

Governance Workstream Minutes

Thursday 19 April 2007

350 Euston Road, London

Attendees

Tim Davis (Chair)	(TD)	Joint Office of Gas Transporters
Beverley Grubb	(BG)	Scotia Gas Networks
Christiane Sykes	(CS)	Statoil
Chris Warner	(CWa)	National Grid UKD
Chris Wright	(CWr)	British Gas Trading
Jon Dixon	(JD)	Ofgem
John Bradley	(JB)	Joint Office of Gas Transporters
Julian Majdanski	(JM)	Joint Office of Gas Transporters
Liz Spierling	(LS)	Wales & West Utilities
Phil Broome	(PB)	Gaz de France ESS
Robert Cameron-Higgs	(RCH)	Northern Gas Networks
Richard Fairholme	(RF)	E.ON UK
Ritchard Hewitt	(RH)	National Grid NTS

1.0 Introduction and Status Review

1.1 Minutes from Previous Workstream

Were accepted without amendment.

1.2 Review of Actions

GOV1021: Review whether there is currently sufficient clarity in respect of effective dates where there is a retrospective aspect to a Proposal

The JO pointed out that nothing precludes insertion of such detail and there was a concern that identifying every possible aspect might lead to a cumbersome outcome. The Workstream still felt that a specific “trigger” should be included in the report and the JO agreed to include this in a suggested report format.

Carried Forward

GOV1022: Place a flow chart reflecting the Urgent procedure guidelines on the JO website

This had been done

Closed

GOV1023: Work with SGN on potential changes to the Modification Rules in respect of legal text

This had been done

Closed

GOV1024: Prepare indicative legal costs of recent Modification Proposals

The Transporters were still reviewing these. BG suggested that man-days might be more helpful than costs. RCH, RH and CWa questioned the value of such an exercise. JD stated that, whilst acknowledging the difficulties, Ofgem did need some indication to assist them in deciding whether requesting legal text was warranted. The Workstream agreed that man-days would be a satisfactory alternative to costs but on reflection agreed not to retain the action.

Closed

2.0 Modification Proposals

None

3.0 Topics

3.1 011GOV Urgent Proposals

BGT's document "Guidance Note on Best Practice for Urgent Uniform Network Code Modification Proposals" was discussed. CWr stated that he had received no feedback on the note itself. JD stated that Ofgem had never received a request for an existing Proposal to be made urgent – only those where the request was made at the time of proposal submission. He believed that if that was the case, there would be more comfort given to proposers that a Proposal would not be unreasonably delayed. TD asked whether Ofgem and others were happy for the Guidance Note to be placed on the website as an agreed procedure. The response was to request a further month's consideration.

TD stated that the Panel's record on not unnecessarily delaying proposals had been good and therefore proposers should take comfort that the normal procedures could be used.

3.2 012GOV Legal Text Aspects of Current Rules

Members discussed whether the Modification Rules should allow a further trigger for legal text to be required. This could be, for example, if the Panel recommended implementation or if the Panel requested legal text, for any other reason.

Discussion then centred on Ofgem's ability to request legal text. JD suggested that there should be a fifteen day deadline for meeting Ofgem's legal text requests. It was acknowledged that a Modification Proposal could amend the Modification Rules but it was suggested that any rule change of this nature should also reflect the current rules where the Panel requests text. This would allow the Transporters to identify where it is not possible to define the legal text from the currently drafted Proposal. JD emphasised that Ofgem was reluctant to request text on occasion as such requests were often interpreted as "minded to".

PB referred to the BSC model where Elexon routinely produces text. TD pointed out that this could increase costs substantially. It was also pointed out that Elexon's lawyers tend to get involved at an early stage of Proposal development, which can be valuable.

BG agreed to reflect this discussion in her intended Proposal with respect to the Modification Rules.

4.0 Any Other Business

CWr referred to the recently raised Proposal 0142 which he believed was almost certain to be approved. Should this type of change be dealt with by a consent? TD expressed the view that consents normally dealt with small manifest errors, inconsistencies in terminology or references. JD believed that 0142 did not fall into that category.

5.0 Next Meeting

17 May 2007, following the UNC Committee meeting.

Action Log – UNC Governance Workstream 19 April 2007

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner*	Status Update
GOV 1021	15/02/07	4.0	Review whether there is currently sufficient clarity in respect of effective dates where there is a retrospective aspect to a Proposal.	Joint Office (TD)	Discussed at March and April 2007 Workstreams. JO agreed to draft amendment to standard Modification Report proforma. Carried Forward
GOV 1022	15/03/07	3.1	Place a flow chart reflecting the Urgent procedure guidelines on the JO website.	Joint Office (TD)	This has been published Closed
GOV 1023	15/03/07	3.2	Work with SGN on potential changes to the Modification Rules in respect of legal text.	Joint Office (TD)	Suggestions sent to SGN Closed
GOV 1024	15/03/07	3,2	Prepare indicative legal costs of recent Modification Proposals	All Transporters	April Workstream agreed that this action be closed. Closed

* key to initials of action owners

TD – Tim Davis