

UNC Workgroup 0669R Minutes

Review of the Gas Deficit Warning (GDW) and Margins Notice (MN) Arrangements

Thursday 04 July 2019

At Elexon, 350 Euston Road, London, NW1 3AW

Attendees

Rebecca Hailes (Chair)	(RH)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Alan Raper*	(AR)	Joint Office
Chris Wright	(CR)	Exxon Mobil
Graham Jack	(GJ)	Centrica
Kamla Rhodes	(KR)	Conoco Phillips
Mark Carolan*	(MC)	Ofgem
Mark Rixon	(MR)	National Grid NTS
Nick Wye*	(NW)	Waters Wye Associates
Phil Hobbins	(PH)	National Grid NTS
Richard Fairholme*	(RF)	Uniper
Shiv Singh*	(SS)	Cadent
Steve Britton*	(SB)	Cornwall Insight
Steve Pownall	(SP)	Xoserve
Terry Burke	(TB)	Equinor

*via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0669/040719>

1. Introduction and Status Review

1.1. Approval of Minutes (06 June 2019)

The minutes from the previous meeting were approved.

2. Review of Outstanding Actions

Action 0501: Ofgem (MC) to report on the investigations being undertaken by the Remit Team in relation to 01 March 2018 if possible, including outcomes and next steps.

Update: Mark Carolan (MC) reiterated that the Remit Team were not at liberty to comment on any investigations, (except after an investigation where a party has been found to be in breach of their REMIT obligations), adding that any queries regarding this matter should be sent to the email address of: market.conduct@ofgem.co.uk. He and Workgroup agreed this action was now closed. **Closed**

Action 0601: National Grid NTS (PH) to include the actual demand into the various methodology graphs.

Update: PH provided an overview of the associated graphs with the demand shown in bright blue on slide 3 and 4 of the National Grid slide pack and he confirmed this action could now be closed. **Closed**

Action 0602: National Grid NTS (PH) to consider regular shadow analysis updates on the Interconnector Methodology only from November 2019 onwards.

Update: PH confirmed that he was investigating the option of providing the required 'shadow analysis'; potentially to give Transmission Workgroup a view in January looking backwards and again in the summer and spring. He said he would keep the Workgroup informed of progress and the action could now be closed. **Closed**

3. Consideration of Amended Request

No amended Request had been received as it was not necessary.

Rebecca Hailes (RH) and PH provided an overview of the draft Modification instead; which encompassed the impacts on Users/Transporters, Licence Code Section TPD Section V, Margin Notice Arrangements and the impacts on the associated documentation.

Both Graham Jack (GJ) and Terry Burke (TB) requested that more information was required in relation to the rationale as to why Usable Stock is divided by 2, PH said this area would be further investigated.

It was agreed that the Legal Text required more detail and that there were still some sections of the Request that required clarification. Due to this fact, it was agreed that a one month extension would be requested from the July Panel. It was also agreed that the New Modification would be submitted to the July Panel and so would aid with the continuity, especially as it was going to be sent straight out to consultation, with the Panel's agreement. RH agreed to make this request.

Post Meeting Update: In the subsequent Modification 0698 - *Improvements to Margins Notice Arrangements*, raised by National Grid on 09 July 2019, an explanation for the Usable Stock being divided by 2 is given towards the end of Section 3 of the Modification itself on page 5. The Legal Text and commentary are included in Section 9 which begins on page 10 of the Modification : <http://www.gasgovernance.co.uk/0698>

4. Development of Request Workgroup Report

RH made an update to the Workgroup Report to capture discussions held within Workgroup, which were not already included.

5. Next Steps

In conclusion RH confirmed the Next Steps as follows:

- A one month extension to be requested at the July Panel.
- Workgroup Report to be submitted to the August Panel.
- New Modification to be submitted to July Panel.
- The new Modification is envisaged to go directly out to consultation after Panel assessment.

6. Any Other Business

None.

7. Diary Planning

Further details of planned meetings are available at:

<https://www.gasgovernance.co.uk/events-calendar/month>

Time / Date	Venue	Workgroup Programme
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10.00, Thursday 10 August 2019	Radcliffe House, Blenheim Court, Warwick Road Solihull, B91 2AA	Standard Agenda plus: <ul style="list-style-type: none"> Completion of Workgroup Report for submission to the August Panel
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Action Table (as at 04 July 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0501	02/05/19	3.0	Ofgem (MC) to report on the investigations being undertaken by the Remit Team in relation to 01 March 2018 if possible, including outcomes and next steps.	Ofgem (MC)	Closed
0601	06/06/19	3.0	National Grid NTS (PH) to include the actual demand in the various methodology graphs.	National Grid NTS (PH/AW)	Closed
0602	06/06/19	3.0	National Grid NTS (PH) to consider regular shadow analysis updates on the Interconnector Methodology only from November 2019 onwards.	National Grid NTS (PH/AW)	Closed