

**UNC Workgroup 0805S Minutes**  
**Introduction of Weekly NTS Exit Capacity Auctions**  
**Thursday 09 June 2022**  
**via Microsoft Teams**

**Attendees**

Rebecca Hailes (Chair)	(RHa)	Joint Office
Mike Berrisford (Secretary)	(MiB)	Joint Office
Andrew Sealey	(AS)	South Hook Gas
Anna Stankiewicz	(ASt)	National Grid
Ashley Adams	(AA)	National Grid
Bethan Winter	(BW)	WWU
Carlos Aguirre	(CG)	Pavilion Energy
Chris Wright	(CW)	ExxonMobil
Claire Proctor	(CP)	PTUK
David Mitchell	(DM)	Scotia Gas Networks
Emma Buckton	(EB)	Northern Gas Networks
Hannah Reddy	(HR)	Correla
Hursley Moss	(HM)	Cornwall Insight
Iwan Hughes	(IW)	VPI
Jeff Chandler	(JCh)	SSE
Julie Cox	(JCx)	Energy UK
Lauren Jauss	(LJa)	RWE
Malcolm Montgomery	(MM)	National Grid
Marion Joste	(MJ)	ENI
Mark Field	(MF)	Sembcorp
Mathieu Malichecq	(MM)	Total
Matthew Newman	(MN)	National Grid
Matthew Newton	(MNe)	Vitol
Pavanjit Dhesi	(PD)	Interconnector Ltd
Phil Hobbins	(PH)	National Grid
Phil Lucas	(PL)	National Grid
Richard Fairholme	(RF)	Uniper
Shiv Singh	(SS)	Cadent
Sinead Obeng	(SO)	Gazprom
Steve Mulinganie	(SM)	Gazprom

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0805/090622>

The Workgroup Report is due to be presented at the UNC Modification Panel by 16 June 2022.

**1.0 Introduction and Status Review**

Rebecca Hailes (RHa) welcomed all parties to the meeting.

**1.1. Approval of minutes (05 May 2022)**

The minutes from the previous meeting were approved.

### 1.2. Approval of Late Papers

When RHa observed that there was one (1) late paper to consider in the form of a draft amended version of the Modification, Workgroup participants agreed to consider the document at short notice.

### 1.3. Review of Outstanding Actions

**Action 0101:** National Grid (ASt) to provide some analysis on the potential impacts on Capacity Bookings.

**Update:** In referring to the additional information now provided within 'Section 11 Analysis' /Appendix 1 within the amended Modification (v2.0, dated 08 June 2022), ASt suggested, and Workgroup participants agreed this action could now be closed. **Closed**

## 2.0 Review of Amended Modification

During an onscreen review of the (draft) amended Modification (v2.0, dated 08 June 2022) Iwan Hughes (IH) provided an explanation of the rationale behind the proposed changes which are in part, based on previous feedback kindly provided by Workgroup participants.

When asked, IH confirmed that the supporting data had now been made available to the Workgroup, although parties are asked to note that it is his intention to submit a formal amended Modification following this meeting.

During a review of the proposed changes, the following items were noted (by exception):

### Section 1 – Summary

- It was noted that the late submission of the amended Modification ahead of the meeting has limited parties' ability to undertake a thorough review, especially in respect of the provision of supporting Legal Text and Rough Order of Magnitude (ROM) – a formal amended Modification would be needed before work on either item could commence;
- the changes take into account when some End Users (i.e. direct connects) choose to book weekly exit capacity at D-5;
- Wales & West Utilities believe that IH has potentially misunderstood the reference to '300 days' provided in their previous feedback, which they would like amending;
  - Bethan Winter (BW) to provide a written outline of WWU's concerns / points of clarification for inclusion within the WGR, and
- Concerns voiced around the potential exclusion of the DNs.

### Section 2 – Governance

- When asked, there were no adverse comments forthcoming from Workgroup Participants in attendance with regards to the proposed status change for the Modification from Self-Governance to Authority Direction.

