unc-tpd-section-y-part-i-amendments-kt-align-riio2-licence-0>

### **Informal consultation on removing user commitment for Gas Distribution Networks (“GDNs”) booking exit capacity up to and including baseline**

In this informal consultation, published 14 May 2021, Ofgem are seeking views as to whether user commitment for GDNs booking NTS Exit (Flat) Capacity up to and including baseline obligated levels should be removed.

The reasons for conducting this informal consultation are set out in the letter below. (11 June)

<https://www.ofgem.gov.uk/publications-and-updates/informal-consultation-removing-user-commitment-gas-distribution-networks-gdns-booking-exit-capacity-and-including-baseline>

## **1.5. Pre-Modification discussions**

### **1.5.1. Removal of the absolute requirement to include a Remotely Operable Valve (ROV) Installation for all new NTS Entry connections**

Rachel Hinsley (RHi) introduced a pre-modification which proposes to remove the absolute requirement to install an ROV at new entry points.

RHi explained that Project CLoCC (Customer Low-Cost Connections) simplified designs to include a non-Remotely Operable Valve (ROV) solution for NTS Exit connections. The implementation of Modification 0627S - *Removal of the absolute requirement to include a Remotely Operable Valve (ROV) Installation for all new NTS Exit connections*, on 17 January 2018 means that National Grid (NG) now has discretion over whether to include an ROV at new NTS exit connections. National Grid now wish to extend the removal of the absolute requirement to NTS Entry connections.

RHi advised that by removing the absolute requirement for a ROV the customer would have two options:

1. Installation of high integrity gas quality measurement systems which remove the requirement for downstream Gas Quality measurement and an ROV. This will be subject to a Formal Process Safety Assessment (FPSA)
2. Installation of NTS downstream (and upstream if bi-directional flow on the feeder) GQ measurement, and an ROV which can be closed should gas conveyed on the NTS be measured as GSMR non-compliant.

### **Solution**

Based on the customer choice from the options in the previous slide, National Grid will carry out a Formal Process Safety Assessment (FPSA) to determine if a connection solution should include an ROV or whether it is acceptable to not have the ROV.

If National Grid determine that a ROV is not required then, if a customer installs high integrity gas quality measurement systems National Grid will validate the customers gas quality measurement system and confirm there is no chance of a breach of GS(M)R compliance.

If National Grid determine that a ROV is required, based on the safety assessment this will be required to be installed.

RHi concluded her presentation by confirming the intention is to present the proposal to the June 2021 Modification Panel and recommend that self-governance procedures are followed.

Julie Cox (JCx) questioned if the gas quality measurement will feed back to the National Grid Control Centre. Phil Hobbins (PH) clarified that there is still a requirement for new entry parties to install the gas quality measurement equipment. If National Grid receive an out of spec reading from the equipment, they would I know if the off-spec gas has penetrated onto the NTS or not. This enhanced system would remove the need for that and hence remove the need for the ROV.

JCx suggested a diagram would make it easier to understand if GMSR is being complied with. National Grid must still have sight of something otherwise National Grid cannot fulfil their obligations.

**New Action 0601:** RHi to produce a diagram that explains how the gas quality measurement feeds back to the National Grid Control Centre.

### **1.5.2. Transparency Improvements to the Process for Changing Gas Quality Limits in NTS Connection Agreements**

Ashley Adams (ASh) introduced a pre-modification which proposes to improve the transparency of an existing process for facilitating gas quality limit changes to NTS connection agreements. Where National Grid NTS elects to enable such a change via the consent of all Users holding NTS Entry Capacity at the relevant ASEP, wider engagement with industry would be required prior to the contractual change being made.

AA explained that going forward it would be desirable to have more than one viable market route for changing gas quality values and vital that the UNC has the appropriate market rules to ensure those changes are made in a transparent and efficient way

The 'agreement in writing from the Users that hold NTS Entry Capacity at the relevant ASEP' process is an existing process by which gas quality limits may be amended quickly. The GMaP project has identified an opportunity to improve it by retaining its speed and efficiency and supplementing it with additional transparency.

#### **Solution**

An industry wide engagement window stage will be added into the process. This would oblige National Grid NTS to provide:

- Details regarding the change
- The outputs of related network analysis indicating how deeply into the network the relevant supply source would penetrate
- A vehicle for any User or stakeholder to object to the proposed change.

The engagement window would provide the industry with [10 business days] from the date of publication of the proposed change and any related network analysis to present an objection.

The gas quality change should default to the 'enabling modification' process in the event of any objection being raised during the engagement window.

AA concluded his presentation by confirming the intention is to present the proposal to the June 2021 Modification Panel and recommend that self-governance procedures are followed.

## **2. European Codes Update**

Phil Hobbins (PH) advised there is nothing new to update Workgroup with.

### 3. Workgroups

#### 3.1 0705R – NTS Capacity Access Review

(Report to Panel by 21 October 2021)

[www.gasgovernance.co.uk/0705](http://www.gasgovernance.co.uk/0705)

#### 3.2 0755 - Enhancement of Exit Capacity Assignments

(Report to Panel 17 June 2021)

[www.gasgovernance.co.uk/0755](http://www.gasgovernance.co.uk/0755)

#### 3.3 0761 - Arrangements for Interconnectors with additional Storage capability

(Report to Panel 16 September 2021)

[www.gasgovernance.co.uk/0761](http://www.gasgovernance.co.uk/0761)

### 4. GS(M)R Review

No update for this month.

### 5. Overruns Reporting

#### 5.1. Overruns Oct 2020 – Oct 2021

Anna Stankiewicz (ASt) provided an update on the October 2020 to March 2021 Overruns, providing an additional month's data. It was observed that similar data had been seen in March to that seen in January and February.

For further details, please refer to the published slides on the meeting page.

