

**NTS Charging Methodology Forum (NTSCMF) Minutes**  
**Tuesday 05 February 2019**  
**at Elexon, 4th Floor, 350 Euston Road, London, NW1 3AW**

**Attendees**

Rebecca Hailes (Chair)	(RH)	Joint Office
Helen Cuin / Mike Berrisford (Secretary)	(HCu)	Joint Office
Adam Bates	(AB)	South Hook Gas
Alex Nield*	(AN)	Storengy UK
Andrew Pearce	(AP)	BP
Anna Shrigley	(AS)	ENI
Bill Reed	(BR)	RWE Supply & Trading
Chris Wright	(CWr)	Exxon Mobil
Colin Williams	(CWi)	National Grid
David O'Neill	(DON)	Ofgem
Debra Hawkin	(DH)	TPA Solutions
Graham Jack	(GJ)	Centrica
Henk Kreuze	(HK)	Vermilion Energy
James Gudge	(JG)	National Grid
James Thompson*	(JT)	Ofgem
John Costa	(JCo)	EDF Energy
Julie Cox*	(JCx)	Energy UK
Kamla Rhodes	(KR)	ConnocoPhillips
Kirsty Ingham	(KI)	ESB
Nick Wye	(NW)	Waters Wye
Nicky White	(NWWh)	nPower
Nitin Prajapati*	(NP)	Cadent
Paul Whitton*	(PW)	Scotia Gas Networks
Paul Youngman	(PY)	Drax Power
Pavanjit Dhesi*	(PD)	Interconnector UK
Penny Garner	(PG)	Joint Office
Rebecca Sian Jones	(RSJ)	Mercuria UK LLP
Richard Fairholme*	(RF)	Uniper
Scott Keen	(SK)	Triton Power
Sinead Obeng	(SO)	Gazprom Marketing and Trading
Smitha Coughlan*	(SCo)	Wales & West Utilities
Steve Pownall	(SP)	Xoserve
Terry Burke	(TB)	Equinor

\* via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/ntscmf/050219>

## 1. Introduction and Status Review

### 1.1. Approval of Minutes (10 January 2019)

RHa confirmed that some comments had been received. These have been documented and the minutes republished. The minutes from the previous meeting were approved.

### 1.2. Modifications with Ofgem

None.

### 1.3. Pre-Modification discussions

#### 1.3.1. Draft 0678 - Amendments to Gas Transmission Charging Regime

RH confirmed that a draft modification had been submitted to the Joint Office and this was undergoing a critical friend review. It was anticipated that the modification would be published shortly.

RH also confirmed that Alex Neild had submitted an initial representation against Modification 0678 with the intention of raising an alternative modification.

## 2. Forecasted Contracted Capacity (FCC) Update

CWi gave a brief update on the collection and analysis of data. He confirmed National Grid should be able to share and discuss this shortly. He wished for the Workgroup to look at the materiality, what the numbers look like and how they work with the models.

Moving on, CWi confirmed that National Grid would be looking to raise a new UNC Modification in time for submission to the 21 February 2019 Panel meeting (i.e. by close of play on Friday 08 February 2019 at the latest).

## 3. Update on Long Term Revenue Forecasts

RH made reference to Workgroup discussions undertaken during the morning session.

Please refer to consideration of the outstanding actions under item 6. Below for more details.

## 4. Workgroups

### 4.1. 0670R - Review of the charging methodology to avoid the inefficient bypass of the NTS (Report to Panel 16 May 2019)

<http://www.gasgovernance.co.uk/0670>

### 4.2. 0678 (Urgent) - Amendments to Gas Transmission Charging Regime

(Report to Panel 06 March 2019)

<https://www.gasgovernance.co.uk/0678>

## 5. Issues

None.

## 6. Review of Outstanding Action(s)

**Action 1201:** National Grid (CH) to provide more information on a) the reasons for the increase in SO charges - in particular, to provide a breakdown of the percentage contribution of the main drivers (cyber security and shrinkage related fuel price increases) and b) to provide a view on ~~2019~~ **and** 2020 SO allowed revenue costs.

**Update:** When CWi enquired as to what is actually being requested within this action, JCx suggested that it is in respect of the recently published price (January 2019 Tariff Charges) related

information.

In recognising that matters had moved on since this action was originally raised, CWi requested that should anyone have any views or concerns that they contact him direct to discuss. **Closed**

**New Action 0101: Reference the January 2019 Tariff Charges Publication – All parties to provide comments/feedback direct to National Grid (CWi) where appropriate.**

**Action 1202:** PARCA Applications - National Grid (CH) to clarify what changes are needed to UNC/other related documents and to also consider the 28-day acceptance period and when extensions to this standard period are needed.

**Update:** When asked where this action originates from, JCx responded by suggesting that it is in relation to her previous enquiry relating to where within Code there are any references to 'PARCA Applications'.

When trying to ascertain what is required in terms of the 'standard period' reference (i.e. is it in the context of the security amount in which case that resides within UNC TPD Section Y), JCx suggested that it relates more to what happens to the security amount beyond the 28 day acceptance period – it is felt that further clarification is needed in order to avoid unnecessary confusion amongst various industry parties. **Carried Forward**

**7. Any Other Business**

None.

**8. Diary Planning**

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

Time / Date	Venue	Workgroup Programme
10:00 Tuesday 05 March 2019	Radcliffe House, Blenheim Court Warwick Road Solihull B91 2AA	Standard Workgroup Agenda
10:00 Tuesday 02 April 2019	Elexon, 350 Euston Road, London NW1 3AW	Standard Workgroup Agenda
10:00 Tuesday 30 April 2019	Radcliffe House, Blenheim Court Warwick Road Solihull B91 2AA	Standard Workgroup Agenda
10:00 Tuesday 04 June 2019	Elexon, 350 Euston Road, London NW1 3AW	Standard Workgroup Agenda

Action Table as at 05 February 2019

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
1201	04/1218	3.0	National Grid (CH) to provide more information on a) the reasons for the increase in SO charges. In particular, to provide a breakdown of the percentage contribution of the main drivers (cyber security, shrinkage, fuel price increases) and b) to provide a view on <del>2019</del> and 2020 SO allowed revenue costs.	National Grid (CW <i>i</i> )	Update provided. <b>Closed</b>
1202	04/1218	6.0	PARCA Applications - National Grid (CH) to clarify what changes are needed to UNC/other related documents and to also consider the 28-day acceptance period and when extensions to this standard period are needed.	National Grid (CW <i>i</i> )	<b>Carried Forward</b>
0102	05/02/19	6.	<i>Reference the January 2019 Tariff Charges Publication</i> – All parties to provide comments/feedback direct to National Grid (CW <i>i</i> ) where appropriate.	All	<b>Pending</b>