

Project Nexus
High Level AMR 2 Workgroup Minutes
Tuesday 20 April 2010
ENA, 52 Horseferry Road, London

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office of Gas Transporters
Mike Berrisford (Secretary)	(MiB)	Joint Office of Gas Transporters
Anne Jackson	(AJ)	Scottish & Southern Energy
Brian Durber*	(BD)	E.ON UK
Chris Warner	(CW)	National Grid Distribution
Elaine Carr*	(EC)	ScottishPower
Fiona Cottam	(FC)	xoserve
Gareth Evans	(GE)	Waters Wye Associates
George Donoghue	(GD)	GDF Suez Energy UK
Graham Wood	(GW)	Centrica
Hazel Ward	(HW)	RWE npower
Joanna Ferguson*	(JF)	Northern Gas Networks
Joel Martin	(JM)	Scotia Gas Networks
Lisa Harris	(LH)	Shell Gas Direct
Michele Downes	(MD)	xoserve
Peter Thompson	(PT)	Customer Representative
Sara Smalley	(SS)	Total Gas & Power
Sean McGoldrick	(SMG)	National Grid NTS
Shirley Wheeler	(SW)	xoserve
Simon Trivella	(ST)	Wales & West Utilities
Stefan Leedham	(SL)	EDF Energy
Steve Mullinganie	(SM)	Gazprom
Steve Nunnington	(SN)	xoserve

* *via a teleconference link*

1. Review of Minutes & Actions

BF welcomed everyone to the meeting.

1.1 Review of Minutes

FC & AJ highlighted two misspellings of attendee's names and thereafter, the minutes of the 31 March 2010 meeting were accepted.

1.2 Review of Actions

Action AMR001: xoserve to seek to clarify why the DME regime made no provision for actual reads to be corrected.

Update: FC informed members that the DME Regime is as far as possible, a mirror of the current DM Regime, which does not have provision for correction of actual reads. HW suggested that this anomaly should/could be picked up on the issues log.. In response to a question on what is actually meant by this action, SM suggested that it relates to being able to correct a read within the read window in regard to instances where the underlying data type maybe incorrect etc.

Closed

Action AMR002: All members to consider the material presented and provide any further feedback in time for the next meeting.

Update: Consensus was that this has been completed.

Closed

Action AMR003: xoserve to develop a straw man.

Update: This would be covered in item 2 on the agenda.

Closed

2. Scope & Deliverables

Copies of all the presentation materials are available to view &/or download from the Joint Office web site at: <http://www.gasgovernance.co.uk/nexus/200410>.

SN opened this item by providing a presentation on the 'Proposed Approach & Schedule'.

When seeking views on whether or not there are any additional issues that members would like to see covered, SL enquired why it appears that ratchets are not being considered within the SP Reconciliation workgroup. SN suggested that this is because it relates to a wider industry issue, which is more akin to capacity.

When considering the proposed schedule, GD enquired as to the rationale behind market differentiation being set as a separate meeting. SN pointed out that this should allow for input from any in-flight UNC modifications and any other Nexus workgroups to be taken into consideration, although it should not be seen as a reconvening of the market differentiation workgroup, as such.

When asked, members were happy to approve the schedule as presented.

2.1 DME Regime Clarification

SN provided a presentation on the 'DM Bundled Regime Business Rules'. There then followed detailed discussions on the matter, which highlighted key items for consideration, before attempting to specify which of the existing rules should carry over/require amendment/be removed.

SMG stated that NTS meterpoints should not be included for consideration in the unbundling exercise as NTS need to maintain ownership and control of these meterpoints in order to satisfy our Safety Case requirements.

Members made reference to the following important considerations:

Possible Scenarios for Consideration

- DMCSEPS
 - out of scope as they are currently not in the UNC;
 - majority of sites are supplied by a 3rd party;
 - area to be revisited in due course;
- Unique/Telemetered Sites
 - is a 'catch all' term for difficult to define sites such as NTS sites or Special Metering Supply Points etc.;
 - currently 'parked' for possible consideration or exclusion at a later stage;
- DM Mandatory
 - DNs may wish to retain control of telemetered sites at an LDZ level in the new world, for read/system operational purposes;

- around 50 sites involved;
- members agreed to add a new item to cover the 'GTs to retain obligations for some of the sites'.
- Potential RGMA Related Considerations
 - consideration required of the historical RGMA DM Unbundling Report;
- Potential Interruption Considerations
 - will need to be considered in due course;
- Potential Primes & Subs Considerations
 - whilst not a Transporter obligation per se, may need to be considered in due course;
 - one view is that moving to daily readings will negate the need for these;
 - in the area of 2000 configurations spread over approximately 6000 meters;
 - DEC are looking to consult on P&S related items within the next 3 to 4 years;
 - relates to shipper considerations and should be logged as an issue awaiting consideration only when Smart Metering is fully scoped (i.e. CCP roles & responsibilities clearly defined etc.);
 - agreed to revisit this area at the end of this workgroups work;
- Potential Must Read & Supplier of Last Resort Considerations
 - where DME/AMR exists Must Reads may disappear;
 - key issue is what incentivises Shippers to provide a Must Read;