When asked, ASt clarified that a negative overrun resulted when capacity has been traded away.

JCx highlighted it would be useful if some commentary could be provided to accompany the data being presented.

ASt advised that she would not expect the data to change dramatically month on month and asked how often Workgroup would like to see similar information being provided. Workgroup agreed that as the production of this information is quite labour intensive, it can now be moved across to the 0705R Review Group where requests of a similar nature will be done on an ad hoc basis.

**New Action 0602:** *Overrun Reporting* - Joint Office (HB) to move this item to the 0705R Agenda going forward.

ASt confirmed that National Grid would like to accumulate a few more months' worth of data before raising a modification in this area.

JCx said it would be useful to understand the types of points where the overruns occur e.g. IPs; Storage. ASt advised she will check to see how commercially sensitive that would be and report back in July 2021.

**New Action 0603:** *Overrun Reporting* - To check the commercial sensitivity to provide the types of points where the overruns occur e.g. IPs; Storage.

JCx noted that there is a role for National Grid to reach out to Users that appear to have continuing problems, to flag if the user is aware of the overrun and offer help to mitigate why this is happening.

ASt advised the implementation of *Modification 0745S – Mandatory Setting of Bid Parameters*, will help avoid overruns and took an action to confirm what mandatory parameters are being implemented as part of that modification.

**New Action 0604:** National Grid (ASt) to confirm what mandatory parameters are being implemented as part of *Modification 0745S – Mandatory Setting of Bid Parameters*.

### 6. Issues

No issues were raised.

## 7. Any Other Business

### 7.1. Blending Update

Phil Hobbins (PH) provided an update on the Gas Quality Blending Services and advised that considering the industry consultation held in Q4 2020, the internal assessment of operational viability and the DNV GL NIA study, National Grid have concluded NGG commercial blending services would not be viable, but National Grid remain open to working with NTS entry parties to facilitate short duration solutions where possible.

For further details, please refer to the published slides on the meeting page.

### 7.2. Issues Log

ISS 0066 - Implications of decommissioned Exit/Entry points 2015

AR highlighted to Workgroup that the last update to this issue was made in 2016 where it was suggested that discussions were ongoing at Transmission Workgroup.

AR asked JCx if this is still an issue that is outstanding or has something come along since then that makes this no longer relevant. JCx advised she has been partly involved in this because it has been looked at under 0705R Workgroup and explained there are some decommissioned sites that are impacting charging and there was a methodology change that looked at decommissioned sites. JCx further noted there is a methodology review in place from July 2021 and decommissioned sites will be part of it.

JCx observed there are some sites that are clearly decommissioned that have Forecasted Contracted Capacity (FCC) values, they exist there as bookings.

Joint Office took an action to find out what Issues Log is used for.

**New Action 0605:** Joint Office (AR) to find out what Issues Log is used for.

#### Post meeting update:

The Issues Log used to be reviewed at each meeting but in recent years people tend to raise a request or modification rather than raising an Issue.

Historically a new issue would have been tested for potential material impacts which would set its priority. Most issues would start as AOB and then be migrated to the Issues Log when allocated a number to be maintained on the agenda and actions assigned. **Closed**

## 8. Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Time / Date	Venue	Workgroup Programme
10:00 Thursday 01 July 2021	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 05 August 2021	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 02 September 2021	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 07 October 2021	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 04 November 2021	Microsoft Teams	Standard Transmission Workgroup Agenda
10:00 Thursday 02 December 2021	Microsoft Teams	Standard Transmission Workgroup Agenda

**Action Table (as at 03 June 2021)**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
<b>0601</b>	03/06/21	2.0	Existing Contracts: It was agreed that PL will quantify the amount of Existing Contracts Capacity at the Bacton ASEP	National Grid (PL)	<b>Pending</b>
<b>0602</b>	03/06/21	5.1	<i>Overrun Reporting</i> - Joint Office (HB) to move this item to the 0705R Agenda going forward	Joint Office (HB)	<b>Closed</b>
<b>0603</b>	03/06/21	5.1	<i>Overrun Reporting</i> - To check the commercial sensitivity to provide the types of points where the overruns occur e.g. IPs; Storage	National Grid (ASt)	<b>Pending</b>
<b>0604</b>	03/06/21	5.1	(Transferred to 0705 Workgroup minutes) National Grid (ASt) to confirm what mandatory parameters are being implemented as part of <i>Modification 0745S – Mandatory Setting of Bid Parameters</i> .	National Grid (ASt)	<b>Closed</b>
<b>0605</b>	03/06/21	7.2	Joint Office (AR) to find out what Issues Log is used for	Joint Office (HB)	<b>Closed</b>

**UNC Workgroup 0705R Minutes  
NTS Capacity Access Review  
10:00 Thursday 03 June 2021  
via Microsoft Teams**

<b>Attendees</b>		
Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HCu)	Joint Office
Adaeze Okafor	(AO)	Equinor
Alex Nield	(AN)	Storengy
Andrew Blair	(AB)	Interconnector UK
Andrew Pearce	(AP)	BP
Anna Stankiewicz	(ASt)	National Grid
Ashley Adams	(AA)	National Grid
Bethan Winter	(BW)	WWU
Carlos Aguirre	(CA)	Pavilion
Daniel Hisgett	(DHi)	National Grid
Emma Buckton	(EB)	Northern Gas Networks
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Hannah Reddy	(HR)	Correla on behalf of Xoserve
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Phil Hobbins	(PH)	National Grid
Phil Lucas	(PL)	National Grid (0761 only)
Richard Fairholme	(RF)	Uniper
Ritchard Hewitt	(RHe)	Hewitt Home and Energy Solutions (on behalf of BBL)
Rudi Streuper	(RS)	BBL Company
Samuel Dunn	(SD)	Interconnector UK
Sarah Cooper	(SC)	Interconnector UK
Sinead Obeng	(SO)	Gazprom
Steven Britton	(SB)	Cornwall Insight

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0705/030621>

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 October 2021.

