

DN Sales Development & Implementation Steering Group Minutes

Meeting 37

8 March 2005, 10:00 am – 1:00 pm

Ofgem's office, 9 Millbank

Attendees

Sonia Brown	Ofgem (chair)	Julian Bagwell	Macquarie
Hannah Cook	Ofgem	Tory Hunter	SSE
Carolyn Waddell	Ofgem	Charles Ruffell	RWE npower
Helen Connolly	Ofgem	Alison Russell	Centrica
Amit Pathare	Ofgem	Steve Adcock	NGT (xoserve)
Tim Robinson	Ofgem	Tim Davis	NGT
Samanta Padalino	Ofgem	Sharif Islam	Total Gas & Power
Peter Bingham	NGT	Rob Cross	Statoil
Peter Bolitho	Eon	John Costa	EDF Energy
Stephen Parker	CKI	Sue Higgins	NGT
Frank Roper	NGT		

Review of items from DISG meeting 36 (held 24 February 2005)

Review of minutes

Sonia started the meeting by asking if anyone had any comments on the minutes of the previous DISG meeting (DISG 36). As there were none, she proceeded to discuss outstanding actions from DISG 36.

Actions from previous meetings

The first action discussed was that on Transco to consider all the proposals made by attendees at DISG 36 in relation to the five options outlined for panel composition. Peter Bingham proceeded to give an update.

Peter stated that the previous DISG meeting was very useful in terms of understanding industry preferences, and that after internal discussions, Transco had proposed to adopt the provisions of Option C – 5 + 5 panel constitution, with a UNC provision in the Transition Rules to review the composition of governance arrangements once there was clarity on the appeals regime. He confirmed that the panel would be required to give a recommendation under these proposals, and that the transitional rule requiring review was currently with a view to introducing an independent voting member to the panel.

Peter added that at the current stage, without the DTI decision on the appeals process, it would be premature to codify arrangements. He recognised the preference of some parties for a hard-coded panel member.

Tory Hunter asked what the outcome would be in the event of a 5-5 draw in the vote under the current proposed arrangements. Tim Davis replied that the deadlock would not be resolved in this event, and so the recommendation would fail, i.e. the proposal would not be recommended.

Charles Ruffell asked Peter Bingham how many shippers had attended the UNC forum that Transco had organised. Peter replied that it had not been well attended, but that minutes had been recorded.

Peter Bolitho stated that he was open minded about Options B & D, as he would have preferred the arrangements to have incorporated a provision to address instances in which deadlock was reached. Peter Bingham stated that while he recognised Peter Bolitho's preference, he was also mindful that this was not a consensus view. Sonia stated that Ofgem had released a consultation regarding the UNC on Friday 4 March, which would give a further opportunity to interested parties to state their views. She added that because it was Transco's UNC, it was their responsibility to take all expressed views into account.

Sharif Islam stated that there was a lack of clarity about how an appeals mechanism would work in the future, but asked why there needed to be a panel recommendation in respect of the same.

Peter Bingham replied that given that Transco is the only GT in the current scenario, it had been easy to operate without an appeals mechanism. Sonia explained that, while currently only one GT makes recommendations and is responsible for the whole system, this would not be the case in the future. She added that it would therefore be necessary to move to a structure which recognised that responsibilities would be shared by several players, and, as such, enabled all players to make recommendations.

Sharif stated that he was not sure whether this structural change was necessary.

Sonia replied that it would be counterintuitive, in a multi-transporter environment, to have one GT make recommendations, which was why Ofgem had indicated in the various governance arrangements and at DISG that it was of the view that it was necessary to have the panel make recommendations. She affirmed that as the governance arrangements were under consideration, if any party had any recommendations or responses, it would be the responsibility of consulters to make their views known in the consultation process. Sonia stated that given the uncertainty regarding DTI's appeals process; it would be best to proceed on a "base case" as to how it might best work.

Peter Bolitho agreed that Sonia had a point, stating that there might be an argument in favour of joint recommendations. Sonia stressed the ongoing nature of the consultation process.

The next action discussed was on DISG members to review Transco's paper regarding modifications in flight and raise any issues that they might have with Transco. Tim Davis confirmed that Ofgem concerns had been incorporated into the Transition Rules

and that Centrica had commented in the document. He added that no mods had been affected in the process.

