

**NTS Charging Methodology Forum (NTSCMF) Minutes  
Tuesday 02 February 2021  
via Microsoft Teams**

<b>Attendees</b>		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Adam Bates	(AB)	South Hook Gas
Alex Nield	(AN)	Storengy
Andrew Pearce	(AP)	BP
Anna Shrigley	(AS)	Eni Trading & Shipping
Anna Stankiewicz	(ASt)	National Grid
Bill Reed	(BR)	RWE
Chris Wright	(CW)	ExxonMobil
Christiane Sykes	(CS)	Shell
Colin Williams	(CW)	National Grid
Daniel Hisgett	(DH)	National Grid
Daniel Wilkinson	(DW)	EDF Energy
Dave Bayliss	(DB)	National Grid
David O'Neill	(DON)	Ofgem
Debra Hawkin	(DH)	TPA Solutions
Drew Sambridge	(DS)	Cadent
Henk Kreuze	(HK)	Vermilion Energy
Iwan Hughes	(IH)	VPI
Jeff Chandler	(JCh)	SSE
Julia Haughey	(JH)	EDF Energy
Julie Cox	(JCx)	Energy UK
John Costa	(JCo)	EDF Energy
Kamla Rhodes	(KR)	ConocoPhillips
Kirsty Ingham	(KI)	ESB
Kieran McGoldrick	(KG)	National Grid
Laura Johnson	(LJ)	National Grid
Lauren Jauss	(LJ)	RWE
Nick Wye	(NW)	Waters Wye Associates Ltd
Nigel Sisman	(NS)	Sisman Energy Consulting
Nitin Prajapati	(NP)	Cadent
Pavanjit Dhesi	(PD)	Interconnector UK
Paul Whitton	(PW)	SGN
Phil Lucas	(PL)	National Grid
Richard Fairholme	(RF)	Uniper
Ritchard Hewitt	(RHe)	Hewitt Home & Energy Solutions Ltd
Ricky Hill	(RH)	Centrica

**Joint Office** of Gas Transporters

Rosannah East	(RE)	National Grid
Shiv Singh	(SS)	Cadent
Sinead Obeng	(SO)	Gazprom
Smitha Coughlan	(SM)	Wales & West Utilities
Stephen Cross	(SC)	SGN
Terry Burke	(TBu)	Equinor
Thomas Bourke	(TBo)	Ofgem
Thomas Paul	(TP)	E.ON
Yvonne Reid-Healy	(YRH)	Cadent

Copies of all papers are available at: <https://www.gasgovernance.co.uk/ntscmf/020221>

NTSCMF meetings will be quorate where there are at least six participants attending, of which at least two shall be Shipper Users and one Transporter is in attendance.

## 1. Introduction and Status Review

Rebecca Hailes (RHa) welcomed everyone to the meeting.

### 1.1. Approval of Minutes (05 January 2021)

RHa overviewed a track change amended version of the minutes and drew attention the specific alterations and no further changes were proposed.

The minutes were the subsequently approved.

### 1.2. Approval of Late Papers

RHa explained National Grid and Storengy had provided late papers and all agreed that these could be accepted.

### 1.3. Modifications with Ofgem

David O'Neill (DON) provided a status update regarding the Modifications with Ofgem as detailed below:

**Modification 0686** Removal of the NTS Optional Commodity Rate with adequate notice. DON reiterated that Ofgem had de-prioritised this Modification.

**Modification 0728/A/B/C/D (Urgent)** - Introduction of a Conditional Discount for Avoiding Inefficient Bypass of the NTS. DON explained Ofgem's minded to position to approve Modification 0728B was presently out at consultation with a close out date of 19 February 2021.

**Modification 0729** - Applying a discount to the Revenue Recovery Charge at Storage Points. DON explained that Ofgem were still considering this Modification and that a decision would be made in due course.

**Modification 0737** - Transfer of NTS Entry Capacity from a Capacity Abandoned ASEP. DON explained that Ofgem were still considering this Modification and that a decision would be made in due course.

**Modification 0738** - Incremental NTS Entry Capacity Surrender. DON explained that Ofgem were still considering this Modification and that a decision would be made in due course.

**Modification 0753 (Urgent)** - Removal of Pricing Disincentives for Secondary Trading of Fixed Price NTS System Entry Capacity. DON noted that the request for urgency status was still being reviewed and that Ofgem might provide a decision on Friday 05 February, although he could not guarantee a decision would be made by this date given the volume of UNC modifications and other work.

