

Project Nexus Workstream Minutes

Friday 11 June 2010

at the Renewal Conference Centre, Lode Lane, Solihull

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office of Gas Transporters
Mike Berrisford (Secretary)	(MiB)	Joint Office of Gas Transporters
Alan Raper	(AR)	National Grid Distribution
Bali Dohel	(BD)	Southern Gas Networks
Chris Warner	(CW)	National Grid Distribution
Fiona Cottam	(FC)	xoserve
Gareth Evans	(GE)	Waters Wye Associates
Hazel Ward	(HW)	RWE npower
Jemma Woolston	(JW)	Shell Gas Direct
Joanna Ferguson	(JF)	Northern Gas Networks
Joel Martin	(JM)	Scotland Gas Networks
Karen Kennedy	(KK)	ScottishPower
Martin Brandt	(MB)	Scottish & Southern Energy
Michele Downes	(MD)	xoserve
Sallyann Blackett	(SB)	E.ON UK
Sean McGoldrick	(SMc)	National Grid NTS
Shirley Wheeler	(SW)	xoserve
Simon Trivella	(ST)	Wales & West Utilities
Steve Nunnington	(SN)	xoserve

1. Introduction

BF welcomed all to the meeting.

1.1 Review of Minutes

RWE npower (HW) stated that she believed that under item 3.1, slide 5 a new action had been placed upon the Authority to indicate what, when and how much information they would require from Project Nexus before being in a position to make an informed decision on setting the most appropriate 'tipping point' for the transition between dumb and smart meters. BF on behalf of the Joint Office agreed to undertake a new action to write to the Authority to seek a view on this. Thereafter, the minutes of the 19 May 2010 meeting were accepted.

Action NEX0036: Joint Office (BF) to write to the Authority to seek their view on what, when and how much information they would require from Project Nexus before being in a position to make an informed decision on setting the most appropriate 'tipping point' for the transition between dumb and smart meters.

1.2 Review of actions

Action NEX0027: xoserve (SW) to ensure that following the production of the Data Comms Provider prospectus, issues identified for consideration under the SPA heading (customer access to data, meter read submission time, Supplier access to behavioural information) are included in the SPA ToR.

Update: SW explained it would not be possible to complete this action until the Central Communications Provider (CCP) prospectus is known and the next update will be provided at the August 2010 meeting.

Pending.

Action NEX0032: Joint Office to add Retrospective Updates to the June Workstream agenda.

Update: BF advised members that this action had been completed.

Closed.

Action NEX0034: Joint Office to write out to all smaller (DM) Suppliers advising them that DM Unbundling will be considered within the UNC Distribution Workstream.

Update: BF advised members that xoserve had provided an email contact list for all DM Suppliers and that the Joint Office had subsequently written to them, and therefore this action had been completed.

Closed.

Action NEX0035: Transporters to undertake consideration of the SOQ parameters under a No AQ regime at the next DCMF meeting.

Update: CW advised members that he had passed the request on to a Pricing colleague to raise this as an agenda item at the forthcoming DCMF meeting. Thereafter, feedback will be provided at an appropriate Workstream meeting.

Pending.

2. Update on the Revised Workgroup Approach and Plan

2.1 Topic Workgroup Timeline Tracking Plan (as at 03/06/2010)

Please refer to item 7 below.

3. Retrospective Updates

xoserve (FC) provided a brief overview of the presentation, during which members debated on the following points of interest:

Slide 7 – Retrospective Updates – High Level Process

HW indicated that she believes that the current xoserve systems 'constrain' her ability undertake retrospective updates. FC suggested that depending upon the circumstances involved, adjustments can be undertaken on either a consumption or financial basis, looking back up to 5 years. However, it should be noted that whilst the reads themselves cannot be changed, the consumptions that sit behind them, can. Originally, this was a feature that was not present within the 'original' Sites & Meters, being a later system enhancement.

Slides 10 to 14 – Consultation Responses

FC pointed out that whilst these items are a couple of years old now, some of them remain more relevant than others when considering a truly smart metering world.

Slide 15 – Key Themes from Consultation

When considering the additional information requirements, HW believes that this is more aligned to the detailed discussions to be undertaken by various workgroups, as it is the role of the workstream to identify the high level principles.

In terms of the ability of the Gas Transporters to potentially be able to amend Supply Point Register data, ST enquired if this was specifically referring to shipper related data items to which JM confirmed it was. JM went on to explain that currently if they (the Transporter) identify an error they are obliged to submit a request, via ConQuest, to the shipper concerned asking them to amend the data. He believes it could/would be more efficient if on these occasions the Transporter could make the necessary amendments whilst advising shippers of the fact. ST retained a slightly different view, suggesting that shippers could/should be

requested to amend the data in the first instance and only where this fails would the Transporter(s) undertake the remedial actions.

