

## UNC Offtake Arrangements Workgroup Minutes

Friday 07 January 2022

Via Teleconference

### Attendees

Eric Fowler (Chair)	(EF)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Ben Hanley	(BH)	NGN
Ben Oldham	(BO)	Cadent
Bethan Winter	(BW)	Wales & West Utilities
Christopher Syrett	(CS)	E.ON
David Mitchell	(DM)	SGN
Darren Dunkley	(DD)	Cadent
Ellie Rogers	(ER)	Xoserve
Fiona Cottam	(FC)	Correla
Guv Dosanjh	(GD)	Cadent
Louise McGoldrick	(LMG)	National Grid
Matthew Newman	(MN)	National Grid
Mark Field	(MF)	Sembcorp
Phil Lucas	(PL)	National Grid
Richard Pomroy	(RP)	Wales & West Utilities
Sally Hardman	(SH)	SGN
Shiv Singh	(SS)	Cadent
Stephan Ruane	(SR)	National Grid
Steve Pownall	(SP)	Xoserve
Tom Stuart	(TS)	Wales & West Utilities

Copies of all papers are available at: <https://www.gasgovernance.co.uk/OA/070122>

### 1. Introduction and Status Review

Eric Fowler (EF) welcomed all to the Workgroup.

#### 1.1. Approval of Minutes (29 September 2021)

The minutes from the previous meeting were approved

#### 1.2. Approval of Late Papers

EF noted the only late paper was the Legal Text for 0793S provided by SGN. David Mitchell (DM) said that this had been supplied previously and EF said that the Joint Office had not received it.

EF explained that from the start of 2022 the Joint Office were now tracking late papers as part of the overall governance adherence, to allow sufficient time for papers to be published and studied by attendees prior to any meeting.

#### 1.3. Review of Outstanding Actions

**0706:** Transporter Metering Forum to share knowledge of the SE007 – Isle of Grain Measurement Error to ensure awareness and consider mitigating actions.

**Update:** Matthew Newman (MN) explained that the Legal team was investigating this as to how this can be processed from an LDZ credit perspective. He added there were a few differences of opinion as to whether the credit was LDZ or Shrinkage from a cost neutrality aspect. This action was carried forward. **Carried Forward**

**0708:** Transporters and National Grid to consider how to ensure all Offtake Measurement Errors are captured and covered by a documented adjustment process.

**Update:** MN said once the process for the Isle of Grain had been signed off then the step-by-step process for invoicing could be further investigated, but that this process had to be confirmed ahead of this work. Steve Pownall (SP) said there already was a process via the Meter Point process. Christopher Syrett (CS) said from a Shipper perspective confidence was needed to ensure an accurate and robust process was in place. The action was carried forward. **Carried Forward**

**Action 0801:** Cadent (BO) to provide more detailed information regarding the schedule for the replacement of the Orifice Plates.

**Update:** There was no update from BO although it linked with the action on other DNs (below) Subsequent to the debate on action 0905 the action was then closed. **Closed**

**Action 0904:** Offtake Arrangements Workgroup to review the Offtake guidelines to ensure they are fit for purpose, factoring in lessons learnt from EM009 Alrewas.

**Update:** EF asked the Workgroup for an update and GD and BH both said they could not remember the context behind this action. Fiona Cottam (FC) said according to previous minutes it was in relation to a point Kirsty Dudley (KD) had raised regarding if the Offtake guidelines were still fit for purpose.

Guv Dosanjh (GD) said that he had discussions with Alan Raper (Joint Office) and Ben Hanley (BH) said that the ITE and Terms of Reference had been completed and the ITE would be completed in 4 months' time and that any interim update would be communicated at the right time. GD said that as the process was being undertaken at the present time in relation to an error at Alrewas the process should not be amended until this had been completed. He advised that a lessons learnt review would be undertaken.

DM said he was unsure why they were now two ITE's and two reports and the consensus was that one ITE was sufficient. CS agreed to discuss this area with KD in relation to reconciliation of the two ITE's and the two reports.

The action was carried forward. **Carried forward.**

**New Action 0101:** E.ON (CS/KD) to discuss the rationale for two ITE's and to reconcile two the separate reports.

**Action 0905:** All Transporters to undertake a review for replacing the Orifice Plates.

**Update:** SS said this action could be closed as the review had taken place in July 2021. **Closed**

**Action 0906:** Joint Office (AR) to collate the information from the Orifice Plates review and transfer any conclusions to PAC

**Update:** Shiv Singh (SS) explained that this action could now be closed as the topic had been discussed at the Performance Assurance Committee (PAC) **Closed.**

The following comments had been supplied as detailed below:

	<b>SGN</b>	<b>W&amp;WU</b>	<b>NGN</b>	<b>Cadent</b>
<b>Seek clarification from the GDNs that internal</b>	<i>the SGN six point plan to improve offtake metering performance was drafted and</i>	<i>WWU have processes in place to mitigate/remove the risk of meter</i>	<i>NGN already have processes in place to mitigate the impact of meter</i>	<i>Yes as per communications to PAC (NRO's, Procedure updates, training)</i>