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### 1.4. Pre-Modification discussions

No Pre-Modifications were discussed.

## 2. Workgroups

### 2.1. 0751 – Capping Price Increases for Quarterly System Entry Capacity

(Report to Panel 15 April 2021)

<https://www.gasgovernance.co.uk/0751>

## 3. Forecasted Contracted Capacity (FCC) Monitoring

### 3.1. Update on Capacity bookings vs FCC with potential impact on Revenue Recovery Charges (RRC)

Forecasted Contracted Capacity Workshop

Colin Williams (CW) overviewed the draft Terms of Reference (ToR) for the National Grid - led Forecasted Contracted Capacity Workshop, which can be viewed via the link: <https://www.gasgovernance.co.uk/ntscmf/020221>

CW noted that these workshops would not be facilitated via the Joint Office and that these would be co-ordinated and managed by National Grid. CW provided a high-level overview of the proposed format, context and content of the Workshops as detailed below:

#### 1. Background

- *The Forecasted Contracted Capacity (FCC) is an input to the Capacity reference / reserve price calculation. There are several of requirements under the UNC in respect of the FCC and the Methodology applied to produce it.*
- *This workshop is being set up to focus on the production of an updated FCC Methodology and the FCC Values to be applied into the calculation of the October 2021 Reserve Prices and indicatives as require to be published towards the end of May 2021.*

#### 2. Workshop set-up, frequency, role and duration

- *Workshops will be held using Microsoft Teams, hosted and facilitated by National Grid.*
- *Workshops will be weekly lasting 1 hour with frequency updated if needed.*
- *Focus is on frequent, short and productive discussions with a reasonable space between them to maintain progress on the development.*
- *Progress and outputs of these workshops will be shared at NTSCMF meetings.*
- *Meetings will not have formal minutes; a summary will be provided of the main topics covered. Summary of progress including any relevant material will be shared to NTSCMF.*
- *A method to provide access to relevant material for those joining will be sought.*
- *These workshops may run until end of April 2021.*

#### 3. Attendees

- *Attendance will be open to any interested Stakeholders. Should numbers impede the ability to share content and maintain the interactive nature of the workshops this will be reviewed.*
- *Should it be necessary or beneficial to use smaller, ad-hoc workshops to develop or discuss certain topics in greater detail, National Grid will host and chair such workshops.*

#### 4. Overall Objectives

- *To deliver an agreed and improved FCC methodology for 2021, with a methodology update by the end of March 2021 and an FCC to use in the calculation process by the end of April 2021 to set October 2021 reference / reserve prices. This will include:*
  - Review the current FCC Methodology in place, implemented as part of Modification 0678A and share views on potential improvements.*
  - Analyse 2020/21's actuals versus forecasts and any other relevant analysis needed to support its update.*
  - Review what should be key assumptions, inputs including how to use or apply them.*

#### 5. Scope

- *Focus is on an updated FCC Methodology that will be used to produce the FCC for 2021 and not a change the governance of the FCC Methodology for 2021. Further work, more likely to be for 2022, would focus on how the methodology is to be incorporated as part of the UNC.*

#### Current FCC Methodology Gas Year Y

CW then provided a brief overview of how the FCC was calculated for all Entry Points and Exit Points which were not Gas Distribution Networks (GDN) Exit Points by taking the greater of:

- Existing Contracts (as defined in the UNC) for the relevant Gas Year (Y) (average kWh/d)*
- Non zero priced historical capacity sales for previous Gas Year (Y 2) (average kWh/d).*
- Historical flow for previous available Gas Year (Y 2) (average kWh/d).*

- d) Forecast supply or demand for the relevant Gas Year (Y) (average kWh/d).
- e) Planning and Advanced Reservation of Capacity Agreement (PARCA) reserved capacity, if the associated PARCA has progressed to Stage 2 for the relevant Gas Year (Y) (average kWh/d).

The FCC is calculated for GDN Exit Points as the latest capacity booked for the Gas Year Y 1, known at the time of setting the reference prices for Gas Year Y.

**Current FCC Methodology Gas Year Y+1, Y+2, Y+3, Y+4**

For these Gas Years (Y+1, Y+2, Y+3 and Y+4):

(a) This FCC Methodology will be used to determine the FCC values with the exception of the historical flows and non-zero historical capacity sales, which will continue to use Gas Year Y 2 values.

