

Gas Operational Forum

10:30 – 12:30
5th December 2007
Elexon, Euston Road, London

Attended

Dave Mitchell	National Grid
Lawrence King	National Grid
Paul Green	National Grid
Paul Youngman	National Grid
Sarah Magee	National Grid
Christian Moger	APX
Ben Stuart	Barclays
Matthew Dodwell	Cargill
Mike Maddox	Centrica Energy
Jon Jesshop	Conoco Phillips
Stijn Taillieu	Distrigas
Mads Nielsen	DONG Natural Gas
James Smith	EDF Energy
Paul Cooke	EDF Energy
Simon Grayson	EON UK
JR Rastoul	Gaselys
Dale Marriott	Gazprom Retail
Joel Viala	Glencore Energy UK Ltd
Colin Lyle	GMI Ltd
Mel Wilson	HETCO UK

Scott Keen	Intergen (UK) Ltd
Gareth Roberts	Macquarie Bank Ltd
Andrew Joannou	Merrill Lynch
James Crump	Ofgem
Victoria Arr	Ofgem
Ian Loveday	RWE
James Cornfield	RWE
Andrew Bell	Scottish Power
John Galbraith	Scottish Power
Amy Martin	Shell
Stuart Wing	Shell
Carol Williams	Statoil/Hydro
Tony Brandi	Statoil/Hydro
Sofia Fernandez	Total EDP
Neil Dewar	UBS
Rekha Patel	Waters Wye
Jason Thorogood	

1. Introduction

Paul Green opened and welcomed everyone to the Gas Operational Forum.

2. Matters Arising

There were no matters arising.

3. SMPS Compliance Reporting

The compliance report for November 2007 was presented by David Mitchell.

The number of transactions was down on the previous year, however, there was no material or non-material breaches during this time.

4. Regime Performance

The regime performance for October 2007 was presented by David Mitchell.

- 4.1. **Energy** – Invoices have been issued, and balanced for October. The NBP has fallen back, with a marked reduction on September 2007. Gas prices have been erratic compared to Summer 2007, with a marked increase at the start of the month which fell back mid month. Balancing costs for period 1st October 2007 to 31st October 2007 were a net revenue to neutrality of £2.52m (-0.0799p/therm of throughput).
- 4.2. **Capacity** – There were no unusual changes across the board. There were no constraints, and there were no buy back days.
- 4.3. **Discretionary** – The UNC Mod 159 was approved on the 1st September 2007. This gave National Grid the right to release discretionary amounts (three criteria must be met before releases can be made) in the D-1 auctions based on TTSEC. Throughout November 2007 three terminals offered discretionary (Isle of Grain, Theddlethorpe and Barrow).

5. APX Gas Ltd Update

An update was presented by Christian Moger for November 2007.

During this time there was an average of 171 trades per day, of which National Grid held a 5.07% share. It was confirmed that there was no manifest errors and no trades out of order during this time.

On a separate note Christian confirmed that he would no longer be attending the Gas Operational Forum, as he has secured a new post in Amsterdam. Christian's replacement will be confirmed shortly, but in the meantime, any queries can still be addressed to Christian.

6. OFGEM Update

James Crump had no updates for the Operational Forum.

7. NTS System Operator Incentives Consultation

The updated incentives consultation brief was presented by Paul Youngman.

The consultation was issued on the 7th December 2007. There will be an industry workshop which is open to all to become involved in on the 10th January 2008. David Mitchell asked shippers for their input to ensure SO incentives delivered optimal behaviours for the markets' benefit. The consultation will close on the 25th January 2008.

If you would like to view the consultation and supporting information this will be published at the below link:

<http://www.nationalgrid.com/uk/Gas/soincentives/>

If you would like to register for the workshop please e-mail:

Bea.Ennim@uk.ngrid.com

8. UNC Modification Proposals

No update was given.

9. Monthly Operational Update

The monthly operational update for November 2007 was presented by Paul Youngman.

Gas supply has built up steadily so far, whilst gas demands are dropping below the norm, due to warm weather. The UKCS are slightly down due to lower demands and imports have been dominated by Norwegian flows. The high gas price throughout November ensured that the high swing fields were utilised.

Monthly updates of all the graphs and tables can be found on the National Grid website on the first Wednesday of the month:

<http://www.nationalgrid.com/uk/Gas/OperationalInfo/monthlyupdates/>

10. Maintenance Update

The maintenance update was presented by Paul Green. Paul stated that normally by this time of year, there are no maintenance updates, but due to the South Wales Expansion project, there were still some outstanding maintenance issues.

Next Summer's draft maintenance plan has been added to the website as below:

<http://www.nationalgrid.com/uk/Gas/OperationalInfo/maintenance/>

11. Linepack

Paul Youngman presented the linepack presentation which summarised the components that make up linepack.

The opening linepack is the total NTS linepack as at 06:00 (the start of the gas day). The PCLP (Projected Closing Linepack) is updated on Gemini on an hourly basis, and can only be as accurate as the component information (information from terminals, shippers and sites) used to calculate this. The more accurate information supplied the better and more accurate the PCLP will be. Help was requested for better information in a timelier manner.

12. Website Information Update

Lawrence King presented the website information update.

It was confirmed that MIPI, a new operational data publication system, went live on the 22nd November 2007. Overviews were given of the system and the "News Alert Subscription Service" was highlighted which offers a free subscription service for Gas Balancing Alert via SMS and email, and News item updates via email:

<http://www.nationalgrid.com/uk/Gas/Data/subscribe>

13. Any Other Business

There was no xoserve update. If anyone has any questions for xoserve there is a UK Link Meeting on the 13th December 2007 at 11:30 at Elexon, 350 Euston Road, London, which will be an open forum about Gemini.

Next Meeting: 10.30am on Wednesday 9th January 2008 at the Elexon, 350 Euston Rd, London