Slide 17 – Retrospective Updates – Voice of the Process

When asked, FC confirmed that on the whole, the ONJOB and ONUPD rejection statistics could be deemed as being static in nature (on a month by month basis) and that not all of the rejections get resubmitted for whatever reason. Currently there are approximately 30k ONJOB/ONUPD rejections issued each month. MB enquired, whether or not, xoserve could provide similar statistics for the K08 (MAM) files as this is an important area for his company. FC acknowledged that whilst the K08 files do not have a direct billing related impact, they can potentially lead on to inaccurate data issues.

Slide 20 – Consideration of Future Principles (1)

In considering the ability to change historic data outside of the ownership period, KK pointed out that there is a potential ‘knock on’ effect upon customers, although JW thought that this feature could be useful if mutual agreement between the parties concerned could be achieved especially where meter exchanges are concerned.

In response to a comment from MB regarding the need for more detailed consideration of the ONJOB/ONUPD requirements, SW wondered if it would be more beneficial to consider the proposed Smart world and look backwards at the current rejection processes as a way of identifying a set of aligned principles. FC reminded members that the main aim is to keep analysis to a minimum.

Slide 21 – Consideration of Future Principles (2)

With regard to the need for a close out period, FC proposed that a similar timeframe to that utilised for reconciliations should be utilised (currently 4 to 5 years).

CW felt that in a smart world, retrospective updates should really be limited to an incentive to get the data correct in the first instance. However, this was not a view fully supported by everyone present and SB suggested that she would like to retain the ability to undertake retrospective updates for sites she may inherit that have inaccurate data associated to them. GE whilst sympathetic to CW’s point, highlighted the fact that shippers feel this facility is essential in assisting them to effectively manage their respective data and resourcing requirements.

SN pointed out that smart metering should go a long way towards reducing the need for retrospective updating. CW remained concerned that retaining a ‘open ended’ retrospective update facility potentially exposes the industry to the need for the development of extremely complex and costly technical solutions. MB pointed out that in his view, making an informed decision on retrospective updates (along with any other items) remains extremely difficult at this time, as there is currently an absence of understanding of the smart world until clearer definitions (Smart and SMIP) are available.

Attempting to summarise proceedings, SW believes that based upon discussions, shippers would like to retain the ability to update data, to be able to align their system data with xoserve’s and possibly develop different rules for different types of data.

In summarising discussions, BF suggested, and members agreed that they are unable to progress matters any further until more information becomes available and therefore the work on development of high level principles for ‘Retrospective Updates’ & ‘Transitional Arrangements’ is on hold for the time being.

SW informed members that she believed that xoserve have a sufficient level of understanding of the basic high level requirements upon which to undertake some modelling for use in any future discussions.

GE enquired if there had been any discussions around the issue of data cleansing to which both FC and SW responded by stating that whilst no real guidance has been forthcoming, the rollout of smart metering presents an ideal opportunity to consider this.

In closing, xoserve (SW) agreed to take a new action to document the discussions to date on retrospective updates and provide feedback at the next meeting.

Action NEX0037: xoserve (SW) to document the discussions to date on retrospective updates (inc a basic understanding of the high level principles) and provide feedback at the next meeting.

4. Transitional Arrangements

Members agreed that this had been sufficiently covered during discussions on item 3 above.

5. Topic Workgroup(s) Terms of Reference

No workgroup terms of reference to consider at this meeting.

6. Workgroup Reporting

6.1 Final Workgroup Reports

No final workgroup reports to consider at this meeting.

6.2 Start/End Date Progress Tracking

SW provided a brief overview of the 'Topic Workgroup Timeline Tracking' plan (as of 03/06/10).

When asked, members agreed that in light of discussions today, Retrospective Update can be amended to show as completed. When considering the AMR Detailed Workgroup meetings, SW suggested that this status should remain as 'Amber' as consideration of the SPA processes is not completed, plus the workgroup have not identified a finish date for their DM Unbundling considerations. Additionally, this was not discussed at the recent Distribution Workstream meeting as planned.

6.3 Consider Topic Monthly Workgroup Reports

BF provided a brief verbal update on the AMR WG4&5 discussions at the 09/06/10 meeting highlighting the Change of Supplier and Metering related items as being of specific interest.

7. Next Steps: diary/planning

BF explained that some of the Transporters have expressed concern that they have difficulty attending Project Nexus meetings on or around the second Tuesday in every month, due to their other commitments.

With this in mind members agreed to change the date of the proposed 13/07/10 meeting to 06/07/10 and to conduct this meeting as a teleconference meeting, commencing at 10:00am.

Moving on to consider the proposed August meeting date, SW suggested that the prospectus may be published in July (please see AOB below) and would therefore prefer to delay the workstream meeting until after PNAG have had a chance to discuss it.

BF asked, and members agreed to the cancellation of the August workstream meeting to be replaced with a face-to-face meeting on 06/09/10 with a preference for a Solihull location.