(b) For GDN Exit Points, the FCC will be equal to the latest capacity booked for the associated Gas Year.

**Exceptions**

CW explained National Grid's thinking regarding the exceptions which were as listed as:

*In the first instance, this FCC methodology will be applied. In exceptional circumstances, it may be necessary for National Grid to apply different principles to determine an FCC for a specific Entry or Exit point. This would be required to ensure reference prices and reserve prices can be generated so as not to inhibit the operation of the RPM. National Grid will outline along with publication of charges where this has been carried out.*

Richard Fairholme (RF) suggested that another area that should be encompassed within the overall objectives was to predefine the actual topics that would be discussed in these weekly workshops. He said this would provide clarity and structure for each session, together with the specific issues that would be explored. CW agreed this was a good suggestion and he agreed to define the structure at the first meeting that would be held on 04 February 2021.

CW also drew attention to the link that provided an overview to the current FCC Methodology to aid clarity:

[https://www.gasgovernance.co.uk/sites/default/files/ggf/book/2019-03/Forecasted%20Contracted%20Capacity%20v1.0\\_0.pdf](https://www.gasgovernance.co.uk/sites/default/files/ggf/book/2019-03/Forecasted%20Contracted%20Capacity%20v1.0_0.pdf)

**4. Long Term Revenue Forecasts**

**4.1. UNC Changes & Timescales- including if on critical path for May 2021**

CW provided an overview of the below table in relation to the RIIO-2 Charging implications.

What	Detail of change	When / Process	For May 2021?
UNC Proposal(s) on Capacity Neutrality: Retrospective Modification	Covering the period 01 October to 30 December 2020 to charge back part of high Capacity Neutrality payments in line with method in place with UNC Modification 0748.	Progress, develop and discuss alternative solutions over months that avoid use of RRCs / adjustments to RRCs.	No
RIIO2: Updating Section Y to align with the Licence implemented with RIIO2	Updating all Licence references as part of the charging arrangements to the relevant sections of the Licence, including removing any references no longer needed	RIIO2 final text due w/c 01 February. Once available a modification will be finalised. Depending on complexity topics could be split across more than one modification.	Yes
	Updating the treatment of under and over recovery, often referred to the 'K' process. As there are expected changes to this (such as the t-2 changing to t-1) as seen in the Final Determinations, this will need to be updated.	May require submission to February Panel for Panel to consider. Process could follow self governance. Propose workgroup in March, consultation starting from March Panel, with aim to be implemented by the end of April 2021.	
	Other charging related UNC changes from RIIO2: Any other aspects seen in the Final Text that may be relevant to the charging processes	Will be assessed when final text is seen and determined if on the critical path for setting October charges.	Potentially
Revenue changes (e.g. step changes in revenues in second half of the Gas Year)	Setting Reserve prices and that of TS and Non-TS focus on the Regulatory Year that ends in the Gas Year in question. This is to cover whether the second half of the GY first half of the next Regulatory Year revenues be further reflected.	Can be considered in parallel to those on the critical path for October reserve price setting. Development and discussions via NTSCMF. Timing, Scope and solutions for Modification to be part of this development.	No
UNC Modification(s) that may be needed	Monitoring the revenue recoveries of capacity and RRCs in particular.	Ongoing, Observations / Reflections / any potential scope for change discussed via NTSCMF.	No
	Other topics that come out of discussions / developments that may be considered beneficial to accommodate (e.g. Gas Year and Regulatory Year alignment issues)	Ongoing, keep a track of issues / opportunities to address via NTSCMF	No

UNC Proposal(s) on Capacity Neutrality Retrospective Modification

CW explained that National Grid were building on Modification 0748 (Urgent) – *Prospective Removal of Entry Capacity Revenue from Capacity Neutrality Arrangements* and said they had had conversations with Ofgem on this matter which were still progressing in relation to a potential alternative solution regarding RRC, although this was not on the critical path for May 2021.

Richard Fairholme (RF) said he found this very concerning as it could result in charges from one gas year to another year, with no Ofgem decision before October 2021. He added this would lead to accountancy and managing risk issues concerning any retrospection. Julie Cox (JCx) concurred with this comment and asked how the process would be managed and adjusted for the sum of money for RIIO-1 and the close out of the gas year, together with the 'roll-up' of the 'K' Factor. CW said this would depend on the solution and it would need further changes to the mechanism which would be adapted, to avoid impacting already published prices, from a lump sum scenario - money in and money out.

