

UNC Workgroup 0701 Minutes

Aligning Capacity booking under the UNC and arrangements set out in relevant NExAs

Thursday 26 September 2019

at Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA

Attendees

Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Lorraine O'Shaughnessy	(LO)	Joint Office
Maitrayee Bhowmick-Jewkes	(MBJ)	Joint Office
Alexander Mann	(AM)	Gazprom Energy
Andy Clasper	(AC)	Cadent
Brandon Rodrigues*	(BR)	ESP Utilities
Carl Whitehouse*	(CW)	First Utility
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
Darren Lond*	(DL)	National Grid
Ellie Rogers	(ER)	Xoserve
Gurvinder Dosanjh	(GD)	Cadent
Kirsty Dudley*	(KD)	E.ON
Lorna Lewin	(LL)	Orsted
Louise Hellyar*	(LH)	Total Gas & Power
Megan Coventry*	(MC)	SSE
Mark Jones	(MJ)	SSE
Oorlagh Chapman*	(OR)	British Gas
Paul Youngman*	(PY)	Drax
Richard Pomroy	(RP)	Wales & West Utilities
Sally Hardman*	(SH)	SGN
Stephanie Clements	(SC)	Scottish Power (0699 only)
Steve Britton*	(SB)	Cornwall Insights
Tracey Saunders	(TS)	Northern Gas Networks

*via teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/0701/260919

The Workgroup Report is due to be presented at the UNC Modification Panel by 19 December 2019.

1.0 Introduction and Status Review

1.1. Approval of Minutes (22 August 2019)

The minutes from the 22 August 2019 were accepted.

2.0 Amended Modification

Tracy Saunders (TS) said that she had made several changes to the Modification proposal since the last working group meeting. She updated the group that the amended Modification has been sent to Xoserve first for a sense check and confirmed that she will not be sharing the amended Modification until she has received Xoserve's comments back.

In the meantime, TS advised that she would share on a high level the questions that had been raised with Xoserve with the Workgroup:

- 1) TS has raised the question of whether the SOQ value in a NExA could be shown with her legal team and has received confirmation that this could be done. She has since queried how much adding this additional field into UK-Link would cost, although she suggested that the change would not be made if the cost proves too high.
- 2) The work group also discussed NExAs which only have SHQ. TS said that where there isn't a SOQ but only a SHQ, it would be based on a 16 x SHQ calculation, as she feels this is appropriate. However, other workgroup members said that this would possibly be too onerous. TS said she would investigate this and see what other options are available. RP says if there is no SOQ in NeXA then it is not relevant. TS did not agree but said that she was willing to take on board other views.

Paul Youngman (PY) queried the logic behind the Modification and whether it had been raised to address capacity issues. TS said that the reason for raising this Modification was so ultimately there can be visibility of the commercial terms contained in a NExA between the DNO and an end user.

- 3) TS further said that this Modification is looking to add a trigger in the background where if the AQ and SOQ load factor hits a certain value, for instance, 80%, a report would be sent to the Transporter. TS to discuss this further with Xoserve.
- 4) TS also advised, as this Modification was originally published as an alternative, much of the language in it is from the original Modification. TS has been reviewing the wording and has clarified that it is different from Modification 0696 and, accordingly, has redrafted it as a stand-alone proposal.
- 5) At the last Workgroup meeting, the attendees mentioned that a diagram should be added to the Modification which would illustrate how a capacity ratchet and the PMSOQ interact. TS confirmed that this diagram would still need to be added.

Kirsty Dudley (KD) asked if there were any cross-code impacts from this Modification. TS said that she did not have enough insight on iGTs to comment on the impact on them. KD said this should be a critical friend issue as it's hard for iGTs to know what is happening otherwise. It was suggested that the wording of the Modification proposal would be amended to say that if there are any impacts on iGTs identified, (once legal text has been produced), they will be informed.

KD asked if the Joint Office could act as a critical friend for this Modification and discuss this with the iGT code administrator so this Modification is flagged to iGTs. She believes that there might be unintentional consequences as a result of this Modification and there must be an exercise on both sides to identify any impacts early on, instead of a post-event reaction after the legal text for this Modification was published. Brandon Rodrigues advised that iGTs are monitoring the progress of this Modification Proposal. Their discussions so far have established that iGTs do have NExAs, although these are few and far between. There could, therefore, definitely be knock on impacts on iGTs from this Modification, but it would be probably be worth delaying iGT involvement until after the legal text has been drafted.

AR said he had noted the point being raised about cross codes impact and would raise this with the iGT code administrator to ensure early visibility.

New Action 0901: Joint Office (AR) will liaise with the iGT code administrator regarding the cross codes impacts and update the working group.

New Action 0902: Northern Gas Networks (TS) to provide a revised draft Modification at the next DWG.

3.0 Consideration of Business Rules

None yet.

4.0 Review of Impacts and Costs

None yet.

5.0 Review of outstanding actions

Action 0801: Northern Gas Networks (TS) to provide clarification from the legal team on what information from a NExA can be made available through CDSP systems.

Update: TS said this was still with the legal team. **Carried Forward**

Action 0802: ESP Utilities (BR) to provide an update at the September meeting on whether the visibility of the NExAs is a relevant issue for iGT Networks.

Update: Brandon Rodrigues (BR) said iGTs were monitoring this and from discussions iGTs do have NExAs. It was, therefore, likely this would be a relevant issue for them. **Closed**

6.0 Next Steps

TS to provide an updated Modification to the work group for consideration. The Workgroup would review the proposal & consider at the next meeting whether the Workgroup Report is likely to be ready for December Panel.

7.0 Any Other Business

None.

8.0 Diary Planning

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

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:30, Thursday 24 October 2019	Elexon, 350 Euston Road, London NW1 3AW	Distribution Workgroup standard Agenda

Action Table (as at 26 September 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0801	22/0819	1.0	Northern Gas Networks (TS) to provide clarification from the legal team on what information from a NExA can be made available through CDSP systems.	Northern Gas Networks (TS)	Carried Forward
0802	22/0819	1.0	ESP Utilities (BR) to provide an update at the September meeting on whether the visibility of NExAs is a relevant issue for iGT Networks.	ESP Utilities (BR)	Closed

0901	26/09/19	2.0	Joint Office (AR) will liaise with the iGT code administrator regarding the cross codes impacts and update the working group.	Joint Office (AR)	Pending
0902	26/09/19	2.0	Northern Gas Networks (TS) to provide a revised draft Modification at the next DWG.	Northern Gas Networks (TS)	Pending