Tim also confirmed that Transco had published a table outlining the modifications that would fall into the categories identified in the paper distributed by Transco in relation to transitional arrangements for modifications, which was the second action for Transco from DISG 36.

The DISG then proceeded to a discussion of the Agency Services Agreement.

Agency Services Agreement

Peter Bingham stated that the contract had been published on Transco's website, and that Steve Adcock would now present an overview of the Agency Services Agreement.

Steve began by stating that he was responsible for putting the contract together, and would be presenting an overview of the key terms, and the contract structure and schedules. He confirmed that following DN Sales, the parties to the contract, which would be structured as a bilateral contract, would be xoserve and the network operators. Peter Bingham stated that the contract also bound the GTs under Standard Special Licence Condition A15, which was confirmed by Steve. Steve also explained that change management would be governed by an all-party change process, which he would describe shortly.

Steve then proceeded to the slide describing the "Key terms" (slide 4). Highlighting the key points from the slide, he explained that the Network Operator Representative is appointed and authorised through an all-party mechanism. He also explained that contract charges reflect the actual usage of service, as they are based on existing transactional model allocation to Transmission, and then charges by Supply Point category and Supply Point share.

Moving to subsequent slides, Steve described the categorisation of the schedules, which was as follows:

- **Schedule 1** – Interpretation and Definitions
Summary of all definitions within the ASA, with terms not defined here taking their meaning as per the UNC
- **Schedule 2** – Service Requirements
Detailed description of services provided on behalf of the Network Operator in conjunction with the Network Code and the Gas Transporters' licence
- **Schedule 3** – Security and Business Continuity
Process and arrangements for Business Continuity and Information Security
- **Schedule 4** – Performance Indicators and Monitoring
Performance indicators based on which xoserve will be measured
- **Schedule 5** – Parties

Providing details of parties to the contract

- **Schedule 6** – Reporting and Access to Information
Terms under which Network Operators can request or access data relating to the services provided by xoserve, including audit rights and reporting of performance against UNC liabilities
- **Schedule 7** – Charges
Arrangements for charging Network Operators for service provision, publication of pricing statements, and charging schedules
- **Schedule 8** – Network Operator Responsibilities
Responsibilities and obligations of Network Operators to xoserve
- **Schedule 9** – Contract Management
Contract management roles and responsibilities (including the role of the Change Manager), and the role of the IS Service Manager
- **Schedule 10** – Change Management
Change Management procedure, enabling the delivery of change in support of the GT licence and the UNC
- **Schedule 11** – Exit Arrangements
Process between xoserve and Network Operators in the event of exit from the contract

Steve asked if there were any comments on the categorisation, but none were received. He then proceeded to provide some more detail on Schedule 2 and Schedule 4.

Observing that Schedule 2 (Service Requirements) set out very similar terms to the current Network Code, Steve elaborated on the categories of services provided as follows (slide 8):

- Network Code services
- GT Licence services
- Other Network services
- AT Link and RGTA System services

Steve also highlighted some examples of existing standards that xoserve would be operating to as per Schedule 4, and stated that the contract included 46 performance measures (slide 9). He explained the examples in the context of services described in Schedule 2.

Peter Bolitho thanked Steve and xoserve for making the ASA document available. He expressed his concern as a shipper as to how these services were to be provided, his primary concern being to ensure that the Network Code sits at the top of the hierarchy. Peter Bingham affirmed that any change to the UNC would affect services provided by xoserve. Sonia Brown stated that the licence drafting was being designed to achieve and reflect this contractual hierarchy. She added that Ofgem was interested in ensuring the transparency of any changes to the UNC, with subsequent impact on xoserve services. She asked whether comments on the ASA would be received by Transco or by xoserve. Peter Bingham replied that they could come to Transco in the first instance.

Sonia asked if there were any further questions. Tory Hunter confirmed that the “licensee” meant the signatory to the licence i.e. Scotia, rather than SSE.

John Costa asked whether the cost of project Gemini and the exit requirements would be included within the current budget, or if DNs would have to pay more in this respect. Peter Bingham confirmed that exit reform formed part of the overall “cost of sale”, and thus would be a cost borne by NGT while the costs associated with the implementation of Gemini had been accommodated through allowed revenue in Transco’s price control. Sonia reiterated this view.

John replied that shippers had been told that they would need to pay further costs in respect of the additional services provided as part of the Gemini project.