A further general discussion took place regarding the retrospectivity and Anna Shrigley (AS) said that presently the RRC calculated from February to April was calculated on the assumption that it would receive all the cost neutrality from October to December, if there was no under recovery from the next period, and she wanted to know if this was correct. CW confirmed it was. Jeff Chandler (JCh) said that he had grave concerns from an industry perspective on the retrospectivity charging changes element and added that SSE were presently taking legal advice on this matter. CW said that retrospectivity was not the norm and had not been done before and that clearly there was a need to avoid altering any published prices.

RF asked if Ofgem had any comments to make regarding this matter and David O'Neill (DON) said it was not time to judge the Modification, as the Modification in question had not yet been raised, nor submitted to Ofgem for assessment.

John Costa (JCo) said that the proposal would have material impacts and asked if the analysis showed merit in the overall solution, as he felt it would undermine the confidence of the market, especially as the UNC procedures had been adhered to. He noted that if the Modification were to be raised, the impact and complexity would be huge, with regards to the impact upon the consumers. DON reiterated that it was not time to judge the Modification, as it had not yet been raised, nor submitted to Ofgem for assessment.

A further general discussion took place regarding the materiality issue of £45-50 million neutrality from October to December 2020. On this topic, Terry Burke (TBu) said he understood the next Gas Year tariffs were going to be published at the end of May 2021 and he asked if the Retrospective Modification was to be subsequently implemented, when would the retrospective activity take place for gas year 2021 or 2022? CW said that this area was presently being investigated and that the published tariffs would not be affected.

Sinead Obeng (SO) said she felt that the proposal sounded like a huge amount of effort especially from the unpicking accountancy perspective which would also have impacts on the portfolios and their customers, together with complicated systems impacts. She said she concurred with previous comments that this retrospectivity would undermine the confidence of the industry.

JCx said if the Modification were to be raised, how would this impact the SO incentives in relation to the regulatory gas year. DON said that for the SO incentive on capacity constraint management, National Grid would get a lot of money as a result of the UNC0678A changes and Ofgem were looking at this and would be making an announcement in the next few days regarding this matter in terms of the RIIO2 incentive. Ofgem were also looking at the impacts on the last six months of RIIO1 as there appeared to be a large windfall arising as a result of the UNC0678A changes. He noted that the announcement later this week would be focussed on RIIO2 as it was going to be published alongside the final RIIO2 licence.

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JCx said that there needed to be a joined-up approach between the Final Licence process and the UNC Modification in relation to RIIO-1 management incentive, as there was clearly a disconnect currently. DON referred back to his earlier comments, RF reiterated his previous comments and said there had to be justification for this Modification, as it could be seen by the industry as a National Grid error, especially as there was no issue with the UNC and the impacts on the RRC earlier this year were considerable. RF agreed with previous comments made by other participants as to the impacts and charging issues this would cause. CW agreed that careful structure and timings needed to be fully explored.

JCo again reiterated his earlier comments on the importance of industry buy-in and the overall support of Ofgem, as it would take the industry considerable time and effort from a development perspective, which in turn would have a knock- on effect to the consumers. DON said that £45 million was at stake, so it was clearly worth exploring further, AS requested, that CW provide transparency in relation to this figure regarding the 'misallocation' together with what SO incentives that went back to National Grid. JCh agreed with AS' comments and said that this needed investigating, as the UNC was followed and then it cannot be over-turned, and further action may be required involving the Competition and Markets Authority (CMA).

RIIO-2 Updating Section Y to align with the Licence implemented with RIIO-2

CW provided a high-level overview and said there might be a need for a February Panel submission, then a consultation from March to enable all to be in a static state, and in place by the end of April in order to for the calculations to be completed in May 2021.

RHa said the timings would need careful consideration as the Workgroup development period put in place by Panel normally was at least 3 months' and so she felt one workgroup would be felt to be insufficient, both JCx and RF agreed. JCx also said that a Pre-Modification was needed in order to evaluate the solution and CW confirmed that he was awaiting the detail and that the Modification may have to have a short notice status for the February 2021 Panel.

