

NATIONAL GRID OPERATIONAL FORUM MINUTES

12 July 2006
Radisson Grafton Hotel, London

Present:

F Gracias	National Grid	J Chadwick	Exxon Mobil
P Green	National Grid	L Cook	Vitol
L Roe	National Grid	M Wilson	PX Ltd
R Griffiths	National Grid	K Henriksen	Statoil
H Morgan	National Grid	R Norris	Hetco
L Haycock	National Grid	H Wood	BP
N Sisman	National Grid	J Hospers	Essent
L Abiodun	National Grid	M Chahal	Total
M Shannon	National Grid LNG	C Fay	Total
S Blackett	Xoserve	A Shrigley	ENI
I Stevens	PWC	S Kidd	ENI
E Roberts	PWC	J Walsh	E.ON UK
J Cornfield	RWE Trading	S Grayson	E.ON UK
T Faiers	Cargill	E Bratton	Merrill Lynch
L Benningshof	SJB Energy Trading	N Dewar	APX Group
N Branchli	EGL	T Jesshop	ConocoPhillips
J Thurogood	EGL	C Prestwich	Smartest Energy
M Stevens	Hydro Wingas	E Carter	Ofgem
M Pokrass	HWL	L Lomas	Gaz de France
E Poysden	GMSL	S Fernandez	Total
P O'Connor	GMSL	S Parle	J Aron
M Maddox	BG Trading	S Holland	Interconnector (UK)
D Roberts	BG Trading	J Bourdeau	EdF Trading
S Wing	Shell Energy	K Furey	EdF Trading
R Patel	JP Morgan	J Bradley	Joint Office
B Martinek	JP Morgan		

1.0 Action Items from Previous Meeting

1.1 No Actions

2.0 PWC Audit Report

2.1 The April 2005 to March 2006 annual audit report was presented by PWC.

2.2 Shippers were informed that National Grid has complied with the requirements of SMPS and the report will be posted on the website in due course.

3.0 Compliance Reporting

3.1 Compliance Report for May to June 2006 was presented. There were no breaches.

4.0 Performance of the Energy Regime

4.1 Data was presented for May and June 2006.

4.2 Balancing costs for period 1st October 2005 to 31st May 2006 were a net revenue to neutrality of £25.7m (-0.0912p/therm of throughput). This is a significant increase from last year.

5.0 **Performance of Capacity Regime**

- 5.1 The capacity presentation now includes data for all auctions (QSEC, MSEC, RMSEC, DADSEC, WDDSEC, DISEC)
- 5.2 There were no scale backs of interruptible capacity or buy back of firm capacity during June 2006.

6.0 **Feeder 7 Shutdown**

- 6.1 National Grid provided an overview of Feeder 7 shutdown and explained the circumstances that led to the flow restrictions at Teesside Terminal. The north/south Supply/Demand split, at the start of Gas Day 3rd of July was significantly different to the planning assumptions and together with plant problems (caused by high ambient temperatures), resulted in difficulties and delays in reconfiguring the system to achieve optimal transmission capability in line with published capabilities. The optimal reconfiguration was completed on wed 5th July and the constraint on Teesside lifted. As a result of 24hr working and favourable weather conditions the work on Feeder 7 was completed ahead of schedule on Monday 10th July

7.0 **Summer Maintenance Programme**

- 7.1 Summer maintenance is currently half way through the programme.
- 7.2 Any changes will be communicated to the shipping community via ANS and on the website.

8.0 **APX Gas Update**

- 8.1 Neil Dewar of APX Gas gave the APX Gas Update.
- 8.2 APX were pleased with the way the locational market worked.
- 8.3 The new trading platform will be introduced next month and shippers will be updated on the situation.

9.0 **Ofgem Update**

- 9.1 Ed Carter from Ofgem informed shippers that Ofgem will be looking at the issues resulting from shutdown the Feeder 7 incident and will be reporting back. Ofgem also invited feedback from shippers

10.0 **Gemini Update**

- 10.1 Richard Griffiths gave a presentation updating shippers on the recent outages and incidents which have occurred in Gemini.
- 10.2 Gemini performed well during the Feeder 7 shutdown.

11.0 **DM Nominations**

- 11.1 Sallyann Blackett and Lola Abiodun gave presentations on demand forecasting and the NDM process.

12.0 **2006 QSEC Auctions**

- 12.1 Hannah Morgan gave details of the 2006 QSEC Auctions.

13.0 **Interruption Exercises**

- 13.1 Shippers were given details of the interruption exercises, which will be taking place this year.
- 13.2 Exercise Pelican to be held w/c 21st August is a joint interruption exercise with the GNCC and DNCC.
- 13.3 Exercise Neptune planned for w/c 4th September is a two-day exercise involving the HSE and will test procedures and communications and industry response.

Next Meeting: 27th September 2006 – Venue TBA