Sonia explained that in Ofgem’s understanding, the scope of project Gemini was included in SO internal price control. If shippers however required additional services that could result in increased costs, NGT would apply for more funds through the price review, which would be recovered from shippers (and ultimately, from customers). Interim and enduring exit costs would however be borne by NGT. Peter Bingham confirmed that this was the case. Sonia outlined three cost components:

- Costs in respect of the initial list of services
- Additional NGT requirements
- DN sales related costs

Peter Bingham sought to confirm if there had been any specific requests by independent shippers for additional services.

Tim Davis stated that there was a general provision in the UNC for shippers to pay for additional services.

Sonia stated that if increased costs were a consequence of Network Code issues, then these could be ascribed directly back to shippers, rather than through the price review process. She again confirmed that costs associated with the exit system would not be passed to customers, but would have to be borne by NGT. A question was raised as to whether these costs were indeed substantial. Peter Bingham replied that he did not know for sure if they were substantial.

On that note, the discussion proceeded to the Joint Office Governance Agreement.

Joint Office Governance Arrangements Agreement

Tim Davis stated that he would go through the JGAA document and highlight areas of focus.

Beginning with the composition of the Committee, Tim explained that as per Schedule 3, Transco would have two representatives (one each in respect of the NTS and the RDN licence), and the purchasers would have one each in respect of their licences in conformity with the principles of equitability and non discrimination. So although the

SSE consortium would have two licences, they would only be entitled to one Committee member.

Tim detailed that the provisions under section 8, regarding the resources and budget were related to the way in which the costs of the joint office would be determined. In this regard, he explained that the relevant expenses would be divided by 9, in view of the fact that the joint office would administer the mod process for 9 gas transporters, and would be allocated to these transporters through the provisions of the UNC. Peter Bingham stated that concerns about the distribution of costs between the NTS and the RDN licence had been addressed, to some degree, by the inclusion of the offtake arrangements in the UNC. He stated that DNs could expect to be more active in modifications going forward. Sonia Brown added that it was for Transco to set the base case or starting point and that it would be possible for this to evolve over time through the UNC mod process.

Sharif Islam asked whether Subject Matter Experts (SMEs) form part of the resource plan. Tim Davis replied that the resource plan only covered support staff, facilities, equipment and applications. Stephen Parker asked if this would facilitate the nominations process by non-GTs. Tim answered that it would not but that Transco would invite users to put forward nominations for SMEs as soon as possible, and well in advance of implementation of the UNC.

To Sharif's enquiry into the rationale for the SMEs, Tim replied that they were required as an independent administrator function. He clarified that, as such, these representatives would not be permitted to incorporate any biases within their reports. Sharif expressed an opinion that this could be achieved by other means, and stated that, in particular, the Chairman of the joint office could be required to undertake the role envisaged for the SMEs. Tim Davis responded that there was no reason why alternatives to the current proposed SMEs should not be put forward by interested parties and suggested that any proposals of this nature should be included within responses to the UNC consultation.

Sharif considered that the implementation of provisions for SMEs would not be efficient in terms of costs. Sonia stated that the option of SMEs had previously been proposed by parties other than Network Operators to ensure that they had an opportunity to have their SMEs in competitive markets involved in the process, and put in a different perspective from that of the "monopoly" network view. If however no party nominates any SME, then the default situation is for Network Operators to provide these SMEs.

Sharif stated that it was not clear that there was a consensus amongst the shipper / supplier community for SMEs. Sue Higgins countered this view, stating that six weeks of arguments had gone into this, and that the need had been stated clearly. Peter Bolitho stated that while the idea had been discussed and Transco had taken it forward, it was not clear if there had been a consensus on the issue. Sharif questioned whether there could be a cheaper alternative.

Sonia stated that if there were any concerns, they should be raised in the consultation process.

Peter Bolitho considered that it was a late stage for this to be the first time that shippers had been presented with a copy of the JGAA. He set out that this was especially apparent given the concerns that shippers had expressed regarding the UNC mod rules

and the fact that they had not had a chance to look at them. He emphasised that shippers had worked hard to incorporate modification rules as part of the UNC. However as some of those procedures had been drawn back into the JGA arrangements, which shippers cannot amend, he posed a question as to what would take precedence – the modification rules or the UNC, and added that he would like to study areas where rules might fit better with the modification rules. Tim Davis stated however that there was nothing in the JGAA that affected the modification rules and clarified that the JGAA related only to the way in which the joint office would be implemented. Sonia affirmed that shippers could raise modifications to the UNC if required, and that the JGAA was secondary in hierarchy to the UNC.