Revenue changes (e.g. step changes in revenues in second half of the Gas Year)

CW provided an overview of the seasonal affect and the setting of the reserve prices and said this would give an avenue for further discussion. All agreed this was a sensible approach and would provide a platform to investigate forthcoming issues.

Bill Reed (BR) asked why there were step changes in the revenues as he was under the impression these would be smoothed out. CW explained this was more in relation to the smoothing process itself and that no reopeners were included. He added that it was the outcome of the returned revenue for the coming year and the impact on the charges. BR said this needed to be addressed carefully and should be reported on a regular basis so the industry parties were aware of any deviations and so the materiality could be investigated.

UNC Modification (s) that may be needed

CW said that any other topics would be added to the list and tracked and reported on in due course.

CW then overviewed the high-level timeline between now and May 2020, as detailed below:

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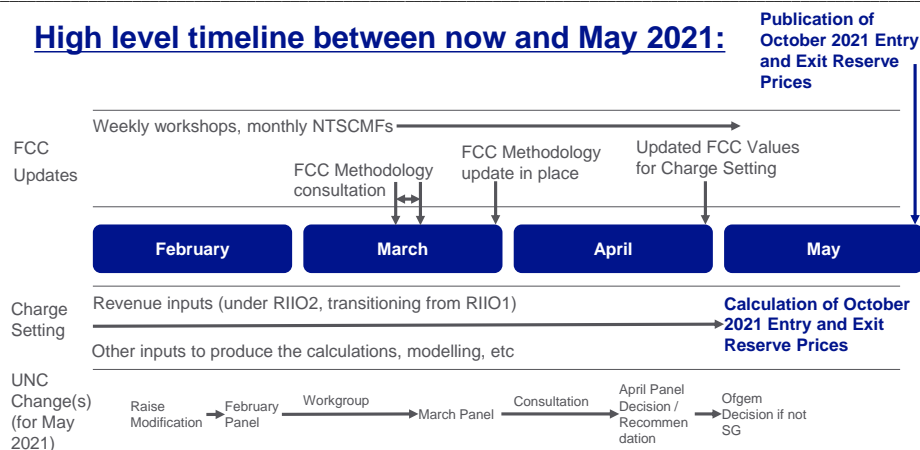
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## High level timeline between now and May 2021:



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### 5. Issues

No new issues were raised.

### 6. Review of Outstanding Action(s)

**Action 0101:** Storengy (NW) to provide worked examples of when the CPI rate is applied together with other associated analysis regarding the proposed process.

**Update:** Workgroup Participants agreed this action could now be closed as the analysis had been supplied in relation to Modification 0751 - Capping price increases for Long-Term Entry Capacity.

**Closed.**

**Action 0102:** National Grid (CW) to undertake data analysis in relation to the potential impacts of the proposed Modification - Capping Price Increases for Quarterly System Entry Capacity on the Tariffs and all other Users.

**Update:** Colin Williams (CW) and Dan Hisgett (DHi) said this work had started and the analysis would be shared as this would be finalised for the 0751 Workgroup as part of NTSCMF on 02 March 2021 and added that the Modification would be enduring. **Carried forward**

**Action 0103:** Storengy (NW) to provide pre- and post-Postage Stamp examples of pricing in relation to Capping Price Increases (CPI).

**Update:** Workgroup Participants agreed that this action could now be closed as the analysis had now been produced and discussed. **Closed**

**Action 0104:** National Grid (CW) to share the table that is used for setting the tariffs between now and May 2021.

**Update:** CW provided a brief overview of the timetable and next steps. A few brief discussions took place in relation to the impact of RII0-2 and CW confirmed that there would be no price changes until October 2022.

Julie Cox (JCx) sought clarification in relation to the 'K' Factors as asked if there would be double 'K' Factors from 2 years ago and this year, CW confirmed this was correct. Pavanjit Dhesi (PD) asked and CW confirmed the Forecasted Contracted Capacity (FCC) values would be produced at the end of April 2021 and would be 'locked in' at that time.



Thomas Paul (TP) asked if there was a chance that the published charges that were published last week would be changed in April 2021, Dave Bayliss (DB) confirmed that no, these would not be changed or impacted by the final RIIO-2 decisions.

The action was then closed. **Closed**

**Action 0105:** National Grid (CW) to commit to discussing the forecasting assumptions.

**Update:** CW explained that separate material had been shared to start this discussion on forecasting capacity values ahead of use for October 2021 charges to be published towards the end of May 2021.