<p><b>processes have been reviewed and any mitigating actions identified and rolled out</b></p>	<p><i>implemented some time ago. This has been reviewed internally and is still valid.</i></p>	<p><i>errors. These are reviewed and updated at regular intervals.</i></p>	<p><i>errors (risk based approach including increased Maintenance frequencies on high risk sites and condition based monitoring) this is reviewed periodically and any new learning included in the review.</i></p>	
<p><b>Update on Orifice plate removal project</b></p>	<p><i>Scotland: 3 out of 17 offtakes remain with Orifice plate meters. 2 are due to be replaced with USMs in GD2. Southern: 4 out of 12 remain with Orifice plate meters - no plan to update in GD2. These sites are relatively small offtake sites.</i></p>	<p><i>WWU exchanged all orifice plate metering with USM's in the first period of GD1.</i></p>	<p><i>All remaining Orifice plates will be removed from service by the end of GD2 ( 3 sites, exact programme still TBC) however this is more to do with the asset life and condition rather than a reaction to measurement errors.</i></p>	<p><i>17 orifice plate systems to be replaced in GD2. Currently in design phase, project plan to be defined once initial designs and risk based assessment undertaken.</i></p>
<p><b>Should other GDNs apply the learnings and potential mitigations applied to mtheir internal processes?</b></p>	<p><i>SGN are happy to consider any learnings/mitigations from other GDNs.</i></p>	<p><i>WWU will consider any learnings and potential mitigations from other GDNs and seek to apply them if appropriate.</i></p>	<p><i>NGN always consider any learnings and potential mitigations from other GDNs and the wider industry as part of our on-going risk management process. Where appropriate any best practice or improvements will be adopted.</i></p>	<p><i>We have applied all learning as per previous commitments.</i></p>

**Action 0907:** Joint Office (AR) to clarify the accounting arrangements for monies paid by Shippers to National Grid as a result of a Measurement Error and add this information to the Measurement Error Guidelines for the future

**Update:** FC said that this would need to be re-looked at in June 2022 once the lessons learnt document had been produced. FC noted that this area had been discussed in the presentation and can be viewed via the link:

<https://www.gasgovernance.co.uk/sites/default/files/ggf/2021-10/UNCC%20Action%200901%20Impacts%20and%20Correction%20of%20LDZ%20Meter%20Errors%20on%20Settlement%20V2.0.pdf>

The action was carried forward. **Carried forward**

## 2. Any Other Business

None.

## 3. Diary Planning

EF proposed the following dates for the Offtake Arrangements future meetings as detailed below:

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Time / Date	Venue	Programme
10.00am Wednesday 23 March 2022	Microsoft Teams	<ul style="list-style-type: none"> <li>Update on outstanding actions</li> <li>Development of Offtake related Modifications</li> </ul>
10.00am Tuesday 26 April 2022	Microsoft Teams	<ul style="list-style-type: none"> <li>Update on outstanding actions</li> <li>Development of Offtake related Modifications</li> </ul>
10.00am Wednesday 25 May 2022	Microsoft Teams	<ul style="list-style-type: none"> <li>Update on outstanding actions</li> <li>Development of Offtake related Modifications</li> </ul>
10.00am Wednesday 22 June 2022	Microsoft Teams	<ul style="list-style-type: none"> <li>Update on outstanding actions</li> <li>Development of Offtake related Modifications</li> </ul>
10.00am Wednesday 27 July 2022	Microsoft Teams	<ul style="list-style-type: none"> <li>Update on outstanding actions</li> <li>Development of Offtake related Modifications</li> </ul>
10.00am Wednesday 24 August 2022	Microsoft Teams	<ul style="list-style-type: none"> <li>Update on outstanding actions</li> <li>Development of Offtake related Modifications</li> </ul>

**Action Table (as of 07 January 2022)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Target Date	Status Update
0706	08/07/21	3.0	Transporter Metering Forum to share knowledge of the SE007 – Isle of Grain Measurement Error to ensure awareness and consider mitigating actions.	All Transporters	March 2022	<b>Carried forward</b>
0708	08/07/21	3.0	Transporters and National Grid to consider how to ensure all Offtake Measurement Errors are captured and	All Transporters	March 2022	<b>Carried forward</b>

**Action Table (as of 07 January 2022)**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Target Date</b>	<b>Status Update</b>
			covered by a documented adjustment process.			
<b>0801</b>	04/08/21	1.0	Cadent (BO) to provide more detailed information regarding the schedule for the replacement of the Orifice Plates.	Cadent (BO)	Ongoing	<b>Closed</b>
<b>0904</b>	01/09/21	1.3	Offtake Arrangements Workgroup to review the Offtake guidelines to ensure they are fit for purpose.	All Transporters	March 2022	<b>Carried Forward</b>
<b>0905</b>	29/09/21	1.3	All Transporters to undertake a review for replacing the Orifice Plates.	All Transporters	Ongoing	<b>Closed</b>
<b>0906</b>	29/09/21	1.3	Joint Office (AR) to collate the information from the Orifice Plates review and transfer any conclusions to PAC.	Joint Office (AR)	Ongoing	<b>Closed</b>
<b>0907</b>	29/09/21	1.3	Joint Office (AR) to clarify the accounting arrangements for monies paid by Shippers to National Grid as a result of a Measurement Error and add this information to the Measurement Error Guidelines for the future	Joint Office (AR)	June 2022	<b>Carried forward</b>
<b>0101</b>	07/01/22	1.0	E.ON (CS/KD) to discuss the rationale for two ITE's and to reconcile two the separate reports.	E.ON (CS/KD)	March 2022	<b>Pending</b>