Peter Bolitho stated that he thought they landed on governance arrangements in the summer and stated his disappointment that the JGAA document had been released quite late. Peter stated that he had not had a chance to look at the detail of the JGAA and therefore, reserved his right to make comments at a later date. Peter Bingham replied that Tim had presented a draft of this document two months back. Tim confirmed that he had presented high-level principles in December, as it was difficult to get legally watertight provisions at that stage.

Rob Cross enquired about the appointment process of SMEs. Tim explained that the GTs would have an obligation under the modification rules to nominate a minimum of nine SMEs, and that the JGAA would provide the process by which they would be selected. Sonia added that volunteers would get added to the nomination list, and then the panel would decide who to appoint. She outlined that if SMEs were not nominated by shippers, the default position would be that GTs would decide who to appoint as SMEs.

Sonia stated that in the event of further questions or comments, Tim Davis would take them directly.

SME code of conduct

Tim Davis stated that SMEs would be required to write the Draft and Final Modification Report, and added that they would work remotely, although these provisions were not contained within the draft JGAA. The “Termination of SME Appointment” would occur twenty business days after the submission to the Authority of the Final Modification Report, or at publication of an Authority determination on the relevant Modification proposal, whichever would be earlier.

Tim outlined that SMEs would be required to avoid undue discrimination in the undertaking of its duties and that this would be especially relevant where the SME had been nominated by a gas transporter. Stressing the objective nature of the role, Tim stated that the SME would be operating as an individual, and not as an employee of the company that substantively employed him/her. Clause 3.2.3 was seen as especially important in this regard, as it prevents the SME from undertaking any work for his/her substantive employer that relates to the specific area of work covered by the relevant Modification Proposal. Tim clarified in other words that the SME would be permitted to work in the energy sector but that it would not be appropriate for an SME to be assigned to a mod which related to the specific area in which the SME was employed. Tim also

stated that in accordance with clause 3.2.4, the SME should refrain from seeking to influence any parties' views with respect to any aspect of the consultation process of the relevant Modification Proposal. As such, Tim highlighted that all decisions would have to be reached with consideration to the relevant objectives of the UNC.

He also highlighted that employees of the organisation at which the SME was based would not be permitted to influence the mod report.

Tim also explained that in the event of non-compliance, the SME would be removed from the SME Register, would be required to tender an explanation to the Panel, and in addition, the SME's substantive employer would also be required to set out an action plan to ensure no such recurrence.

Peter Bolitho asked where the code of conduct was incorporated. Tim replied that it is required to be produced under the Network Code.

Peter remarked that the previous summer, when governance arrangements were being discussed, the focus was on trying to put in place checks and balances, by ensuring a proper recording of shipper and transporter proposals.

Sonia however differed in her recollection of the discussion, stating that it focussed on how no party, whether shipper or GT, should be able to influence how the modification goes through the process, even though the funds for the purpose would be within the GTs' price control. In other words, the discussion pertained to maintaining the independence of the process. Sue Higgins agreed with this view.

Peter Bolitho stated that the discussion featured separate issues about changing the rules, and equivalence between shippers and transporters. However, he did not remember any discussion on the Code of Conduct.

Sonia reminded Peter that these issues were indeed discussed, and that Transco had come forward with UNC proposals, taken on board arguments, and come back with discussions in detail.

Peter Bolitho expressed the view that shippers did not want to recreate a bureaucratic process in the BSC. Tory Hunter replied that the avoidance of a bureaucratic process was indeed what had been achieved through the opportunity for shippers to put forward their SMEs.

Sonia mentioned that further comments and concerns could be taken by Tim. Peter Bingham added that ultimately, shippers had an option not to put forward an SME. Sonia reiterated that ultimately, the modification rules would sit at the top of the hierarchy. In response to a question from John Costa, Tim replied that the Modification Panel would oversee the conduct of the SME. Stephen Parker added that while the issue of the prescriptive nature of clause 3.2.3 had been raised, they were less concerned about somebody wearing two hats than about finding the right person.

Sharif asked whether the SME code of conduct had any employer obligations provisions, of the nature detailed in Schedule 11d of the JGAA. Tim replied that there were none.