He noted the National Grid approach and overview was as below:

- Use of dedicated weekly workshop hosted and facilitated by National Grid –participation is encouraged for those who can commit the time and input to these. Outputs and summaries shared through NTSCMF.
- Every Thursday at 3pm for 1hr
- Joining details would be issued ahead of 04 February 2021 via Joint Office / NTSCMF
- Use existing governance as per the UNC Section Y.

Aim for updated FCC methodology by end of March 2021, FCC values by end of April 2021.

It was then agreed this action could be closed. **Closed**

**Action 0106:** Ofgem (ASa/TBo) to explore if any revenue adjustment arising from reopeners will only be reflected in the annual iteration process and not result in changes to capacity charges or RRC.

**Update:** Thomas Bourke (TBo) said that reopeners have the potential to affect National Grid Gas Transmission's allowed revenue. While it is for National Grid to decide whether or not they change the RRC to meet their allowed revenue, within the limitations of the UNC and Licence, it has to be in-keeping with the principles of TAR NC and Ofgem's open letter of 23 December, set out its expectations: To be clear, Ofgem notes the importance to the market of price stability and predictability. When revising the TSRRCs, National Grid Gas Transmission should consider the impact on prices and should aim as far as possible to avoid any other interventions (including further charges to TSRRCs) that could undermine market confidence. National Grid said if changes were required within the year the only option was to change the RRC. This action was then closed. **Closed**

**Action 0107:** National Grid (CW) to provide documented explanation and diagrams detailing the relationship between the SO /TO and TS/nonTS revenue services.

**Update:** CW explained that further material on these topics would be provided by April NTSCMF, earlier if possible. **Carried forward**

**Action 0108:** National Grid (CW) to provide information regarding potential Licence changes and *TPD section Y 1.5.1 (d) "Allowed TS-Related NTS System Operation Revenue"*

**Update:** CW said further material on these topics would be provided by April NTSCMF, earlier if possible. **Carried forward**

**Action 0109:** DNs to provide confirmation and indication of the difference between 1 in 20 bookings and their charging base(s).

**Update:** Smitha Coughlan (SC) provided an overview of the Wales & West Utilities charging base, as detailed below:

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	WWU v Shipper	
	Actual	Adjusted
SW	-2%	-2%
WN	0%	0%
WS	16%	-3%
<b>Total</b>	<b>6%</b>	<b>-2%</b>

Source data

- The above 'Actual' column compares WWU NTS bookings which will be in place on 01 April 21, with Shipper December rolling SOQs (as these will become formula year SOQs on 01 April 2021 and therefore will be the basis of transportation charge calculations).
- WWU bookings made in July 20, effective from 01 October 20.
- Shipper figures are a snapshot of rolling SOQs from December 20. Provided by Xoserve – 'December Snapshot'
- The 'Adjusted' figures take account of the loss of a very large site affecting WS, after WWU bookings were made in July (not used for anything - just to show difference).

Reasons for differences

- Diversity – WWU bookings would not reflect 365 days of 'peak'
- WWU system built based on what has happened historically, not just the situation at the time bookings are made.
- User commitments are in place which need to be taken into consideration
- Timing – July 20 view v December 20 view.

NS indicated that it was still difficult to understand the numbers in the table and asked for a further written explanation so that the relationship between the NTS Capacity Charge on the ECN could be understood better.

In the ensuing discussion a DN indicated that since 2012 daily products had been available and that output incentives had encouraged the DN to purchase Exit capacity via a mix of annual and daily capacity. However those incentives change under RII0-D2. The changed incentives might suggest bookings would swing back to annual. It was suggested this might be a good thing from the perspective of this group leading to greater up front payment for capacity without recourse to revenue recovery mechanisms. However a contrary view was expressed noting that this might increase costs to DN connected customers, particularly domestic users. It was therefore suggested that Ofgem be asked to confirm the outcomes of the recent Exit Capacity Planning Guidance document.

**New Action 0201:** Ofgem (DON/TBo) to consider a response regarding the matters arising outputs from Action 0109 including specifically the incentives on DNS to book NTS Exit Capacity following the Exit Capacity Planning Guidance document.

**Action 0110:** DNs to consider a move to a uniform charge or more transparency around the DN Charging element used for setting the ECN charge.

