

UK LINK Committee Minutes
Tuesday 25 May 2010
at 31 Homer Road, Solihull

Attendees

John Bradley (Chair)	(JB) Joint Office of Gas Transporters
Mike Berrisford (Secretary)	(MiB) Joint Office of Gas Transporters
Ali Tayyar*	(AT) Statoil UK
Ashley Collins	(AC) EDF Energy
Brian Durber	(BD) E.ON UK
Dave Addison	(DA) xoserve
Graham Wood	(GW) Centrica
Joel Martin*	(JM) Scotia Gas Networks
Joanna Ferguson*	(JF) Northern Gas Networks
Lewis Plummer	(LP) xoserve
Linda Whitcroft	(LW) xoserve
Lorraine Cave	(LC) xoserve
Louise Williams	(LoW) RWE npower
Martin Brandt*	(MB) SSE
Phil Broom*	(PB) GDF Suez UK
Simon Trivella*	(ST) Wales & West Utilities
Stephanie Shepherd	(SS) RWE npower
Steve Mullinganie*	(SM) Gazprom
Zoe Titchener	(ZT) xoserve

Apologies

Danielle King	E.ON UK
Sean McGoldrick	National Grid NTS

* *via teleconference link*

1. Discussion on COR1133 – Facilitating the use of AMR in a DM Elective Regime

JB opened the meeting by providing a brief update on progress to date on this matter before going on to explain the various aspects of governance that impact upon the group discussions. As far as the UKLC is concerned, it needs to reach a consensus view and if not, the matter would be referred to the UNCC for their consideration, whereby a majority vote which could comprise of the 5 Transporters + 1 Shipper or vice versa would be sufficient to approve the change. He went on to suggest that it would be preferable if the UKLC could reach a consensus, rather than refer the matter to the UNCC.

Moving on, xoserve (LP) provided a brief review of outcome of the Shipper Transfer Reads Workshop held on 15/03/10 and the proposed options, namely:

Option 1 – xoserve proposal

Following Shipper Transfer, the Estimate OPNT Read is produced and loaded into the system and is provided to the incoming/outgoing shippers on the day of transfer. The incoming shipper can replace this Estimate read by submitting an Actual read as a

replacement read by D+5. Following submission and acceptance of this Actual OPNT read this will be issued to the outgoing shipper.

Option 2a – Shipper proposal

Following Shipper Transfer, the Estimate OPNT Read is produced and loaded into the system, this is held and not issued to the incoming/outgoing shipper on the day of transfer. The incoming shipper can replace this Estimate read by submitting an Actual read as a replacement read by D+5. Following submission and acceptance of this Actual OPNT read, this will be issued to the outgoing shipper. If an Actual read is not provided by the D+5 closeout the Estimate read will be issued to the incoming/outgoing shippers.

Option 2b – Shipper proposal

Following Shipper Transfer, the Estimate OPNT Read is produced and loaded into the system, this is held and not issued to the incoming/outgoing shipper on the day of transfer. The incoming shipper can replace this Estimate read by submitting an Actual read (not required to be flagged as a replacement) by D+5. Following submission and acceptance of this Actual OPNT read, this will be issued to the outgoing shipper. If an Actual read is not provided by the D+5 closeout the Estimate read will be issued to the incoming/outgoing shippers.

LP went on to inform members that responses received to date had been mixed.

GDF Suez UK (PB) as Proposer of UNC Modification 0224 “Facilitating the use of AMR in the Daily Metered Elective Regime” informed members that this is the first of a wide ranging suite of DME related modifications and as such, it is important for the industry to get this one delivered on time and in a style commensurate with requirements. Whilst recognising the technical expertise of UKLC members, he would not wish to see any significant delivery delays. Furthermore, he is less concerned about which option is selected than whether the Phase 1 timescales are met. (i.e. 21/11/10 implementation). If it turns out that the xoserve proposal is the only one, which could deliver the solution to cost and timeframe, then this would be his preference. AC remained concerned that shippers who are not proposing to take up the service, would incur system changes and associated costs in adopting the xoserve solution. Although their portfolios may not be impacted for up to 18 months, the potential impact is significant.

In considering whether or not either of the shipper options (2a &/or 2b) are viable, both DA and LC pointed out that their developers had quoted up to three week delays which would take us to within a week of the xoserve code freeze window. LC added that she remains concerned about ‘pulling in’ extra resources and still not being able to deliver on time. LP added that whilst xoserve could possibly deliver one of the shipper options, a detailed risk assessment would be required beforehand again potentially jeopardising delivery. Furthermore, whilst the delivery of the xoserve solution remains ‘on track’ any refocusing of effort might impact upon this.

Members proceeded to discuss possible adoption of a hybrid solution whereby the xoserve option goes in under Phase 1 and one of the shipper options is developed and introduced either earlier than, or as Phase 2. SM reminded members that DM Unbundling is also looming large on the horizon with discussion at the Distribution Workstream on 27/05/10. DA reminded members that the current xoserve proposal has already been costed out and resourced. BD suggested that the issue for NDM shippers is that an Estimate would be provided on Transfer Day and if an Actual is procured this would have to be submitted as a replacement read. DA added that shipper system coding also impacts upon the automated systems being able to cope with the MBR files. BD suggested that there are also meter reading drift issues to consider. DA advised that the xoserve solution allows for DME to NDM transfers to be manually (consumption) aligned where appropriate.