## 1. Introduction and Status Review

Alan Raper (AR) welcomed all to the meeting.

### 1.1. Approval of minutes (06 May 2021)

The minutes from the previous meeting were approved.

### 1.2. Approval of Late Papers

No late papers were received.

### 1.3. Review of outstanding actions

No outstanding actions to review.

## 2. Review of Exit Regime

JR provided an update on the Exit Regime which included the following subject areas, detailed discussions captured are shown below:

### User Commitment for capacity within baseline - Slide 3

JR explained that the introduction of the Exit Capacity Planning Guidance (ECPG), means that it is now deemed economic and efficient to consider, not just signals with financial backing, but also information provided through the ECPG process.

When asked about Ofgem's informal consultation on the removal of User Commitment within baselines for GDNs, Max Lambert (ML) confirmed that Ofgem have made no decision yet, this will not be done until the consultation has ended.

ML advised that if the User Commitment were to be lowered to zero, it would not happen in time for the July 2021 booking window. If the responses from industry suggest that any changes to user commitment for GDNs should wait until the ECPG process runs this year, that would be taken into consideration.

JCx noted her general concern that Ofgem are setting up this guidance process but questioned Ofgem's role.

ML advised that User Commitment concerns go back prior to the development of the ECP Guidance, and that monitoring of the ECP guidance is in place and Ofgem has powers to monitor the ECP Guidance. ML also stated that the informal consultation on User Commitment is linked to the 1-in-20 obligations and the removal of the RIIO-1 GD booking incentive and is a different and wider conversation beyond the ECP Guidance.

JCx disagreed and advised she believes they are 100% linked and asked how Ofgem can confirm to the industry if the process is working well.

ML clarified that Ofgem have monitoring powers and if anything is highlighted as needing to be rectified, Ofgem would look to do so and keep the intervention as transparent as possible.

ML confirmed that robust reporting requirements and assessment should determine if an amendment is needed if the process is found to be not working as intended.

### Ofgem consultation – Removing User Commitment for Gas Distribution Networks (GDNs) booking Exit capacity up to and including baseline:

[https://www.ofgem.gov.uk/system/files/docs/2021/05/informal\\_consultation\\_on\\_exit\\_user\\_commitment.pdf](https://www.ofgem.gov.uk/system/files/docs/2021/05/informal_consultation_on_exit_user_commitment.pdf)

**New Action 0601:** ECPG - Ofgem (ML) to confirm if Ofgem can provide a summary statement in terms of transparency with the monitoring process.

JR clarified the use of the word 'incentive' should be replaced by the word 'driver' in the following paragraph on slide 3 of the presentation.

*This means there is no longer the "incentive" for GDNs to book capacity through the Enduring application process for risk of that capacity otherwise being used to fulfil a substitution request. This could mean GDN's move towards booking annual rather than enduring capacity.*

### User Commitment - Slide 4

JR provided Workgroup with an overview of User Commitment:

JCx provided a reminder that originally the suggestion was to reduce User Commitment from 4 years to 2 years, and now it appears that the Ofgem consultation is suggesting it should be reduced to zero.

ML explained that in the consultation letter, it notes that concerns have been raised by GDNs, over several years, because of the inability to reduce their capacity bookings when their demand forecast changes. The informal consultation is looking to gather views from all parties, including those who were not involved in the development of the licence or ECP Guidance.

### User Commitment for incremental capacity - Slide 5

JR confirmed that several topics are currently being assessed:

- What is the purpose of User Commitment for incremental capacity (both substitution and Funded Incremental Obligated Capacity (FIOC))?
- What was the justification for current incremental User Commitment rules?
  - How has that evolved?
- What are the benefits and risks associated with reducing User Commitment for incremental capacity?
- Does the Funded Incremental Obligated Capacity (FIOC) re opener change any requirement for User Commitment?

Currently User Commitment is 4 years, National Grid are looking into if that is still relevant and questioning if it should be reduced.

### Flow Swap vs the 'new process name' - Slide 6

JR showed a table representing the current long term flow swap arrangements and how the new process might work.

When clarification was provided that the new process would be between exit points within the same LDZ zone it was agreed that a graphical diagram would benefit understanding.

**New Action 0602:** National Grid (JR) to provide a graphical diagram setting out how the direct connects would interact.

JR confirmed National Grid are looking at exchange rates that are not 1:1 and how those would be charged for.

### User Commitment applicable - Slide 7

JR provided an overview of how much User Commitment would be applicable dependant on the product and advised more detail will be provided at the next meeting.

### Entry Products - Slide 10 to Slide 13

JR provided information to the Workgroup of what Entry products are currently available; how long the capacity is made available for, for each product and how often they are held:

	Y2 – Y16	Y – Y1	M1	W1	D1	D
<b>Firm</b>	Quarterly (QSEC)	Monthly (AMSEC)	Monthly (RMTnTSEC)	Weekly (WSEC)	Daily (DASSEC)	Daily (WDDSEC)
<b>Interruptible</b>					Daily (DISEC)	

**QSEC**

- Auctions held annually in March, open for 10 working days and allocated in May
- Capacity made available in Quarterly strips from Oct Y+2 to Sept Y+16. Capacity bid for every day throughout the quarter.
- Used to trigger incremental capacity Ad-hoc auction can be triggered at any time by a PARCA (TPD Section B 2.1.14)

**AMSEC**

- Auctions held annually in February
- Capacity made available in monthly strips from April Y+1 to September Y+2
- Auction open for 4 days in 2 bidding rounds, separated by 2 days. Allocation after each day

**RMTnTSEC**

- Auctions held monthly at month-ahead stage
- Capacity made available in monthly strips
- Surrender of capacity available, only allocated if matching shipper demand. Allocate lowest price first (if surrender below reserve price, allocate before unsold)

Looking at the utilisation of these products, (Slides 11-13), shows usage of the QSEC product dropping off, there was a spike in 2018 which was possibly due to charging review. There has been no usage of MSEC since 2016 and the RMTnTSEC graph, on slide 13, shows quite regular usage since October 2020. (the RMTnTSEC graph on shows months of actual usage.

