

NTS Charging Methodology Forum (NTSCMF) Minutes
Tuesday 03 November 2020
via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RH)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Adam Bates	(AB)	South Hook Gas
Alex Nield	(AN)	Storengy
Andrew Pearce	(AP)	BP
Anna Shrigley	(ASh)	Eni Trading & Shipping
Anna Stankiewicz	(ASt)	National Grid
Bill Reed	(BR)	RWE
Chris Wright	(CWr)	Exxon Mobil
Christiane Sykes	(CS)	Shell
Colin Williams	(CW)	National Grid
Daniel Hisgett	(DHi)	National Grid
Dave Bayliss	(DB)	National Grid
Debra Hawkin	(DH)	TPA Solutions
Henk Kreuze	(HK)	Vermilion Energy
Jeff Chandler	(JCh)	SSE
Jennifer Randall	(JR)	National Grid
Julie Cox	(JC)	Energy UK
John Costa	(JCo)	EDF Energy
Jonny Parlett	(JP)	Ceres Energy
Kamla Rhodes	(KR)	Conoco Phillips
Kirsty Ingham	(KI)	ESB
Laura Johnson	(LJ)	National Grid
Nick Wye	(NW)	Waters Wye Associates Ltd
Paul Youngman	(PY)	Drax
Richard Fairholme	(RF)	Uniper
Ricky Hill	(RH)	Centrica
Sinead Obeng	(SO)	Gazprom
Terry Burke	(TBu)	Equinor
<p>Copies of all papers are available at: https://www.gasgovernance.co.uk/ntscmf/031120</p> <p>NTSCMF meetings will be quorate where there are at least six participants attending, of which at least two shall be Shipper Users and one NTS Transporter is in attendance.</p>		

1. Introduction and Status Review

Rebecca Hailes (RH) welcomed everyone to the meeting.

1.1. Approval of Minutes (06 October 2020)

RH noted that Ofgem had provided some amendments to the 06 October 2020 minutes, and these were overviewed. Julie Cox (JCx) said that she hoped this was not setting a regular precedent with Ofgem amending the NTSCMF minutes, to such a large extent.

The minutes from the 06 October were then approved.

1.2. Approval of Late Papers

There were no late papers to approve.

1.3. Modifications with Ofgem

There was no Ofgem representative during this meeting to provide an update on the Modifications as listed below:

Modification 0686 - Removal of the NTS Optional Commodity Rate with adequate notice.

Modification 0727 (Urgent) - Increasing the Storage Transmission Capacity Charge Discount to 80%.

Modification 0728/A/B/C/D (Urgent) - Introduction of a Conditional Discount for Avoiding Inefficient Bypass of the NTS.

Modification 0729 - Applying a discount to the Revenue Recovery Charge at Storage Points.

1.4. Pre-Modification discussions

1.4.1. UNC Section S – removal of the reference to NTS Optional Commodity Charges

Laura Johnson (LJ) explained that Section S of the UNC Section S Annex 1.4. (a) (ii) refers to NTS Optional Commodity Charges Invoice and that the last invoice was produced in October 2020 to cover the September 2020 billing month. This invoice is no longer needed after the implementation of Modification 0678A - Amendments to Gas Transmission Charging Regime (Postage Stamp).

LJ said that this was a Fast Track Self-Governance house-keeping Modification that would be submitted to the November 2020 Panel.

All agreed this Proposal appeared straightforward and necessary.

2. Workgroups

2.1. 0737 – Transfer of NTS Entry Capacity from an abandoned ASEP

(Report to Panel 17 December 2020)

<https://www.gasgovernance.co.uk/0737>

3. Forecasted Contracted Capacity (FCC) Monitoring

LJ said the final determinations update would be supplied at the 01 December 2020 meeting if at all possible and so there was no November update.

4. Long Term Revenue Forecasts

LJ said that National Grid were waiting to further understand the RIIO-2 potential charging implications and so an update would be supplied at the 01 December 2020 meeting if at all possible.

5. Issues

No new issues were raised.

6. Review of Outstanding Action(s)

0901: National Grid (CW) to provide an update on the Exit Capacity July window at the October meeting.

Update: (*Please see update in section 7.4 below*). This action was then closed. **Closed**

0902: Joint Office to invite DNs to attend the January NTSCMF meeting to discuss the impact on DN charges for the new 0678A methodology regime from 01 October 2020.

Update: RH confirmed this action would need to be carried forward until December 2020 to allow the DNs to provide clarity on how the DN charges would be affected by 0678A. **Carried Forward**

7. Any Other Business

7.1. Update on Capacity bookings vs FCC with potential impact on Recovery Charges (RRC) (monthly update)

LJ confirmed that an update would be available at the 01 December 2020 meeting.

7.2. RIIO-2 Potential Charging Implications

LJ said an update would be supplied at the 01 December 2020 meeting.

7.3. National Grid update on Regular Overrun Reporting

LJ said an update would be supplied at the January 2021 meeting.

7.4. Exit Capacity – July Window Update

LJ provided a brief overview explaining the rationale and approach to the Exit Capacity. She said with regards to the Long Term Summary Report data and the reductions through the July window, a number of decreases were requested for the Enduring annual exit (flat) capacity increase (EAFLEC) with the post allocation summary including those allocated and those still subject to substitution decisions; 31 decreases, 466,870,373kWh/d (none of these were from DNs). LJ explained in relation to the number of the decreases, 9 had requested to reduce to zero and the majority were applied from October, which may not indicate an expectation of zero capacity bookings for Gas Year 2020/21. It is likely some will book capacity in one or other of the short-term windows. So, the figure could be viewed as a worst-case scenario. She added the Forecasted Contracted Capacity (FCC) for Gas Year 2020/21 in the prices published in June 2020 was 6,494,998,689 kWh/d. The presentation can be viewed via the link:

<https://www.gasgovernance.co.uk/ntscmf/031120>

8. Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/events-calendar/month

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:00 Tuesday 01 December 2020	Via Teleconference	Standard Workgroup Agenda

Action Table (as at 03 November 2020)

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
0901	08/09/20	3.1	National Grid (CW) to provide an update on the Exit Capacity July window at the October meeting.	National Grid (W)	Closed
0902	08/09/20	6.0	Joint Office to invite DNs to attend the January NTSCMF meeting to discuss the impact on DN charges for the new 0678 methodology regime from 01 October 2020.	Joint Office/ DNs	Carried Forward