Interim exit capacity release methodology statement

Peter Bingham presented the Interim Exit Capacity Release (IExCR) methodology statement. He stated that in respect of the interim arrangements, i.e. from 1st May 2005 until September 2008, the Authority decision would partly be based on the IExCR statement. He added that this methodology statement would apply in relation to new connections or interruptible party increasing firm capacity requirements.

Peter stated that the IExCR statement would apply to the release of all forms of NTS Exit Capacity by the NTS SO, and would include:

- Offtake Capacity – between NTS and DNs
- Exit Capacity – at direct connect supply points
- Flow Flexibility – between NTS and DNs

He added that this statement would cease in September 2008, when market mechanisms would come into play. Sonia Brown explained further that the enduring arrangements would not involve the same structure for interruptible capacity in the same way as the interim period, and that only short-term capacity would be traded.

Peter Bingham next stated the objectives of the IExCR statement, the first objective being that the release of NTS Exit Capacity must be on a non-discriminatory (and hence unconstrained) basis. The second objective would be that the release must be conducted on an efficient and economical basis. Peter illustrated this principle by means of a diagram (Figure 1 on page 3 of the handout) that detailed the decision flow-chart. He explained that any party needing capacity would, in the first instance, assess whether it would be economical to build it if sufficient capacity were not available. Peter added that other mitigating actions might include demand management and other storage options, and that if the associated costs would be deemed to be economical, Transco NTS would release capacity.

Charles Ruffell asked if the “economic” test would be the same as that applied at connection. Peter Bingham replied that in the event of a marginal decision, Transco NTS would refer the matter to Ofgem.

Sonia added that Ofgem would look at the revenues associated with firm connection, versus any costs incurred in buyback from other users, and check whether an economical decision had been made. She stressed that in some circumstances, Transco NTS would not be able to release capacity. Adding that Ofgem did not want to micro-manage the process of determining what would be economical, Sonia explained that only in the event of receiving complaints would Ofgem investigate.

Peter Bolitho asked whether this policy was consistent with the “shallow reinforcements policy” (Langage determination) – i.e. whether the party needing capacity had to have a contribution to costs of reinforcement. Peter Bingham confirmed that it would be in line with the Langage determination. He explained that the determination had stated that there should not be any such system other than UoS charges, and that it would assess the efficiency of the costs of reinforcing, i.e. whether these costs would be incorporated in the price review. Sonia added that this policy was also about ensuring that Transco proactively work at demand side options. For example, there might be a particular part of the system with a turn-down contract for specific time of the year, in respect of which

reinforcement would not be an efficient option in the short term, and demand side management would be more appropriate.

Charles Ruffell asked if the structure of mitigating options was in the UNC. Peter Bingham replied that it was in separate bilateral contracts. Sonia added that this was a licence issue, not a UNC issue, and that the mechanism to ensure that demand side management contracts could be utilised was in the UNC.

Alison Russell asked whether the presented draft was for consultation. Peter Bingham replied that this draft formed part of a suite of documents that had been put out for consultation. Sonia reminded that Transco were not obliged to consult when introducing the IExCR methodology statement, but only when changing it.

Charles Ruffell asked how incremental capacity would be treated going forward. Peter Bingham replied that it would endure for three years and would then be wiped clean. Sonia confirmed it was her understanding that any capacity rights beyond three years would be based on the actual baseline of the system.

Sonia stated that while there was no obligation to consult any further comments should be directed to Peter Bingham.

Consents, directions, derogations etc. (Transco)

Sue Higgins stated that Transco had identified all issues related to consents, determinations, derogations, notifications, approvals, etc in the licence (collectively termed as "Licence Related Instruments (LRI)") and had categorised them as follows:

- Category 1 – New LRI required on day 1 of hive-down
- Category 2 – New LRI required at some date after day 1 of hive-down
- Category 3 – Grant required based on existing LRI with material (i.e. more than technical) changes; existing LRI to be revoked
- Category 4 – Grant required based on existing LRI with technical changes; existing LRI to be revoked
- Category 5 – Existing LRI continues unchanged in respect of NTS; new LRI required for RDN and/or IDN
- Category 6 – Existing LRI continues unchanged in respect of NTS
- Category 7 – No LRI required

Sue then stated that the table itself contained an exhaustive list of all identified LRI issues, and welcomed comments.

Amit Pathare explained that Transco's list had been forwarded to the potential purchasers to give them a running start in identifying their own required LRIs.