**Options - slide 14**

1. Remove the standard QSEC product; maintain ad-hoc QSEC.
  - a. Substitution triggered through PARCA rather than through QSEC -since 2016 there has only been one substitution triggered through QSEC.
2. Remove the standard QSEC product; maintain ad-hoc QSEC; extend AMSEC to [Y+7]
  - a. Different capacity durations purchased in same period.
3. Remove the standard and ad-hoc QSEC; ad-hoc AMSEC process.
4. Remove the standard and ad-hoc QSEC; extend AMSEC to [Y+7]; ad-hoc AMSEC process.
5. Remove the standard and ad-hoc QSEC products; remove AMSEC and increase use of RMTnTSEC.

When JCx asked if this will meet European Code compliance, JR advised any change would only apply to domestic points, not at interconnection points.

Workgroup will consider the options provided which will be discussed further at the next meeting.

**Exit Products - Slide 15**

	<b>Y4 – Y6</b>	<b>Y1 – Y3</b>	<b>D1</b>	<b>D</b>
<b>Firm</b>	Enduring (EAFLEC)	Annual (AFLEC)	Daily (DADNEX)	Daily (WDDNEX)
<b>Off-peak</b>			Daily (DONEX)	

JR advised this hints that a more medium-term exit product would be useful.

Workgroup will consider the options provided which will be discussed further at the next meeting.

### 3. Review of Overrun Multiplier

JR advised that Overruns are being reported to workgroup on a monthly level of within the Transmission Workgroup agenda. It is suggested that this is now moved to this agenda as the multipliers for the calculation of overruns are going to start being looked at.

### 4. Next Steps

AR confirmed that more detail will be provided on User Commitment, Entry Products and the Overrun Multiplier at the next Workgroup meeting.

### 5. Any Other Business

No items required discussion.

### 6. Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Time / Date	Venue	Workgroup Programme
10:00 Thursday 01 July 2021	Microsoft Teams	TBC
10:00 Thursday 05 August 2021	Microsoft Teams	TBC
10:00 Thursday 02 September 2021	Microsoft Teams	TBC

**Action Table (as at 03 June 2021)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0601	03/06/21	2.0	<b>User Commitment for capacity within baseline (ECPG)</b> - Ofgem (ML) to confirm if Ofgem can provide a summary statement in terms of transparency with the monitoring process	Ofgem (ML)	<b>Pending</b>
0602	03/06/21	2.0	<b>Flow Swap vs the 'new process name'</b> : National Grid (JR) to provide a graphical diagram setting out how the direct connects would interact.	National Grid (JR)	<b>Pending</b>
0603	03/06/21	5.1	(Transferred from TWG mins for 03 June 2021) National Grid (ASt) to confirm what mandatory parameters are being implemented as part of <i>Modification 0745S – Mandatory Setting of Bid Parameters</i> .	National Grid (ASt)	<b>Pending</b>

**UNC Workgroup 0755 Minutes  
Enhancement of Exit Capacity Assignments  
10:00 Thursday 03 June 2021  
via Microsoft Teams**

<b>Attendees</b>		
Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HCu)	Joint Office
Adaeze Okafor	(AO)	Equinor
Alex Nield	(AN)	Storengy
Andrew Blair	(AB)	Interconnector UK
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Eric Fowler	(EF)	Joint Office
Hannah Reddy	(HR)	Correla on behalf of Xoserve
Henk Kreuze	(HK)	Vermilion
Jeff Chandler	(JCh)	SSE
Jennifer Randall	(JR)	National Grid
Julie Cox	(JC)	Energy UK
Kamila Nugumanova	(KM)	ESB
Kamla Rhodes	(KR)	ConocoPhillips
Lucy Manning	(LM)	Grain LNG
Max Lambert	(ML)	Ofgem
Phil Hobbins	(PH)	National Grid
Richard Fairholme	(RF)	Uniper
Ritchard Hewitt	(RHe)	Hewitt Home and Energy Solutions (on behalf of BBL)
Rudi Streuper	(RS)	BBL Company
Samuel Dunn	(SD)	Interconnector UK
Sarah Cooper	(SC)	Interconnector UK
Sinead Obeng	(SO)	Gazprom
Steven Britton	(SB)	Cornwall Insight

Copies of all papers are available at: [www.gasgovernance.co.uk/0755/030621](http://www.gasgovernance.co.uk/0755/030621)

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 June 2021.

## 1.0 Introduction and Status Review

Alan Raper (AR) welcomed all to the meeting.

### 1.1. Approval of minutes (06 May 2021)

The minutes from the previous meeting were approved.

### 1.2. Approval of Late Papers

Legal Text received late – Workgroup agreed to review the Legal Text

### 1.3. Review of outstanding actions

**0501:** Joint Office (RHa) to seek a view from the IGTs on what the IGT UNC impacts would be and if an IGT UNC Modification will be required.

**Update:** AR confirmed he will speak to the IGT UNC Panel Chair to clarify if the modification has a cross-code impact and include a statement in the WGR. **Closed**

## 2.0 Amended Modification

Workgroup reviewed the amended Modification (version 2.0 dated 27 May 2021). Daniel Hisgett (DHi) clarified the main amendments to be:

- The modification is now proposing to follow self-governance procedures based on previous workgroup comments.
- Justification for self-governance

AR advised these changes will be incorporated into the final version of the Workgroup Report.