In response to a question about implementation slippage, DA advised that attempting to undertake shipper testing within the code freeze window could potentially impact upon the February 2011 implementation schedule. PB suggested that the logical approach would be to introduce the xoserve solution for Phase 1 quickly followed by one of the shipper solutions before parties are impacted. LP reminded members, that no additional costing work has been undertaken on this proposed approach and could range between £40 – 80k. He remains concerned that no clear consensus on which of the two shipper options is preferred especially as 2a does not appear to have universal support. Furthermore, option 2b could have significant costs and require complex system changes. DA is of the opinion that 2b, as initially proposed during the May UKLC meeting, was subsequently withdrawn (by the proposer) at the same meeting. AC pointed out that even if he could make a decision to opt for the xoserve solution, he could not then make a decision on either of the shipper options without any costing information. MB also voiced his concern that if this approach were adopted, there are no guarantees that once Phase 1 was introduced, Phase 2 would follow.

Members then went on to debate whether or not any of the three options align with the intent and legal text for UNC Modification 0224. Following extensive discussion, JB suggested, as a way forward, members could ask the Transporters for a legal view. He also pointed out that with respect to suggested discrepancies in 0224's business rules and (final) legal text, if the legal text is found to be inconsistent with the intent of the Modification, then a Consent to Modify could be raised to address this. However, if the legal text is found to be consistent, then a new modification would be required.

ST indicated that he would be willing to support any decision today that resulted in the timely implementation of UNC 0224 (Phase 1) with a later decision on 2a and 2b as part of Phase 2.

As the 'owner' of the legal text production for UNC Modification 0224, JM agreed to take an action to speak with his legal team to obtain a view/interpretation (however, this will simply be SGN's view/interpretation and other parties should seek their own clarity on the point) as to whether or not the three options align with the requirements of the Modification. To assist him to achieve this, he would like provision of a clear set of definitions for the three options. In response to a request to provide this information to JM, both LP and AC agreed to undertake new actions to provide the information. Furthermore, LP indicated that he would liaise with JM to develop a suitable definition document for the xoserve solution and thereafter provide a copy of this for AC to base his shipper solutions equivalent document.

Moving on, DA reminded members that whilst these outstanding actions and their associated work are ongoing, xoserve will still be progressing with their solution and any delays will potentially impact on the delivery of this. Additionally, any future proposals based around 2a or 2b are to be considered as a change to the proposed xoserve solution. Members indicated agreement with this statement.

In closing, members requested that the Joint Office organise a suitable venue for the June UKLC meeting.

Action UKL1193: xoserve (LP) to liaise with SGN (JM) to develop a suitable definition document for their proposed solution with which to seek a legal view/interpretation of whether it aligns with intent (and legal text) of UNC Modification 0224. Thereafter, provide a copy to AC.

Action UKL1194: EDF Energy (AC) to develop a suitable definition document for the two proposed shipper solutions (2a & 2b) with which to seek a legal view/interpretation of whether they align with intent (and legal text) of UNC Modification 0224.

Action UKL1195: Scotia Gas Networks (JM) to liaise with his legal team, to seek a view/interpretation on whether or not, or how, any of the three proposed options align with intent (and legal text) of UNC Modification.

Action UKL1196: Joint Office (MiB) to organise a suitable venue in which to host a face-to-face UKLC meeting in June. *(Post meeting note: this action has been completed, please see item 3. below)*

2. AOB

None.

3. Next Meeting

The June 2010 UK Link Committee meeting will be a face-to-face meeting and is scheduled to commence at 12:30 am on Thursday 10 June 2010 at the National Grid Office, 31 Homer Road, Solihull.

APPENDIX A

ACTION LOG: UK Link Committee 25 May 2010

Action Ref	Meeting Date	Minute Ref (original ref)	Action	Owner*	Status Update
UKL 1164	09/07/09	1.2 (1.1)	Contact BG to discuss their specific volume increase requirements for their proposed June 2010 system change (change to the MAM activity).	xoserve (DA)	Update due at June 2010 meeting. Carried Forward
UKL 1185	11/02/10	4.	Raise the profile of the ConQuest system replacement with the Smart Metering Forum.	xoserve (DA)	Update due at June 2010 meeting. Carried Forward
UKL 1190	08/04/10	1.2	Provide a formal response explaining why the response to the request to provide open access to UK Link File Formats had been in the negative.	xoserve (DA)	Update due at June 2010 meeting. Carried Forward
UKL 1192	13/05/10	3.3	Obtain costs and revised project delivery schedule for incorporating the (RPA file) scope change.	xoserve (LP)	Update due at the June meeting.
UKL 1193	25/05/10	1.	Liaise with SGN (JM) to develop a suitable definition document for their proposed solution with which to seek a legal view/interpretation of whether it aligns with intent (and legal text) of UNC Modification 0224. Thereafter, provide a copy to EDF Energy (AC).	xoserve (LP)	Update due at the June meeting.
UKL 1194	25/05/10	1.	Develop a suitable definition document for the two proposed shipper solutions (2a & 2b) with which to seek a legal view/interpretation of whether they align with intent (and legal text) of UNC Modification 0224.	EDF Energy (AC)	Update due at the June meeting.
UKL 1195	25/05/10	1.	Liaise with his legal team, to seek a view/interpretation on whether or not, or how, any of the three proposed options align with intent (and legal text) of UNC Modification.	Scotia Gas Networks (JM)	Update due at the June meeting.

Action Ref	Meeting Date	Minute Ref (original ref)	Action	Owner*	Status Update
UKL 1196	25/05/10	1.	Organise a suitable venue in which to host a face-to-face UKLC meeting in June.	Joint Office (MiB)	Completed 25/05/10.

*** Key to action owner**

- DA David Addison, xoserve
LP Lewis Plummer, xoserve
AC Ashley Collins, EDF Energy
JM Joel Martin, Scotia Gas Networks
MiB Mike Berrisford, Joint Office