

British Gas Proposed Amendments to the Generic Terms of Reference for an Appointed Independent Technical Expert (for the Aberdeen Measurement Error)

- Where there are two Appointed Independent Technical Experts the important principle is that their work will be completed independently. No discussion or communication of methodology, results or any other aspect of their work should take place between the two Experts. All outputs from the Experts should be independently reported to Offtake Arrangements Workgroup and at that point each Expert should be unaware of any and all aspects of the other Expert's work.
- Compile a SMER using the most appropriate data and methodologies to ensure that as accurate an error assessment of the “**Measured Data**” can be made in an economic and efficient manner reflecting the size of the error.
- The Appointed Independent Technical Expert shall be expected to comply with the terms of reference defined for the Specific Measurement Error.
- The Appointed Independent Technical Expert shall be expected to provide at least monthly, **individual** updates to the technical workstream or sub committee authorised to discuss the relevant Measurement Error. This update will include a summary of developing methodologies, technical issues identified (all received within five (5) Business Days of the meeting to be reviewed), relevant queries raised, data requests submitted and evidence requested.
- Where there is more than one Appointed Independent Technical Expert any updates to the technical workstream or sub committee should be undertaken individually by each Expert and the content of any update should not be provided or made available to the other Expert.
- All updates and responses should be provided in writing either at or after any meeting held to discuss the matter.
- The Appointed Independent Technical Expert will determine and consider which, if any, “**Technical Measurement Issues**” submitted will have a material effect on any critical data item connected with the identified Measurement Error. For all such issues, the Appointed Independent Technical Expert will evaluate their contributions to the determination of the magnitude of error in the Measured Data. **Regardless of this all Technical Measurement Issues raised should be fully considered and responded to.**

- The Appointed Independent Technical Expert should be required to highlight all deficiencies in information including data with respect to the use it is being put and deficiencies in the ability to gather data and information used in the estimation of the measurement error, for example the likelihood of error in the position of the orifice plate in relation to the ability to exactly replicate the fault conditions. The Appointed Independent Technical Expert is required to quantify the range of potential impact of each of his or her estimation of the size of the error.
- The decision as to the most appropriate methodologies and data will rest solely with the Appointed Independent Technical Expert taking account of any Technical Measurement Issues raised during the development and compilation of the SMER.
- The decision as to when the SMER is a robust technical evaluation of the magnitude of error in Measured Data will rest solely with the Appointed Independent Technical Expert.
- The Appointed Independent Technical Expert will present the SMER, in draft form, to the authorised technical workstream or sub committee and will review all the Technical Measurement Issues identified. Where there is more than one Appointed Independent Technical Expert, presentation of the draft SMER should be undertaken individually by each Expert and the content of draft SMER should not be provided to or made available to the other Expert. Methods to ensure secure publication of information to relevant parties should be undertaken.
- All Technical Measurement Issues identified should be considered by and responded to fully and individually by each Expert, with their responses not being provided to or made available to the other Expert.
- A Technical Measurements Issue can be raised by any party at any point during the process for consideration and response by the Appointed Independent Technical Experts.
- Without exception all Technical Measurement Issues should be responded to fully and each Issue only being deemed as complete once the party who raised the issue is satisfied with the quality and the content of the response.
- The SMER process cannot be formally completed or the Final SMER report approved or signed off until all Technical Measurement Issues raised are completed.
- The Appointed Independent Technical Expert will determine what data is required from the relevant Transporters in order to ensure appropriate data supports the evaluation of the error in the Measured Data.
- The Appointed Independent Technical Expert will determine what supporting evidence is required from the relevant Transporters in order to support the appropriate methodologies and data in the evaluation of the error in Measured Data.
- The Appointed Independent Technical Expert will determine what relevant questions should be submitted to the relevant Transporters in order to ensure

appropriate methodologies and data are used in the evaluation of error in Measured Data.