Workgroup participants confirmed they are happy for this modification to move from Authority Direction to Self-Governance.

## 3.0 Review suitability for Self-governance Status

This topic has been included in the amended modification.

## 4.0 Consideration of Legal Text

DHi provided an overview of the suggested legal text, the highlights are as follows:

- Removes footnote against section 6.
- 6.1.1: the phrase “all or apart” creates scope for a partial capacity assignment.
- 6.1.3: provides separate rules for the assignment of Annual & Enduring Exit Capacity.
- 6.1.3(b): covers instance where a party tries to assign more capacity than it holds. In this case assignment would be rejected.
- 6.1.4: provides required additional definitions.
- 6.2 2: covers different types of capacity being assigned.
- 6.2.3: provides the 4 reasons why an assignment may be rejected.
- 6.3.4/5: have been amended to align with existing Code drafting.

Workgroup confirmed they are happy with the Legal Text and that it reflects the intent of the modification.

## 5.0 Completion of Workgroup Report

AR confirmed that the Workgroup Report is due to be presented to the June 2021 UNC Panel meeting. As part of the consideration and completion of the Workgroup Report, the following areas were discussed:

AR clarified the Workgroup Report will reflect the changes in version 2.0 of the Modification.

AR confirmed he will speak to the IGT UNC to clarify if the modification has a cross-code impact.

### Relevant objectives:

DHi confirmed the modification does exclude unbundled capacity which is a benefit to Interconnectors.

The Workgroup concluded that the Workgroup Report should now be submitted to the UNC Modification Panel with a recommendation to proceed to consultation.

## 6.0 Next Steps

AR confirmed that no further Workgroup meetings will be necessary, and the Workgroup Report will be submitted to the June 2021 UNC Panel.

## 7.0 Any Other Business

None.

## 8.0 Diary Planning

No further meetings planned.

**Action Table (as at 03 June 2021)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0501	06/05/201	2.0	Joint Office (RHa) to seek a view from the IGTs on what the IGT UNC impacts would be and if an IGT UNC Modification will be required.	Joint Office (RHa)	Closed

**UNC Workgroup 0761 Minutes**  
**Arrangements for Interconnectors with additional Storage capability**  
**10:00 Thursday 03 June 2021**  
**via Microsoft Teams**

<b>Attendees</b>		
Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Adaeze Okafor	(AO)	Equinor
Alex Nield	(AN)	Storengy
Andrew Blair	(AB)	Interconnector UK
Andrew Pearce	(AP)	BP
Anna Stankiewicz	(ASt)	National Grid
Ashley Adams	(AA)	National Grid
Bethan Winter	(BW)	WWU
Carlos Aguirre	(CA)	Pavilion
Daniel Hisgett	(DHi)	National Grid
Emma Buckton	(EB)	Northern Gas Networks
Eric Fowler	(EF)	Joint Office
Hannah Reddy	(HR)	Correla on behalf of Xoserve
Henk Kreuze	(HK)	Vermilion
Jeff Chandler	(JCh)	SSE
Jennifer Randall	(JR)	National Grid
Julie Cox	(JCx)	Energy UK
Kamila Nugumanova	(KM)	ESB
Kamla Rhodes	(KR)	ConocoPhillips
Lucy Manning	(LM)	Grain LNG
Max Lambert	(ML)	Ofgem
Phil Hobbins	(PH)	National Grid
Phil Lucas	(PL)	National Grid
Richard Fairholme	(RF)	Uniper
Ritchard Hewitt	(RHe)	Hewitt Home and Energy Solutions (on behalf of BBL)
Rudi Streuper	(RS)	BBL Company
Samuel Dunn	(SD)	Interconnector UK
Sarah Cooper	(SC)	Interconnector UK
Sinead Obeng	(SO)	Gazprom
Steven Britton	(SB)	Cornwall Insight

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0761/030621>

The Workgroup Report is due to be presented at the UNC Modification Panel by 16 September 2021.

## 1.0 Introduction and Status Review

Alan Raper (AR) welcomed all to the meeting.

### 1.1. Approval of minutes (06 May 2021)

Phil Lucas (PL) provided some suggested amendments to the minutes from the previous meeting. These were reviewed and approved for republication at:

<https://www.gasgovernance.co.uk/0761/060521>

### 1.2. Approval of Late Papers

AR confirmed the material received for the meeting was all received within the standard.

### 1.3. Review of outstanding actions

**0501:** National Grid (PL) to evaluate the compliance with Gas Act Section 6A and consider the exceptions.

**Update:** PL provided the following update to resolve this action, this is also published on the meeting page: [www.gasgovernance.co.uk/0761/030621](http://www.gasgovernance.co.uk/0761/030621):

The following activities require a licence under the Gas Act (s.5(1)):

- gas transportation;
- gas interconnector operator;
- shipping of gas;
- supply of gas;
- provision of smart meters.

To undertake any of the listed activities without a licence is an offence. S.6A of the Gas Act allows the Secretary of State to grant or revoke exemptions for the requirement for persons to hold the licences required by S.5(1) (that is, a transporter licence, interconnector licence, supply licence, shipper licence or licence for the provision of smart meters). As storage is not an activity requiring a licence under S.5(1), the exemption regime set out in S.6A does not apply in the current situation.

S.7ZA(1) states that the Secretary of State may grant licences authorising the participation in the operation of an interconnector. Under S.7ZA(2) it prohibits the grant of an interconnector licence to a person that holds a transportation licence granted under S.7 of the Act or a gas supply or shipping licence, granted under S.7A of the Act.

### Summary

The Gas Act has prohibitions on what operators of gas interconnectors may do – for example, they may not be licensed as a transporter or a shipper or supplier.