**Update:** The DNs all agreed that they were going to add more transparency in the charging statements in relation to how the charges flow through the ENC charge, which would be available on 31 March 2021. SC added that such matters are usually discussed within the DN Charging Methodology Forum (DNCFM) and that this forum was the best place to raise any queries moving forward. This action was then closed. **Closed**

**7. Any Other Business**

**Deleted:** A general discussion took place where the other DNs overviewed the differences in percentages for their charging base in relation to 1 in 20 bookings obligations. It was agreed that this should be placed on the agenda for the March meeting with an action on Ofgem to respond to the information that had been supplied and discussed by the DNs.

**Deleted:** Ofgem to consider a response regarding the outputs from Action 0109: DNs to provide confirmation and indication of the difference between 1 in 20 bookings and their charging base(s).

**7.1. Ofgem Open Letter – Smoothing of volatility (consequence of Modification 0748)**

It was agreed this topic had been covered within Action 0601 above in Section 6.0 and that the Ofgem Open Letter could be viewed via the link: <https://www.gasgovernance.co.uk/0748>

**8. Next Steps**

RH said that the next meeting was scheduled for Tuesday 02 March 2021 with the usual standard agenda and that her aspirations for that meeting were to:

- Review the feedback from the weekly **National Grid-led** FCC Workshops.
- RIIO-2 – Modifications - National Grid to speak with Ofgem and the Joint Office in relation to the full text from RIIO-2.

**9. 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)

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:00 Tuesday 02 March 2021	Via Microsoft Teams	Standard Workgroup Agenda, including: <ul style="list-style-type: none"> <li>• Review the feedback from the weekly FCC Workshops.</li> <li>• Review RIIO-2 related Modifications</li> </ul>
10:00 Tuesday 06 April 2021	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 04 May 2021	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 01 June 2021	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 06 July 2021	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 03 August 2021	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 07 September 2021	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 05 October 2021	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 02 November 2020	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 07 December 2021	Via Microsoft Teams	Standard Workgroup Agenda

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Action Table (as at 02 February 2021)

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
0101	05/01/21	1.4.1	Storengy (NW) to provided worked examples of when the CPI rate is applied together with other associated analysis regarding the proposed process.	Storengy (NW)	Closed
0102	05/01/21	1.4.1	National Grid (CW) to undertake data analysis in relation to the potential impacts of the proposed Modification - Capping Price Increases for Quarterly System Entry Capacity on the Tariffs and on all other users.	National Grid (CW)	Carried forward
0103	05/01/21	1.4.1	Storengy (NW) to provided pre- and post-Postage Stamp examples of pricing in relation to Capping Price Increases (CPI).	Storengy (NW)	Closed
0104	05/01/21	3.1	National Grid (CW) to share the table that is used for setting the tariffs between now and May 2021.	National Grid (CW)	Closed
0105	05/01/21	3.1	National Grid (CW) to commit to discussing the forecasting assumptions	National Grid (CW)	Closed
0106	05/01/21	3.1	Ofgem (ASa/TBo) to explore if any revenue adjustment arising from reopeners will only be reflected in the annual iteration process and not result in changes to capacity charges or RRC.	Ofgem (ASa/TBo)	Closed
0107	05/01/21	5.0	National Grid (CW) to provide documented explanation and diagrams detailing the relationship between the SO /TO and TS/nonTS revenue	National Grid (CW)	Carried forward

			services.		
0108	05/01/21	5.0	National Grid (CW) to provide information regarding potential Licence changes and TPD section Y 1.5.1 (d) "Allowed TS-Related NTS System Operation Revenue"	National Grid (CW)	Carried forward
0109	05/01/21	5.0	DNs to provide confirmation and indication of the difference between 1 in 20 bookings and their charging base(s).	DNs	Closed
0110	05/01/21	5.0	DNs to consider a move to a uniform charge or more transparency around the DN Charging element used for setting the ECN charge.	DNs	Closed
0201	02/02/21	6.0	<u><a href="#">Ofgem (DON/TBo) to consider a response regarding the matters arising outputs from Action 0109 including specifically the incentives on DNS to book NTS Exit Capacity following the Exit Capacity Planning Guidance document.</a></u>	(DON/TBo)	Pending

**Deleted:** Ofgem (DON/TBo) to consider a response regarding the outputs from Action 0109: DNs to provide confirmation and indication of the difference between 1 in 20 bookings and their charging base(s).

**Deleted:** Note that neither recall this action.