

UNC Workgroup 0720S Minutes
Amendments to the Agreed Target Quantity at the Moffat
Interconnection Point
Thursday 07 May 2020
via teleconference

Attendees

Lorraine O'Shaughnessy Chair)	(LOS)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Alan Raper	(AR)	Joint Office
Adam Bates	(AB)	South Hook Gas
Alex Neild	(AN)	Storengy
Andrew Pearce	(AP)	BP
Anna Shrigley	(AS)	Eni Trading & Shipping
Anna Stankiewicz	(ASt)	National Grid
Bethan Winter	(BW)	Wales & West Utilities
Bill Reed	(BR)	RWE
Chris Wright	(CW)	Exon Mobil
David Adlam	(DA)	Cadent
Debra Hawkin	(DH)	TPA Solutions
Emma Buckton	(EB)	Northern Gas Networks
Jeff Chandler	(JCh)	SSE
Jennifer Randall	(JR)	National Grid
John Costa	(JCo)	EDF Energy
Julie Cox	(JCx)	Energy UK
Kamila Nugumanova	(KN)	ESB
Kamla Rhodes	(KR)	Conoco Phillips
Malcolm Montgomery	(MM)	National Grid
Max Lambert	(ML)	Ofgem
Nick Wye	(NW)	Waters Wye Associates
Paul Youngman	(PY)	Drax
Phil Hobbins	(PH)	National Grid
Richard Fairholme	(RF)	Uniper
Ritchard Hewitt	(RH)	BBLC
Shiv Singh	(SS)	Cadent
Sinead Obeng	(SO)	Gazprom Energy
Steven Britton	(SB)	Cornwall Energy
Steve Pownall	(SP)	Xoserve
Terry Burke	(TB)	Equinor

Copies of all papers are available at: www.gasgovernance.co.uk/0720/070520

The Workgroup Report is due to be presented at the UNC Modification Panel by 16 July 2020.

1.0 Introduction and Status Review

1.1. Approval of Minutes (02 April 2020)

The minutes from the previous meeting were approved.

1.2. Review outstanding actions

0401: National Grid (MM) to check confirm and make sure it is explicit in the Modification whether domestic demand relates to Republic of Ireland (ROI) or the whole of Ireland demand.

Update: MM confirmed that this has been captured in the Modification and confirmed this Modification relates to ROI demand. **Closed**

2.0 Initial Representations

2.1. ESB Initial Representation

KN confirmed the content of their Initial Representation and advised it is mainly made up of clarifications that are required.

MM thanked KN for the Representation and the comments made and agreed that some of the language used in the Modification needs to be updated and he would make these consistent throughout the Modification in due course.

MM confirmed that the solution is to update the Network Agreement and the Tripart Agreement.

3.0 Amended Modification

Referring to the slides provided for the meeting, MM provided a reminder of the background which set the context of the Modification and what the issue is. He explained that National Grid currently receive an Offtake Profile Notification (OPN) from GNI UK which contains their end of day quantity forecast.

The issue is the OPN under this method is consistently understated at the start of the day and gets more accurate towards the end of the day.

This Modification will allow GNI UK to submit a more accurate OPN at the start of the day.

Moving on to show an example of the tripartite arrangement at Moffat, MM explained that GNI PTL pass their nominations to GNI UK under the Tripartite arrangement, GNI UK then provide both nominations to National Grid via the OPN. This can be seen on slide 3 of the presentation provided for the meeting.

Slide 4 and 5 of the presentation show how the current arrangement works and what the proposed arrangement will look like. The proposal is to allow GNI UK the ability to provide an *anticipated additional flow quantity*.

Currently, there is an *aggregation of the net confirmed quantity*, nominations arrive and they get aggregated up to form a *total net confirmed quantity*.

The proposal is to allow GNI UK, on top of the aggregate net confirmed quantity, the ability to provide an *anticipated additional GNI forward flow quantity*.

MM explained that the intention will be to net off the Shipper nominations in order to provide the *expected flow quantity and then finally to* net off any non-Moffat entry supplies which will leave the *expected flow quantity* at Moffat.

The final slide in the presentation shows a hypothetical scenario should the proposal be implemented against the current method. MM explained the dark blue line is based on actual figures and the current method, with the light blue line being the *agreed target quantity* GNI were to submit *anticipated additional GNI flow quantity*.

This concluded the presentation provided for the meeting.

MM went on to explain that although the Modification has not yet been amended, he has submitted the draft changes to the Interconnector Agreement.

MM took the opportunity to provide an overview of the suggested Legal Text.

Annex B - Nominations

Changes would be made to the following sections:

Section 2 – Interpretation

2.1 will define the Anticipated Additional GNI Forward Flow Quantity and the GNI Expected Flow Quantity

Section 7 – Matching Timetable.

7.4 will relate to the two Interconnection Agreements, the bilateral and the trilateral agreement, therefore documents will need to be updated to reflect the proposed arrangements.

Annex H - Operational Balancing Account and Allocation Principles

Section 1 – Definitions

New definition “Anticipated Additional GNI Forward Flow Quantity” means a quantity notified by GNI to GNI (UK) as such pursuant the Tripartite Agreement.

Section 2 – Flow Control

2.1 reference to the agreed target quantity that it complies with the interoperability Code.

Section 5 - Cumulative Steering Difference and Cumulative Steering Difference Corrections

5.4.1 explains where, up to midnight the *anticipated additional quantity* will be added

5.4.2 explains where, from midnight the *anticipated additional quantity* will fall away

4.0 Consideration of questions from Panel

4.1. How the protections are put into place for consequential impact and are the Modification Rules appropriate for this and is there an alternative solution?

This has previously been discussed:

MM advised that, in terms of the Modification rules, the process to amend the agreement is through UNC to provide transparency and governance.

In terms of Protections he is unsure what the concern is, this is quite a mechanical process now, this Modification is not aiming to give GNI an alternative process, Self-Governance is still appropriate.

4.2. Workgroup to discuss if this should come back to Panel for consideration if Self Governance.

This has previously been discussed:

MM confirmed that Self-Governance is still appropriate.

5.0 Development of Workgroup Report

LOS advised this will be covered at the next Workgroup meeting in June 2020, once the Modification stabilises.

6.0 Next Steps

LOS confirmed the next steps:

- MM will tighten up the language and provide some additional clarity to the solution. An amended Modification will be provided and also reflected in the presentation for JO to update published presentation.
- Once the Modification is stabilised, LOS will start work on the Workgroup Report

7.0 Any Other Business

None.

8.0 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	Programme
10:00 Friday 04 June 2020	TBC	<ul style="list-style-type: none"> • Detail planned agenda items. • Amended Modification • Review the draft Interconnection Agreement • Development of Workgroup Report
10:00 Friday 02 July 2020	TBC	<ul style="list-style-type: none"> • Detail planned agenda items. • Completion of Workgroup Report

Action Table (as at 07 May 2020)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0401	02/04/20	2.2	National Grid (MM) to check, confirm and make sure it is explicit in the Modification whether domestic demand relates to Republic of Ireland (ROI) or the whole of Ireland demand.	National Grid (MM)	Closed