Overview of a DM Site

- Supply Point AQ
 - differentiation between I&C and/or commercial sites is not necessary as it is related to volume rather than capacity;
 - supply points smaller than 58,600,000kWh can not connect directly to the NTS;
- Daily Metered (DM Mandatory)
 - business rules may need to align sites by size in future to cater for a Transporter's perspective;
- Daily Metered (DM Voluntary)
 - will need further discussion under the 'global' transitional issues considerations;
 - concerns remain over retention and support of a 'Backstop' provision beyond a transitional period (i.e. an enduring solution);
- Transporter has Sole Responsibility

- Parties need to consider the impacts of Shippers inheriting responsibility;

Summary of DM Business Rules

- Daily Read Equipment (DRE) (M4.1)
 - as the key Shipper deliverables will be specified within Code in the new world, this section could possibly be removed, although more rigorous controls (business rules) for larger sites maybe required;
 - Transporters still need the 'in day' hourly data for their interruption purposes;
- Potential Resynchronisation Considerations
 - the Check Read aspects will need further consideration;
- Potential Convertor Considerations
 - Although covered under MAM these may need further consideration in due course;
- Meter Readings (M4.2, 4.3 & 4.6)
 - issues relate more to the provision of start of day meter reading, rather than collection of them;
 - obtaining meter readings at other times in the day in an unbundled regime will need further consideration;
 - relevance of the 6 day requirement questioned as it relates to the 'transfer of historic data', although some members believe it relates more to NDM to DM or a new site which relies on the presence of an AQ;
 - some DNs provide their hourly data via file transfer rather than a bulletin board approach;
 - responsibility will move from the GTs to Shippers which will require resolution of issues around timing, size and the level of rigour required;
 - members agreed to carry forward consideration of this item until meetings 5 & 6 in June;
- Failure to Obtain Meter Readings (M4.4)
 - regardless of the fact that other workgroups have all ready discussed this, questions remain as to how the D-7 estimate will work for Weather Sensitive SSPs;
 - a common sense approach will be needed for ascertaining the level of materiality required (i.e. how accurate will parties want to be);
- DM Check Read (M4.7)
 - questions remain as to whether or not this is required for smaller sites;
 - the 2 year safety check meter read backstop may need further consideration;
- DM Read Errors (M4.8)
 - where the DRE is functioning incorrectly refers to the read equipment rather than the meter;

- questions remain as to whether or not in the unbundled world parties would wish to retain the right to challenge (who, when and how often?). *The crucial consideration being will everyone trust everyone else, which is not always the case with the current regime;*
- historically speaking, an Expert Determination has never been sought;
- this area is scheduled to be discussed in later meter reading meetings 5 & 6 in June;
- Provision of DM Meter Readings to Users (G5.1)
 - Concerns remains surrounding the timing of provision of meter readings by 11:00;
 - For an 11 month period up to the end of the last financial year (from April 09), £71k was paid out in liabilities by the DNS;
 - Members concluded that this area maybe better considered in the June meetings;
- Potential Meter Pulse Obligation Considerations
 - this paper is missing the current Shipper obligations;
- Potential Barrier to Unbundling Considerations
 - consideration of surety implications maybe required in due course;
- Potential DM Nominations & Scheduling Charge Considerations
 - some members considered this as a 'must have' item to support daily read provision;
 - xoseve agreed to take an action to include this on the issues log.

In closing, CW agreed to undertake two new actions. Firstly, on behalf of the Transporters to provide supporting justification as to why, and what type of data, the Transporters believe they would require in a future solution. Secondly, to acquire and provide to the Joint Office a copy of the historical RGMA DM Unbundling Report. Additionally, xoserve undertook two new actions to add consideration of the DM nomination and associated scheduling charges to the issues log and to review the business rules in light of the discussions on a move to an unbundled solution (see item 4.1 below).

2.2 Strawman Proposals

Members agreed that this item had been sufficiently covered under the 'Proposed Approach & Schedule' presentation.

2.3 Alignment of IRR Requirements

Members agreed that this item had been sufficiently covered under the 'Proposed Approach & Schedule' presentation.

2.4 Risk Monitoring

FC advised members that no major risks had been identified at this time.

2.5 Transitional Arrangements

FC advised members that transitional issues would be discussed elsewhere within the Project Nexus arena as previous agreed.

