

**Project Nexus**  
**AMR 3 Workgroup Minutes**  
**Wednesday 12 May 2010**  
**ENA, 52 Horseferry Road, London**

**Attendees**

Bob Fletcher (Chair)	(BF)	Joint Office
Anne Jackson	(AJ)	Scottish & Southern Energy
Brian Durber	(BD)	E.ON UK
Chris Warner	(CW)	National Grid Distribution
Dave Harries	(DH)	Total Gas & Power
Elaine Carr	(EC)	ScottishPower
Fiona Cottam*	(FC)	xoserve
Gareth Evans	(GE)	Waters Wye
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
Pete Talbot	(PTx)	xoserve
Peter Thompson	(PT)	Customer Representative
Richard Pomroy	(RP)	Wales & West Utilities
Sean McGoldrick	(SMG)	National Grid NTS
Shirley Wheeler	(SW)	xoserve
Stefan Leedham	(SL)	EDF Energy
Steve Nunnington	(SN)	xoserve
Tim Davis (Secretary)	(TD)	Joint Office

\* via a teleconference link

**1. Review of Minutes & Actions**

BF welcomed everyone to the meeting.

**1.1 Review of Minutes**

Minutes of the 20 April 2010 meeting were accepted.

**1.2 Review of Actions**

**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.

**Update:** CW presented the information held and used by the Transporters, and clarified the existing UNC requirements. RP emphasised that, at present, on W&WU Network, a majority (approx. two thirds of sites) are voluntary rather than mandatory DM sites, which may originally have been mandatory. CW concluded that the Transporters felt more rigorous Business Rules would be required for mandatory DM sites given their size and consequent implications for network operation. HW noted that this was similar to the situation in the electricity market. CW suggested that, given the issues, DM unbundling might be best taken forward as a development in its own right rather than as part of the Project Nexus programme. However, GE felt the new regime could be very light touch without being specific about the type of equipment to be provided. If further requirements were necessary, for example, that within day reads must be made

available, this might be better specified outside the UNC as a bilateral agreement with the site concerned. GE also suggested that allowed revenue issues would need to be addressed. It was agreed that DM Unbundling should be raised at the Project Nexus Workstream with a view to it being developed as a separate topic, possibly under the remit of the Distribution Workstream. SL requested clarity that delivery of DM Unbundling would not be dependent on Project Nexus such that it could be progressed as a separate issue to its own timetable. GE was also concerned that taking this forward outside Project Nexus could create duplication.

**Closed**

**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.

**Update:** CW presented and summarised the RGMA DM Unbundling Report. It was noted that the Transporters had been considered the key user of daily readings at the time such that requiring Suppliers to obtain daily readings, which would not be used in their business seemed inappropriate.

**Closed**

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

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

**Closed**

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

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

**Closed**

**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.

**Update:** Completed.

**Closed**

**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.

**Update:** BF confirmed that the JO would be happy to take block bookings. JF indicated that the second Tuesday of the month is a difficult day for the networks such that there would be continual meeting clashes and requested that the Workstream date be reconsidered.

**Closed**

## 2. Scope & Deliverables

### 2.1 Change of Supplier Process

MD ran through the existing process, and PT captured all comments on the screen during the discussion. Revised documents to be published on the JO website, [www.gasgovernance.co.uk/nexus/090610](http://www.gasgovernance.co.uk/nexus/090610).

CW questioned whether the concept of a Supply Point was necessary and should be built into revised systems. BD identified that electricity link the meter numbers which is much the same thing, and that changing the approach could pass significant costs to Shippers. PT questioned whether a change would be in the interests of customers. SW suggested the issue went beyond AMR, which was accepted such that the issue could be parked for a subsequent discussion during stage 2 of the Project Nexus process.

HW challenged the timescales and whether there was scope for shortening some aspects.

SN asked whether the timescales were consistent with the Third Package, which provides for a three-week transfer process. It was clarified that the actual requirements are unclear and need to be defined – in particular when the process timeline starts.