The Gas Act does not prohibit the holder of an interconnector licence from participating in the operation of a storage facility.

No questions were raised by the Workgroup. **Action Closed.**

**0502:** National Grid (PL) to confirm why the scope of the Modification is limited to bi-directional physical flows.

**Update:** PL provided the following update to resolve this action, this is also published on the meeting page: [www.gasgovernance.co.uk/0761/030621](http://www.gasgovernance.co.uk/0761/030621):

The definition of Storage Facility in the UNC (TPDR 1.2.1(a)(iii)) describes a facility where “...gas is *offtaken from the Total System...*” and “...*stored gas...*” is subsequently “...*delivered to the Total System*”. National Grid’s interpretation is that gas ‘offtaken’ and ‘delivered’ refers to physical delivery as described in TPD Section J and I.

Whilst recognising that concurrent operation of both conventional ‘interconnector transportation’ and ‘interconnector storage’ functions may enable the operator of such functions to limit physical flows to a ‘net’ volume in the relevant flow direction, the operator nevertheless has capability to physically flow (and measure the volumes of such) in both directions. This enables the correct volumes of gas to be flowed and metered even if there are zero transportation flow volumes on a particular day.

In principle, this aspect is no different to a conventional Storage Facility which is only required to flow a net volume in the relevant direction where on a day (for example) one User wishes to withdraw 10 units of gas from storage whilst a different User wishes to inject 20 units of gas into storage. In this case the storage operator is only required to physically inject 10 units of gas into its facility.

Extension of the applicability of the proposed arrangements to Interconnectors who can only offer 'virtual' reverse flow does not align with the definition of Storage Facility in respect of physical flows. Further, such a facility would be unable to physically respond to the commercial needs of its customers if there are zero transportation volumes on a given day and the net storage flows are required in the 'virtual' (non-physical) direction. Hence, National Grid propose limiting the arrangements to Interconnectors with capability to physically flow in both directions.

No questions were raised by the Workgroup. **Action Closed**

**0503:** National Grid (PL) to consider if restricting the service to physical gas flows would be discriminatory.

**Update:** See update for Action 0502. **Action Closed**

**0504:** Additional justification is required for capping  $SCQ_d$  (discounted storage capacity quantity) at the storage allocation as this is different treatment of capacity at 'stand-alone' storage points.

**Update:** PL provided the following update to resolve this action, this is also published on the meeting page: [www.gasgovernance.co.uk/0761/030621](http://www.gasgovernance.co.uk/0761/030621)

In the presentation material for Workgroup 0761 on 06 May 2021, National Grid set out the rationale for limitation of the discountable capacity quantity to the quantity of capacity utilised for storage purpose. This was principally due to the risk identified that there is a commercial incentive for Users to procure additional 'surplus' IO storage capacity if the aggregate cost of this, and the discounted National Grid IP capacity, is less than the cost of any residual *un-discounted* IP capacity.

Whilst National Grid recognise this approach is different to the arrangements at other points on the Total System, such points are 'single purpose' whereas the proposed arrangements need to operate as intended in respect of this first 'dual purpose' point/s on the Total System. Given this, we believe that the difference in approach is appropriate considering the specific commercial risk identified, which is unique to the proposed dual-purpose point. It is noted that any such residual capacity would be available for transportation (non-storage) purposes and is therefore justifiably priced at the non-discounted capacity charge. This is also consistent with the principle that Transportation remains the primary purpose of an Interconnector offering a supplementary storage service.

Given the short-term nature of the additional Storage Service proposed by IOs, it is unlikely that system users would book capacity at the IP that was ultimately not utilised. The decision to book and utilise the additional Storage would likely be synonymous therefore the actual risk of a system user being charged the un-discounted charges for IP capacity that was intended for Storage is believed to be very low.

As National Grid have set out in their Proposal, at a Storage (only) Facilities there is no potential alternative use of that capacity (i.e. non-storage) and therefore there is no risk that unused capacity will be used for a 'non-discountable' purpose. This is not the case with Interconnectors with additional storage capability where the risk is present. National Grid believe this flexibility warrants the variation in treatment to ensure no utilisation of unused discounted storage capacity for transportation and to prevent unused capacity at the Interconnection Point attracting the storage related NTS charges.

National Grid believe this risk is similar in principle to the risk identified by Ofgem in its Impact Assessment (and reflected in its final decision) in respect of *Modification Proposal 0728C - Introduction of a Capacity Discount to Avoid Inefficient Bypass of the NTS*, where the risk of the application of a discount to a transportation route, other than one which qualifies for such a discount, was discriminatory. In this case National Grid consider that in absence of a cap equal

to the quantity of gas allocated to storage there is a risk capacity other than that intended for storage use will obtain a discount. **Closed**

## 2.0 Solution: Capacity (II)

PL reminded Workgroup that the High-Level Approach and Discountable Capacity Quantity determination were discussed at the last Workgroup meeting held on 06 May 2021 and Utilisation and Overruns remain to be discussed at this Workgroup meeting.

### Capacity – Exclusions, Payable Price

#### Existing Contracts

PL explained that existing contracts (pre 06 April 2017) at Entry Points are not able to be utilised for Storage at Interconnection Points (IPs). This is on the basis that the intention of Article 35 of Tariff Regulation (Existing Contracts) is to 'freeze' the terms applicable to such capacity. PL advised it is National Grid's view that this includes the intended use of such capacity i.e. this will have been procured for transportation purposes. It was further clarified that all other capacity can be utilised for storage.

When questioned, PL agreed provide further information relating to the amount of Existing Contracts Capacity at the Bacton ASEP.

**New Action 0601:** It was agreed that PL will quantify the amount of Existing Contracts Capacity at the Bacton ASEP.

#### Traded Capacity – Capacity Assignment (TPD B6)

PL explained that Traded Capacity, under the Capacity Assignment process (TPD B6), can be utilised for storage purposes and will obtain a storage discount if classified as Storage Capacity Quantity (SCQ<sub>d</sub>).

