

Workgroup Terms of Reference

0525 - Enabling EU Compliant Interconnection Agreements

Date referred from Panel: 19 February 2015

Background – Why Change?

Please refer to www.gasgovernance.co.uk/0525

Solution

In relation to the three GB Interconnection Points, this Modification seeks to:

- Facilitate compliance with European legislative changes for Interconnection Agreements;
- Address consequential impacts on CSEP Ancillary Agreements; and
- Enable consultations with Users relating to Interconnection Agreement changes.

The proposed solution is to:

- Facilitate User consultation and Ofgem approval of changes to the IAs that affect Users which take effect from 01 October 2015;
- Establish UNC governance arrangements for any amendments to the IAs that affect Users post 01 October 2015;
- Provide for Users to indemnify National Grid NTS in respect of any liability to an Adjacent Transmission System Operator (TSO) arising from a claim in respect of a loss by a User arising under UNC;
- Incorporate relevant clauses from CSEP AAs within UNC;
- Introduce text into the CSEP AAs which terminate them; and
- Include provisions within UNC in relation to the Moffat IP.

Topics for Discussion

- Understanding the objective
- Assessment of alternative means to achieve objective
- Development of Solution (including business rules if appropriate)
- Assessment of potential impacts of the modification
- Assessment of implementation costs
- Assessment of legal text.

Outputs

Produce a Workgroup Report for submission to the Modification Panel, containing the assessment and recommendations of the Workgroup.

Composition of Workgroup

The Workgroup is open to any party that wishes to attend or participate.

A Workgroup meeting will be quorate provided at least two Transporter and two User representatives are present.

Meeting Arrangements

Meetings will be administered by the Joint Office and conducted in accordance with the Code Administration Code of Practice.