Sonia Brown made the point that it is the licensees' responsibility to ensure that all the required LRIs are granted by the required date, failing which they would be in breach of the licence. Sonia added that Ofgem would take a strong view on late submission of LRI requirements, and that all questions and issues in this regard be directed to Amit.

Sonia further stated that Ofgem was interested in maintaining a transparent process, in line with its policy.

Peter Bolitho stated that he would like to see a consolidated form of LRIs, which would include requirements of all licensees. Sonia replied that such a consolidated list would be compiled, and the consents would be kept available in the public register.

Price control reporting (Special Condition C14 and Special Condition E6)

Tim Robinson presented the price control conditions, starting with an explanation of how the price control conditions have evolved, and future changes required by the DN Sales process.

Tim stated that under the proposed licence restructuring that is currently under consultation, Special Condition 33 of Transco's existing licence (which contains details of price control parameters) will be switched off, and replaced by Special Condition C14 for the NTS, and Special Condition E6 for the DNs. He added that in light of respondents' views on the Next Steps licence consultation, Ofgem had committed to reviewing the price control reporting requirements as part of subsequent Section 23 consultations, and had now performed that review.

Sonia stated that this was not a licence change that was necessary for splitting transmission and distribution, but more related to price control to have common arrangements and a common understanding of the issues, and was hence more forward looking, and not part of DN sales.

Tim next elaborated on future guidelines, stating that all basic data items will in future be explicitly reported, and that selected higher level calculation results will also be explicitly reported. Tim stated that parameters would be added to C14 and E6 in order to make current reporting consistent with these guidelines. He added that changes to formulae in price control conditions C8B (NTS) and E2B (DNs) would be reflected in C14 and E6 as required.

Having distributed copies of the provisional drafting of C14 and E6 for review, Tim indicated that subsequent drafts associated with the interim incentive regime would be returned to DISG for further review, and that changes to the licence drafting would be formally consulted upon during the May 23 licence consultation.

In reference to a response received that one item added to the DN reporting condition referenced the NTS charges, Sonia stated that as it was an RDN licence, this may be appropriate.

Stephen Parker asked if there was a template for reporting this information. Peter Bingham replied that it was reported separately for separate activities.

Stephen also pointed to a possible error in the drafting of E6, as it included business rates that were specific to the NTS (DNExCC_i and DNExFFC_i). Sonia replied that it might not be a typo they related to costs of DNs purchasing NTS offtake flexibility, but would check and get back to him on this issue

Action on Ofgem: To check correctness of terms in E6 that relate to the NTS.

Sonia then stated that any comments in respect of price control reporting conditions were to be forwarded to Tim Robinson.

Long Term Development Statements

In her brief update, Samanta Padalino stated that Ofgem had published a letter on LTDS earlier that morning (8th March) that outlined initial thoughts on the scope of these statements, and seeking views from interested parties about the form, scope and timing of these statements. She added that these views would inform Ofgem's recommendations to the Authority.

Sonia gave a brief outline of the background to concerns, and stated that in the licence conditions, it had been stated that the LTDS would be dormant until directed. For the NTS, the key issue was about the timing of the statements, while for the DNs, it was about their scope, as the ten year statement only applied to high-pressure distribution networks. Sonia asked for comments and issues to be forwarded to Samanta at 0207 901 7033 (Samanta.Padalino@ofgem.gov.uk).

Peter Bolitho asked why the status quo (i.e. only high pressure) could not be maintained. Sonia replied that Ofgem was trying to strike a balance in the spectrum of choices from "high level" to "detailed" information requirements; the status quo would of course be one of the choices if all parties were satisfied that there was no reason to change. Sonia also added that Ofgem was also assessing whether there were any useful practices from electricity distribution that could be drawn on in this regard.

Stephen Parker stated his view that it would be very expensive to provide lots of detail proactively.

Any other business (Transco)

Sonia asked if there were any other issues that needed to be discussed. She then informed the attendees that Ofgem was organising a workshop on incentives, including the enduring incentives, on Tuesday 15th March from 10:30 am to 1:00 pm. She stated that since Ofgem had received feedback from various parties on the issue, they thought it necessary to organise an open discussion. She added that an agenda would be circulated on Friday afternoon.

Sonia also stated that the interim incentive arrangements would be published later that day, or later in the week, and asked attendees to revert with any issues for further discussion.

As there were no further issues to be discussed, the meeting was declared closed.