3. Workgroup Report

3.1 Preparation of the Monthly/Final Report

When asked, members requested that BF prepare and publish a monthly report on their behalf, based on discussions undertaken at the meeting (see item 4.1 below).

4. Workgroup Process

4.1 Agree actions to be completed ahead of the next meeting.

BF summarised the allocation of the new action items from this meeting as follows:

Action AMR004: Transporters (CW) to provide supporting justification as to why, and what type of AMR asset and read information they believe they would require in a future unbundled solution and whether or not it is appropriate for them to specify AMR equipment standards.

Action AMR005: Transporters (CW) to source a copy of the RGMA DM Unbundling Report and thereafter consider what constitutes an appropriate upper threshold level for DM Mandatory sites and whether more rigorous business rules will be needed in the unbundled world.

Action AMR006: xoserve (SW) to review and revise the business rules in light of discussions.

Action AMR007: xoserve (SW) to review and revise the issues log in light of discussions.

Action AMR008: Joint Office (MiB) to issue an email to Project Nexus W/S members seeking approval of a date/location switch for the 11/05/10 meeting to possibly 19/05/10.

Action AMR009: Joint Office (MiB) to consider issuing an email to previous Project Nexus Workgroup members seeking their commitment to attend future meetings so that thereafter, members could report their none attendance by exception only.

5. Diary Planning

ST highlighted a potential conflict of industry interest for the proposed Nexus Workstream meeting scheduled for 11/05/10, citing the fact that several important meetings are taking place on the same day at different locations. BF agreed to undertake an action to circulate an email to Nexus Workstream members seeking approval to change the meeting date to perhaps 19/05/10, subject to room availability (see item 4.1 above).

The following meetings are scheduled to take place during April/May 2010:

Title	Date	Location
SP Rec 3 Workgroup	27/04/2010	NG Offices, 31 Homer Road, Solihull.
Workstream	11/05/2010	ENA, 52 Horseferry Road, London.
AMR 3 Workgroup	12/05/2010	ENA, 52 Horseferry Road, London.

AMR 4 Workgroup	26/05/2010	TBC.
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6. AOB

BF pointed out that several members had turned up unannounced for the meeting, which potentially could cause problems relating to room size and/or catering arrangements in future. He went on to suggest that an email could be issued to those parties who have already attended a Nexus meeting, seeking clarification of their intention to attend any future meetings and thereafter, members would report their non attendance by exception only. Members agreed that this maybe a sensible approach (see item 4.1 above).

Appendix 1

Action Table - 20 April 2010

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
AMR001	31.03.10	3.1	Seek to clarify why the DME regime made no provision for actual reads to be corrected.	xoserve (MD)	Update provided. Closed
AMR002	31.03.10	3.1	Consider the material presented and provide any further feedback in time for the next meeting.	All	Update provided. Closed
AMR003	31.03.10	3.2	Develop a straw man.	xoserve (SN)	Update provided. Closed
AMR004	20.04.10	2.1	Provide supporting justification as to why, and what type of AMR asset and read information they believe they would require in a future unbundled solution and whether or not it is appropriate for them to specify AMR equipment standards.	Transporters (CW)	Update due 12/05/10.
AMR005	20.04.10	2.1	Source a copy of the RGMA DM Unbundling Report and thereafter consider what constitutes an appropriate upper threshold level for DM Mandatory sites and whether more rigorous business rules will be needed in the unbundled world.	Transporters (CW)	Update due 12/05/10.
AMR006	20.04.10	2.1	Review and revise the business rules in light of discussions.	xoserve (SW)	Update due 12/05/10.
AMR007	20.04.10	2.1	Review and revise the issues log in light of discussions.	xoserve (SW)	Update due 12/05/10.
AMR008	20.04.10	5.0	Issue an email to Project Nexus W/S members seeking approval of a date/location switch for the 11/05/10 meeting to possibly 19/05/10.	Joint Office (MiB)	Update due 12/05/10.
AMR009	20.04.10	6.0	To consider Issuing an email to previous Project Nexus Workgroup members seeking	Joint Office (MiB)	Update due

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			their commitment to attend future meetings so that thereafter, members could report their none attendance by exception only.		12/05/10.

Proposed AMR Schedule

(as extracted from the xoserve 'Proposed Approach & Schedule' presentation provided at the 20/04/2010 meeting)

Title	Date	Topic
Meeting 2	20/04/10	DM Bundled (Unbundled) Regime
Meetings 3 & 4	12 & 26/05/10	Change of Supplier Process
Meetings 5 & 6	09 & 22/06/10	Meter Reading Arrangements
Meeting 7	07/07/10	Ratchets & Reconciliation
Meeting 8	20/07/10	Market Differentiation
Meetings 9 & 10	04 & 17/08/10	Review & Wrap Up + Preparation of any Draft UNC Modification Proposals