### Section 3 – Why Change?

- Inclusion of new 'Exclusion of Distribution Network Exit Points' justification statement on page 5 will need further detailed consideration and as a consequence it will be necessary to seek an extension to the current Panel reporting date;
- Wales & West Utilities are currently undertaking internal discussions around whether to raise an alternative to the Modification in order to ensure that they can continue to book capacity efficiently going forward;
  - WWU will liaise with the other DNs during consideration of the matter, as an alternative may not be required;

- The other DN Representatives in attendance (representing NGN, SGN and Cadent) indicated that they would need to review any supporting Legal Text before making an informed decision on whether an alternative Modification would be appropriate;
- It was noted that should the DNs be able to use the proposed product, the Workgroup would need to consider any potential ECN charge impacts, including process interactions and timelines;
- When asked, ASt confirmed that in respect of the NTS planning bullet point, she would need to discuss this with her National Grid operational and planning contacts in order to ascertain whether there are or whether there could be, any potential issues (i.e. booking flat capacity impacts and rules around substitution should a move to a weekly model take place), and
  - Some parties believe that the proposals would provide better information to National Grid.

#### Section 5 – Solution

- Typographical error noted whereby double use of the term 'of' pointed out.

#### Section 6 – Impacts & Other Considerations

- It was pointed out that the consumer costs and impacts statements need enhancing.

#### Section 7 – Relevant Objections

- Proposed changes noted and no adverse comments forthcoming.

#### Section 8 – Implementation

When asked whether there could be any potential ROM impacts associated with the proposed amendments to the Modification, Hannah Reddy (HR) advised that whilst she would need to take a closer look at any auction related aspects, she does not envisage any significant impact on the current ROM.

#### New Section 11 – Analysis

New section and statements noted with no adverse comments forthcoming.<sup>1</sup>

**New Action 0601:** *Reference Amended Modification 0805S* – all parties to consider the amended Modification and provide comments / feedback at the July 2022 Workgroup meeting.

### **3.0 Review of Legal Text**

ASt undertook a brief onscreen review of the (current) proposed amendments to the various impacted Code sections (relating to v1.0 of the Modification only), during which she confirmed that in respect of TPD Section B, paragraph 3.1.6(b)(ii) amendments (circa page 79), these 'mirror' current entry provisions.

### **4.0 Completion of Workgroup Report**

Consideration deferred.

### **5.0 Next Steps**

RHa outlined the next steps as follows:

- Vitol SA (IH) and Wales & West Utilities (BW) to liaise on tweaks to the amended Modification

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<sup>1</sup> Post meeting note: a formal amendment to the Modification (v2.0, as at 10 June 2022) was submitted by the Proposer and published on the Joint Office web site on 10 June 2022. This Section 11 may be renamed Appendix 1.

- National Grid to provide updated Legal Text
- Correla (HR) to provide an updated ROM
- Joint Office (RHa) to request a 1 or 2 month extension to the reporting deadline at the 16 June 2022 Panel meeting
- Development / Completion of Workgroup Report.

## 6.0 Any Other Business

None.

## 7.0 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	Paper Publication Deadline	Venue	Workgroup Programme
10:00 Thursday 07 July 2022	5pm Wednesday 29 June 2022	Microsoft Teams	<ul style="list-style-type: none"> <li>• Consideration of amended Modification (if required)</li> <li>• Review of Legal Text</li> <li>• Review of the ROM</li> <li>• Development / Completion of Workgroup Report</li> </ul>
10:00 Thursday 04 August 2022	5pm Wednesday 27 July 2022	Microsoft Teams	Date on Hold

### Action Table (as of 09 June 2022)

Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0101	07/04/22	2.1.1	National Grid (ASt) to provide some analysis on the potential impacts on Capacity Bookings.	May 2022	National Grid (ASt)	Update provided. <b>Closed</b>
0601	09/06/22	2.0	<i>Reference Amended Modification 0805S</i> – all parties to consider the amended Modification and provide comments / feedback at the July 2022 Workgroup meeting.	July 2022	All	<b>Pending</b>