#### Traded Capacity – Capacity Transfer (TPD B5)

PL clarified that the Transferor User (the seller) retains the liability for the capacity charges for the capacity it sold under the Traded Capacity - Capacity Transfer process (TPD B5), this capacity can be utilised for storage, but a storage discount would not be applied.

#### Payable Price

PL explained that the payable price for capacity classified as being for storage use requires determination of whether the capacity is Firm or Interruptible as the Reserve Price for Interruptible is itself, a discounted form of the Firm price .

Therefore, PL advised that to determine the appropriate payable price for SCQ<sub>d</sub>, it is necessary to understand if the associated capacity is Firm or Interruptible therefore it is proposed that capacity will be attributed to each component in a 'merit order' as follows:

1. Capacity attribution order: Interruptible, then Firm
2. Component attribution order: Storage, then Transportation

#### Payable Price – Merit Order Rationale

PL advised that any transportation capacity subject to the NTS Optional Charge 'Eligible Quantity' applies the relevant discount percentage to the Firm Reserve Price hence the merit order aligns any firm capacity to the transportation component. PL also highlighted that as per *Modification 0728B - (Urgent) - Introduction of Conditional Discount for Avoiding Inefficient Bypass of the NTS with 28km distance cap*, the NTS Optional Charge is not available for Storage. PL concluded that the proposed merit order is consistent with these principles.

#### Capacity – Overruns

PL confirmed there are no changes proposed to the existing overrun regimes at Entry and Exit Points.

## Additional Storage Entry Overrun

To prevent utilisation of existing contracts for storage purposes, it is proposed the introduction of a separate 'Interconnection Point, (IP), Storage Entry Overrun' which would comprise of the following:

- 'ASEP Entry IP Storage Allocation Quantity'; compared to
- Lower of
  - Sum of IO specified storage capacity quantities; and
  - IP Available Capacity (includes Assignments and Transfers) excluding EC

PL highlighted that to prevent 'double charging', only the higher of the Entry Overrun and the IP Storage Entry Overrun would be payable.

JCx expressed concern that the proposed solution was complicated and questioned whether limiting storage allocations to what capacity the User holds could form an alternative approach to suggested additional overrun mechanism.

**New Action 0602:** National Grid (PL) to consider limiting the storage allocation to the Storage Capacity i.e. the lower of (a) sum of IO specified storage capacity; and (b) IP Available Capacity excluding Existing Contracts in order to avoid need for additional storage overrun.

### 3.0 Solution – all other elements

#### 3.1. Point Definition

PL noted that the Point Definition proposals were subject to change as discussions were ongoing with the National Grid Legal Team. PL nevertheless informed Workgroup that as it stands, it is proposed that a single physical point can be comprised of both an Interconnection Point and a Storage Connection Point, that 'Storage Facility' (TPD R1.2.1) is revised to remove the requirement for storage of gas to be the *principal* purpose, and that the Storage Discount to Transmission Services Capacity Reserve Price is allocated to Storage Connection Points instead of Storage Site Points, (as stated in the Licence), which is consistent with the application of Storage exemption from General Non-Transmission Service Charge (TPD B2.11.6 / B3.12.7).

Members of the Workgroup questioned whether the UNC should include the definition a new type of facility (for example 'IP storage facility') as an alternative to refining existing definitions. This may emphasise/justify the unique nature of the Point and the rationale for application of specific capacity arrangements. PL agreed to consider this further.

**New Action 0603:** National Grid (PL) to consider the definition of a new multi-purpose point (as opposed to refining the existing Storage Facility definition).

JCx suggested a review of TPD Section R to establish any unforeseen consequences e.g definitions of space, deliverability and questioned whether National Grid could be a storage User for Operating Margin purposes.

**New Action 0604:** Review TPD Section R: Storage to identify if any further changes are required.

**New Action 0605:** National Grid (PL) to advise if the storage aspect of the Interconnector would be available for use by National Grid to support Operating Margins arrangements. (TPD K)

JCx noted that as part of the charge setting process Forecasted Contracted Capacity (FCC) is determined at each point. Specifically, any discounts applicable in the Tariff period feed through the process to determine the Reserve Prices. JCx questioned how that would work in the context of this Proposal and requested clarity as to whether the FCC Methodology would be revised.

PL acknowledged that implementation of this Proposal would impact the charge setting process, (in terms of the forecast revenue at IPs), hence National Grid would need to consider the information it would require from Interconnector Operators ahead of the Tariff Year to inform the charge setting process (for example, forecast scale of usage of the Storage product).

PL clarified that Modification Proposal 0761 would not, as part the Workgroup process, include any changes necessary to the FCC Methodology and observed that as National Grid and Users have a shared interest in getting the FCC accurate, such a change (if required) would be progressed if Modification 0761 is directed for implementation.

Notwithstanding this, JCx expressed a desire to discuss the potential impact on the FCC Methodology further and asked for it to be added to the agenda of the next NTSCMF.

**New Action 0606:** Joint Office to include this issue on the next NTSTCMF agenda:

Consider: The impact on the Forecasted Contracted Capacity (FCC) Methodology in the event that Proposal 0761 is directed for implementation. Any additional Storage discounts applied as a consequence of this change would impact the process to determine capacity Reserve Prices and may necessitate revision of the FCC Methodology – refer to material presented to Workgroup 0761 on 03 June 2021.

Sarah Cooper (SC) confirmed that IUK are presenting this as a service to complement their main transportation business. However, a member of the Workgroup suggested that storage volumes may exceed their transportation flows.

