

Gas Transmission Charging Methodologies Forum

Draft Meeting Report: 5 January 2006

This report outlines the key discussions of the first Gas TCMF meeting held directly after the Transmission Workstream on 5th January 2006.

ATTENDEES

Paul Roberts (Chair)	(PR)	National Grid NTS
John Bradley	(JB)	Joint Office
Dennis Rachwal	(DR)	Joint Office
Alan Raper	(AR)	National Grid UKD
Andy Morris	(AM)	ILEX
Charles Ruffell	(CR)	RWE npower
Christiane Sykes	(CS)	EON UK
Eddie Proffitt	(EP)	MEUC
Helen Bray	(HB)	Chemical Industries Association
Joy Chadwick	(JCh)	Exxonmobil
Lisa Waters	(LW)	Waters Wye Associates
Liz Spierling	(LS)	Wales and West Utilities
Mark Freeman	(MFr)	National Grid UKD
Mick Curtis	(MC)	E=mc ²
Mike Young	(MY)	British Gas Trading
Ndidi Njoku	(NN)	Ofgem
Nigel Sisman	(NS)	National Grid NTS
Peter Parsons	(PP)	National Grid NTS
Phil Broom	(PB)	Gaz de France
Rachel Turner	(RT)	Centrica
Rekha Patel	(RP)	ConocoPhillips
Ritchard Hewitt	(RH)	National Grid NTS
Sharif Islam	(SI)	Total Gas and Power
Shelley Jones	(SJ)	Statoil
Simon Bradbury	(SB)	Ofgem
Steve Pownall	(SP)	National Grid NTS
Stuart Waudby	(SW)	Centrica Storage Ltd
Tim Davis	(TD)	Joint Office
Eddie Proffitt	(EP)	MEUC

1 Introduction

PR explained National Grid NTS's rationale for establishing a new forum to focus on NTS charging issues and noted that draft terms of reference for such a forum had been issued to the industry for consideration on 21 December 2005. PR explained that this meeting was intended to allow feedback on the draft terms of reference at the earliest opportunity to allow National Grid NTS time to consider any amendments. In particular, National Grid NTS wished to debate the date and venue of the first "actual" Gas TCMF such that the required arrangements could be made.

2 Terms of Reference

Interaction of Gas TCMF with other forums

SI questioned how the Gas TCMF meeting would fit with Ofgem's Enduring Offtake Working Group (EOWG) in respect of pricing developments that may be required to facilitate implementation of the enduring regime, if such a regime is required. There was a broad desire amongst attendees to avoid repetition of discussions in such meetings. PR recognised such issues and considered that pricing discussions at the EOWG meeting would be at a high level, with the detailed discussions being undertaken through the Gas TCMF. However PR considered that it would be appropriate to continually review the interaction of such meetings to ensure an efficient approach was being adopted.

EP questioned whether there would be other forums to focus on pricing issues associated with gas distribution. Representatives of the DNOs present at the meeting explained that they had no plans for such a meeting at this stage.

Meeting frequency and location

PR stated that National Grid NTS had received views from AEP and SSE in respect of the meeting frequency and location prior to the meeting. AEP proposed that meetings were held in London, where possible, in conjunction with, or the day before or after, other meetings e.g. EOWG, transmission workstream. SSE desired to avoid holding the Gas TCMF after the transmission workstream as these meeting can vary in length depending on the agenda.

LW suggested that there should not be a standard frequency for the Gas TCMF, and instead National Grid NTS should set the dates of the meetings consistent with the need for industry discussions. Attendees supported this view and PR confirmed that National Grid NTS would amend the Terms of Reference accordingly.

PR proposed that, to launch the Gas TCMF, it may be helpful if National Grid NTS held a meeting to explain its current methodologies and supporting calculation tools to provide a good platform and context for any required amendments. PR explained that it would be beneficial if such a forum could be held at National Grid House, Warwick. PR proposed a date of 24th January 2006 - no objections were received. *[Post meeting note: After the meeting, it was identified that Ofgem had organised a seminar on "Winter to date" on this date. National Grid NTS have explored alternatives dates, but have concluded that it would be best to continue with this agreed date. In the event that there is not sufficient response to the meeting invite, then National Grid NTS will consider delaying the meeting.]*

Scope

LW expressed concern over the scope of the Gas TCMF and suggested that parties may already know their key areas of interest. PR explained that a stakeholder analysis had been included on the proposed work programme. AM suggested that this stage of the work programme could be commenced earlier – PR agreed.

❖ Date of Next Meeting

- ❖ 24 January 2006, National Grid House, Warwick, commencing at 10:30.

End of Report