- The Appointed Independent Technical Expert will provide the final SMER to the ~~Joint Office Downstream Party~~ in the following template for publication:
 - Executive Summary
 - Site name;
 - DNO;
 - LDZ;
 - Error start date;
 - Error corrected date;
 - Size of error (over or under read);
 - Error description; and
 - Meter type.
 - MER/SMER Unique Reference Number;
 - Compiled by;
 - Error Description;
 - Methodology; and
 - Error quantification

Additions to the Generic Terms of Reference detailed above which were agreed on 1st March 2011 for the Aberdeen Measurement Error as follows:

- “The Appointed Independent Technical Experts shall be required to make all and any data and/or information used or considered in compiling their report available at the request of any member of Offtake Arrangements Workgroup, unless for legal reasons the information is not permitted to be shared. Further the Experts shall be expected to provide full and prompt responses to any and all relevant questions, technical challenges and reasonable requests for supporting data relating to the investigation from any affected party during any point of the process (subject to any legal or commercial restrictions on the release of information).
- Where any requested information is not able to be provided by either the Expert(s) or the Gas Transporter, a full explanation and justification as to the reasons why should be provided.
- The Appointed Independent Technical Experts shall be expected to provide detail within their report of any assumptions made within any of their calculations or determinations and provide detail relating to the rationale for determining such assumptions.

- The Appointed Independent Technical Experts shall be expected to individually and independently progress the compilation of individual SMERs in accordance with the Terms of Reference approved by the Offtake Committee. For the avoidance of doubt, any common tests requested will be expected to be carried out once only with the results provided to each expert.
- Where the Appointed Independent Technical Experts attend any on-site testing at the same time, the Experts should not discuss or share any details relating to the methodology or approach that they will or may be undertaking to complete their investigations. The Experts should conduct themselves in such a way to ensure that the principle of independence is achieved.
- Each expert will be provided with the same access to and provision of any data or information provided by the Downstream or other authorised parties.
- Upon completion of their independent SMERs the experts will present their final reports individually to the Offtake Arrangements Work Group. Only once the members of the Work Group have determined that all Technical Issues relating to the individual SMERs have been responded to successfully and confirmation of this has been provided to the Experts by the Joint Office, shall the Experts convene a meeting between themselves to review and discuss the findings from their relevant SMERs. ~~along with a comparison of their relevant SMERs.~~
- The Appointed Independent Technical Experts will subsequently produce a summary report which will identify any material differences between the individual SMER's and the individually reported correction figures, and propose a single conclusion together with the justification for that conclusion.
- The summary report will be the single agreed SMER outcome, referring back to the two individual reports as appropriate. The individual SMER reports are not to be modified at this stage; however both the summary report and individual SMERs will be presented to Users, the Upstream Party and Downstream Parties for review and technical challenge.
- All issues and technical challenges raised by any party at this stage, should be considered and responded to fully and in writing jointly by the two Experts.
- In the event that the Appointed Independent Technical Experts cannot propose a single conclusion, or an agreed response to any issue or technical challenge, the experts will provide a further report detailing the reasons as to why a single conclusion cannot be reached.
- Although the arrangement and payment of the Appointed Independent Technical Experts services will be the responsibility of the relevant Gas Transporter, the Experts are ultimately accountable to Offtake Arrangements Workgroup for all

work completed and will treat the Offtake Arrangements Workgroup as the 'client'.

- The work of the Appointed Independent Technical Expert will be independently performed; progress and workings will be kept confidential as far as is practical from all parties, including the relevant Gas Transporter until released to the Offtake Arrangements Workgroup. Interim results and issues will not be discussed or shared with any party including the relevant Gas Transporter in order to protect the Expert's work from any direct or indirect influence from any party.
- During the Appointed Independent Technical Expert's investigation, communications between the Experts and the relevant Gas Transporter will be restricted to those necessary to provide the Experts with access to all the information they require. No discussions should take place in relation to the requested information or the use to be made of it except as instigated by the Experts as required to determine the suitability of information and data for the purpose for which it is intended to be used.
- Any conversations or requests attempted to be initiated with the Experts by any party outside of this should be specifically documented in the individual Experts final report.
- The Appointed Independent Technical Experts should not submit or discuss their methodology in advance with any party including the relevant Gas Transporter, but simply, individually request for the data they require and access to personnel, evidence, site, test facilities etc that they require. Any and all individuals that the Experts do not specifically require to talk to should not be present and questions to be put to essential information providers (individual people) should not be made available to anybody else.