When asked about the consequences of this, PL advised that it is for the operator of an interconnector who offers a storage service to be able to justify that its principal purpose remains transportation in accordance with the terms of its licence and the definitions in relevant legislation.

### 3.2. Nominations

PL advised that it is proposed that separate daily nominations (TPD C / EID C) will be required for a User's intended transportation and storage flows.

PL confirmed there are no changes proposed to the Entry Scheduling Charge arrangements, (i.e. assessed at ASEP level), however, it is proposed that separate Exit Scheduling Charges would be applied; i.e. Transportation Allocation v Transportation Nomination, and Storage Allocation v Storage Nomination.

### 3.3. Allocations

PL advised that it is proposed that Storage allocation is based on an 'allocate as measured' method, whereby the full measurement will be allocated to Users each day consistent with other Storage Connection Points.

PL advised that Transportation allocation would continue to be based on an 'allocate as nominate' method utilising the daily Operational Balancing Account (OBA). The only exception would be on "Non-OBA days" where the transportation measurement is allocated to nominating transportation Users only. This is consistent with other IPs.

JCx asked if and where the measurement and allocation information will be published. PL agreed to investigate what measurement/allocation information is currently published on MIPI in respect of storage points.

**New Action 0607:** National Grid (PL) to investigate what measurement/allocation information is currently published on MIPI in respect of storage points.

### 3.4. Charging

PL noted that the material on the relevant slide in the presentation represented a ‘practical consequence’ of the Proposal which did not necessarily need to be reflected in the UNC. He highlighted that the contractual changes proposed were as set out in the relevant section of the Solution in the Proposal i.e. application of a Storage Discount to the SCQ<sub>d</sub> quantity and the exemption from General Non-Transmission Services Charges for Storage flows (allocations).

In terms of the practical consequences, PL informed Workgroup that the Transmission Services Capacity invoices are issued ~ 5th calendar day of M+1. However, as the proposed determination of SCQ<sub>d</sub> requires Entry and Exit Storage Allocations (Entry Closeout is M+15 and Exit Closeout is D+5) he advised that the proposed approach for Transmission Services Capacity is as follows:

- M+1 invoice: IP capacity charged at ‘standard’ rate; and
- M+2 invoice: reconciliation to reflect any SCQ<sub>d</sub> quantities subject to Storage discount

PL observed that as the General Non-Transmission Services Invoice is issued ~ 27th / 13th day of M+1 for Entry / Exit, respectively, the exemption for storage flows can be reflected in the first (M+1) invoices after the Billing Period.

### 4.0 Next Steps

AR confirmed that Workgroup will work toward the Workgroup Plan provided by the proposer. This has been captured below within the Diary Planning table. PL expressed an intention to issued a revised version of the Proposal ahead of the next meeting, principally to include the proposed merit order as discussed in ‘Payable Price’ section of the agenda.

### 5.0 Any Other Business

None.

### 6.0 Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Time / Date	Venue	Workgroup Programme
10:00 Thursday 01 July 2021	Microsoft Teams	Contingency – consider outstanding solution questions Finalise Solution
10:00 Thursday 05 August 2021	Microsoft Teams	Discuss draft legal text Discuss relevant objectives Consider draft Workgroup Report
10:00 Thursday 02 September 2021	Microsoft Teams	Review Legal Text Finalise Workgroup Report

**Action Table (as at 03 June 2021)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0501	06/05/21	3.0	National Grid (PL) to evaluate the compliance with Gas Act Section 6A and consider the exceptions.	National Grid (PL)	Closed
0502	06/05/21	3.0	National Grid (PL) to confirm why the scope of the Modification is limited to bi-directional physical flows.	National Grid (PL)	Closed
0503	06/05/21	3.0	National Grid (PL) to consider if restricting the service to physical gas flows would be discriminatory.	National Grid (PL)	Closed
0504	06/05/21		Additional justification is required for capping SCQ <sub>d</sub> (discounted storage capacity quantity) at the storage allocation as this is different treatment of capacity at 'stand-alone' storage points.	National Grid (PL)	Closed
0601	03/06/21	2.0	Existing Contracts: It was agreed that PL will quantify the amount of Existing Contracts Capacity at the Bacton ASEP	National Grid (PL)	Pending
0602	03/06/21	2.0	Additional Storage Entry Overrun: National Grid (PL) to consider limiting the storage allocation to the Storage Capacity i.e. the lower of (a) sum of IO specified storage capacity; and (b) IP Available Capacity excluding Existing Contracts in order to avoid need for additional storage overrun.	National Grid (PL)	Pending
0603	03/06/21	3.0	Point Definition: National Grid (PL) to consider the definition of a new multi-purpose point (as opposed to refining the existing Storage Facility definition).	National Grid (PL)	Pending
0604	03/06/21	3.0	Point Definition: Review TPD Section R: Storage to identify if any further changes are required.	National Grid (PL)	Pending
0605	03/06/21	3.0	Point Definition: National Grid (PL) to advise if the storage aspect of the Interconnector would be available for use by National Grid to support Operating Margins arrangements. (TPD K)	National Grid (PL)	Pending
0606	03/06/21		Point Definition:	Joint Office (HB)	Pending

**Action Table (as at 03 June 2021)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			<p>Joint Office to include this issue on the next NTSTCMF agenda:</p> <p>Consider: The impact on the Forecasted Contracted Capacity (FCC) Methodology in the event that Proposal 0761 is directed for implementation. Any additional Storage discounts applied as a consequence of this change would impact the process to determine capacity Reserve Prices and may necessitate revision of the FCC Methodology – refer to material presented to Workgroup 0761 on 03 June 2021.</p>		
<b>0607</b>	03/06/21	3.3	<p>Allocations:</p> <p>National Grid (PL) to investigate what measurement/allocation information is currently published on MIPI in respect of storage points.</p>	National Grid (PL)	<b>Pending</b>