GE indicated that providing additional historic meter reading information at the enquiry stage would support competition and might be built into Project Nexus requirements. PT said that, from a customer perspective, he would want to avoid fishing expeditions and would prefer the customer to be in charge of whom they approach as a Supplier and that data should only be provided to those that the customer authorised.

SW requested clarity of the data that would be useful and GE offered to provide this for the next meeting, together with views on how use of the data might be audited to guard against fishing expeditions.

**Action AMR010: GE to define data items that could usefully be available at the enquiry stage, together with a view on audit arrangements.**

It was accepted that there were no further AMR specific issues to raise at this point in time in terms of the Change of Supplier process.

### 2.2 Further DM Unbundling Considerations

In light of CW's response to Action 005, this was not considered further.

### 2.3 Review Business Rules

SN presented on behalf of xoserve, and clarified that he saw voluntary DM sites falling within the DME category.

#### DM Unbundling

BD raised the Safety Case issues around DM sites. GE agreed that safety requirements should be separately identified from more commercial issues within the UNC and taken forward in their own right.

CW did not see LDZ DM CSEPs as being within scope for daily read requirements since they are not formally within the UNC at present, though

they have been subject to informal arrangements for a number of years. SL noted that treating NTS DM CSEPs differently would seem contradictory.

SL suggested that for assessing the site's amount of gas offtaken, relying on AQ is not representative of current throughput for DM sites since the AQ is based on the previous years actual consumption. This was accepted.

SW sought agreement that xoserve should not consider DM Unbundling further at this stage, and the Workgroup accepted this.

#### Unique Sites

It was confirmed that, as an off-line system, this was within scope of Project Nexus, although the solution adopted would need to be tested on a cost benefit basis.

SN suggested that, to take forward the Business Rules, it was necessary to commence walking through the existing arrangements, starting with those brought to this meeting.

It was agreed that, at this stage, dual fuel issues should be left out of scope for the AMR development process given uncertainties around the DECC Smart Metering programme.

PT questioned whether carbon reductions needed to be borne in mind and the consequences for market requirements. Customers may need a consistent view of energy usage when changing Supplier and this could be built into the Project Nexus approach. Others felt this would be handled by Suppliers rather than impacting xoserve systems.

xoserve's proposed workplan for subsequent meetings was then agreed as a working assumption.

#### **2.4 Alignment of IRR requirements**

No issues raised.

#### **2.5 Risk Monitoring**

No issues raised.

#### **2.6 Transitional Arrangements**

No issues raised.

### **3. Workgroup Report**

#### **3.1 Preparation of the Monthly/Final Report**

When asked, members requested that BF provide a verbal update on their behalf at the Project Nexus Workstream.

### **4. Workgroup Process**

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

GE will bring a list of data items to the next meeting and xoserve will present the business processes that are to be reviewed.

### **5. Diary Planning**

In light of conflicts, it was agreed that the meeting planned for 26 May should be cancelled. The next AMR meeting will therefore be at the Energy Networks Association on 9 June and include topics planned for both AMR4 and AMR5.

### **6. AOB**

None raised.

## Appendix 1

## Action Table - 20 April 2010

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
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)	Presented 12 May 2010 <b>Closed</b>
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)	Presented 12 May 2010 <b>Closed</b>
AMR006	20.04.10	2.1	Review and revise the business rules in light of discussions.	xoserve (SW)	Presented 12 May 2010 <b>Closed</b>
AMR007	20.04.10	2.1	Review and revise the issues log in light of discussions.	xoserve (SW)	Presented 12 May 2010 <b>Closed</b>
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)	Complete <b>Closed</b>
AMR009	20.04.10	6.0	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 non attendance by exception only.	Joint Office (MiB)	Complete <b>Closed</b>
AMR010	12.05.10	2.1	Define data items that could usefully be available at the enquiry stage, together with a view on audit arrangements.	Waters Wye (GE)	Due for 9 June Meeting

**Proposed AMR Schedule**

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

<b>Title</b>	<b>Date</b>	<b>Topic</b>
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