The following meetings are scheduled to take place during June through to September 2010:

Title	Date	Location
AMR 6	22/06/2010	ENA, 52 Horseferry Road, London.
Workstream	06/07/2010	Teleconference.
Workstream	13/07/2010	Cancelled.
AMR 7	07/07/2010	ENA, 52 Horseferry Road, London.
AMR 8	20/07/2010	ENA, 52 Horseferry Road, London.
AMR 9	04/08/2010	ENA, 52 Horseferry Road, London.
Workstream	10/08/2010	Cancelled.
AMR 10	17/08/2010	ENA, 52 Horseferry Road, London.
Workstream	06/09/2010	Location to be confirmed.

8. AOB

7.1 PNAG Teleconference Meeting Update

SMIP Update

At the meeting, Nigel Nash of Ofgem gave an update from SMIP. He informed the group that the Smart Metering Prospectus would be published in the summer as planned. He also stated, that in his informed opinion, the settlement (reconciliation) processes in the gas industry would be outside the remit of the DCC and would remain with the GT agent. This means that Project Nexus can undertake requirements gathering activities in this area. xoserve's Project Nexus team are considering how best to take this issue forward.

Outstanding Action 1404-02 Update

(extract from a response from David Speake, ES Pipelines)

"This was discussed at a recent meeting of the AIGT (whose membership is all iGT except Fulcrum Pipelines), I can provide the following report of the consensus view expressed at that meeting.

In relation to whether iGTs would be interested in participating in a single gas transporter service and, if so, how it would be funded by IGTs, IGTs did not feel they were currently in a position to answer this question without knowledge of what the benefits and cost to them would be. It was noted that Suppliers would receive many of the benefits from a single gas transporter service and there should therefore be an appropriate sharing of the costs involved.

At the same time, it was acknowledged that it should be an aspiration of the iGTs to be part of a single gas transporter service. After all, no iGT believes that there is any competitive advantage to be gained by running systems that are different. So, this is not a question of whether iGTs believe this is the right thing to do in the medium to long term. In the short term, however, the same uncertainty that smart metering brought to the Nexus project last year continues to make it difficult to commit to Nexus as a final overall solution for iGTs. In addition, most iGTs made the point during the original

consultation that we would expect any service provision to be decided by competitive tender.

But we do understand that a number of elements have been identified that are not impacted by the smart metering industry developments. We also understand that there is a strong pull from suppliers to see no distinction in process and service provider between iGT and DN supply points. iGTs do not disagree with this, and would also expect that including iGTs in those Nexus processes that are under development should be the least cost solution to industry. Whilst transporters may currently 'own' these processes, it is clear that shippers are driving requirements, and we can't ignore this fact. A shipper requirement for full inclusion of iGTs must be given as serious consideration as any other specification they make.

For my own part, and as a way forward, I propose iGTs taking a closer look at the processes identified by Nexus as unaffected by smart metering (and so not 'parked'), then scheduling a discussion with shippers around how or indeed whether any of this development work ongoing under UNC governance would be affected by the assumed inclusion of iGTs. I will be raising this as an agenda item at a shipper-iGT operational workgroup next month and will be happy to report back to subsequent PNAG. There is certainly further engagement that can be undertaken without being tripped up by discussion of who pays. Hopefully, working with shippers, we'll be able to arrive at a sensible engagement plan and/or a final view on iGT inclusion in Nexus."

7.2 Missing ENA Key Fob (from the Project Nexus AMR WG4&5 meeting on 09/06/10)

When asked, one member apologised for inadvertently taking a security key fob from the ENA in London and agreed to give it to BF to return on Monday 14/06/10.

Appendix 1

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
NEX 0027	18.01.10	4.1	Ensure that following the production of the Central Communications Provider prospectus, issues identified for consideration under the SPA heading (customer access to data, meter read submission time, Supplier access to behavioural information) are included in the SPA ToR.	xoserve (SW)	Update due at September meeting.
NEX 0032	13.04.10	5.	Add Retrospective Updates to the June Workstream agenda.	Joint Office (MiB)	Update provided. Closed
NEX 0034	19.05.10	2.1	Write out to all smaller (DM) Suppliers advising them that DM Unbundling will be considered within the UNC Distribution Workstream.	Joint Office (BF)	Update provided. Closed
NEX 0035	19.05.10	5.1	Undertake consideration of the SOQ parameters under a No AQ regime at the next DCMF meeting.	Transporters	Update due at September meeting.
NEX 0036	11.06.10	1.1	Write to the Authority to seek their view on what, when and how much information they would require from Project Nexus before being in a position to make an informed decision on setting the most appropriate 'tipping point' for the transition between dumb and smart meters.	Joint Office (BF)	Update due at September meeting.
NEX 0037	11.06.10	3.	Document the discussions to date on retrospective updates (inc a basic understanding of the high level principles).	xoserve (SW)	Update due at September meeting.