

**Project Nexus**  
**AMR 16 Workgroup Minutes**  
**Friday 14 January 2011**

at the National Grid Office, 31 Homer Road, Solihull

**Attendees**

|                             |       |                                  |
|-----------------------------|-------|----------------------------------|
| Bob Fletcher (Chair)        | (BF)  | Joint Office of Gas Transporters |
| Mike Berrisford (Secretary) | (MiB) | Joint Office of Gas Transporters |
| Brian Durber                | (BD)  | E.ON UK                          |
| Chris Warner                | (CW)  | National Grid Distribution       |
| Claire Silk                 | (CS)  | RWE npower                       |
| Fiona Cottam                | (FC)  | xoserve                          |
| Gareth Evans                | (GE)  | Waters Wye Associates            |
| Graham Wood                 | (GW)  | Centrica                         |
| Joel Martin*                | (JM)  | Scotland Gas Networks            |
| Lisa Harris                 | (LH)  | Shell                            |
| Mark Knight                 | (MK)  | Scottish & Southern Energy       |
| Michael Payley              | (MP)  | xoserve                          |
| Michele Downes              | (MD)  | xoserve                          |
| Peter Thompson              | (PT)  | Customer Representative          |
| Sean McGoldrick             | (SMc) | National Grid NTS                |
| Steve Mulliganie            | (SM)  | Gazprom                          |
| Steve Nunnington            | (SN)  | xoserve                          |
| Tomas Connolly*             | (TC)  | ScottishPower                    |

\* denotes via a teleconference link

**1. Introduction**

BF welcomed all to the meeting.

**1.1 Review of Minutes**

The minutes of the previous meeting were accepted.

**1.2 Review of actions**

**Action AMR028:** All to consider what would constitute an appropriate AQ consumption threshold for utilisation in process 2.

**Update:** BF suggested that this action is now closed.

**Closed**

**Action AMR029:** National Grid Distribution (CW) Investigate the provision of drift related information (DM resynch frequencies and volume data).

**Update:** CW suggested that this item would be 'covered' under the business rules document considerations later in the meeting. It was agreed that the action should be carried forward.

**Carried Forward**

**Action AMR030:** Transporters (CW) and xoserve (FC) to consider what the current validation process is, and how it would need to be amended to suit utilisation in the four proposed processes (i.e. develop a draft validation process for consideration at a future meeting, if and when, convened).

**Update:** FC pointed out that the requested materials had been provided. It was agreed to carry forward the action to keep it visible. However from a provision of materials aspect it is complete.

**Closed**

**Action AMR031:** xoserve (FC) to update the Business Rules Document in line with suggested amendments in time for consideration at a future meeting.

**Update:** Again FC pointed out that the requested materials had been provided. It was agreed to close the action.

**Closed**

**Action AMR032:** Joint Office (MiB) to undertake the booking of provisional meeting dates in 2011 for consideration at the Project Nexus Workstream meeting on 10/12/10.

**Update:** BF advised that a list of consolidated meeting dates would be published shortly on the Joint Office events diary at: <http://www.gasgovernance.co.uk/Diary>. It was agreed to close the action.

**Closed**

## 2. Scope and Deliverables

*Copies of the various presentation materials are available to view &/or download from the Joint Office of Gas Transporters web site at: <http://www.gasgovernance.co.uk/nexus/140111>.*

### 2.1 Further Consideration of Meter Reading Arrangements

#### 2.1.1 PNUNC AMR Topic Workgroup Meeting 16 – Meter Reading presentation

xoserve (MD), provided a brief overview of the presentation. Those present identified the following points of interest:

Questions / Issues log slide

MD remarked that she is looking to review the first three main bullet points under item 2.1.2 below.

#### 2.1.2 Business Requirements Document for AMR Meter Reading document discussions and review

xoserve (MD) provided an overview of the 'Business Requirements Document for AMR Meter Reading (v0.9 dated 30/11/10)' document.

During the review of the BRD, the following points were considered/raised:

- 5.1.4 – agreed by the workgroup that a standard methodology should be used (to 'cover' all 4 proposed processes) for all estimated reads;
- 5.1.5 - Read Communication Content presentation
  - FC pointed out that the list was based on the current file contents and that NDM aspects had also been considered;
  - it was suggested that Proteus files should also be considered to ensure complete capture;
  - inclusion of 'Actual & Derived' elements are based on previous meeting discussions, although it was acknowledged that these may need to be revisited

once re-sync discussions are underway. Industry stewardship issues may need considering as well;

- BD pointed out that the correct term is convertor, and not corrector as written;
- in considering imperial or metric AMR readings, FC advised that this is not a problem as the calculations are driven from the asset data. Furthermore, Transporter systems are currently able to convert either reading;
- SM suggested that where additional data is available, its provision should be an optional flow – the real issue is how we develop a ‘generic’ process;
- clarification of why a start and end read is required for DM, but not NDM/DME would be beneficial – provision of a process flow map may also help;
- GW suggested that any transitional issues would also need consideration, and
- definition(s) for reads may be required as well – to be considered in due course.

Two new actions were agreed, one for shippers to consider any additional read items (based on the existing FF’s) for the shipper to GT read communication items, and xoserve to provide examples of the current FF’s to support the shipper action.

- 5.1.11 - Options for Meter Reading Validation presentation
  - On Site (MRA) Validation carried out at the time sees data entered on a hand held terminal;
  - Round the clock (RTC) test for 4 dial meters is as defined in the Validation Rules as the minimum validation requirement;
  - Daily Read Equipment (DRE) checks are looking to identify movements on what are normally ‘stable’ loads;
  - CW pointed out that at the Panel meeting on 20/01/11, several new DME modifications are being considered which have a potential impact on DRE;
  - Inner Tolerance Range refers to On-site validation whilst Outer refers to system validation;
  - in considering the first bullet point on the Meter Validation Strawman slide, GE suggested that for zero consumption, two key aspects need consideration – avoiding skewing data and impacting upon settlement;
  - FC advised that currently there is a low number of occurrences of zero consumption (which maybe spurious or correct !), although any future ‘ramping up’ on the number of impacted sites could significantly change this;
  - further consideration of zero reads will be required when moving to a daily read based regime;

- In considering a question on the failure criteria, FC confirmed that 'triggering' any of the parameters would result in a failed validation;
- PT noted that the way meter readings / data is segmented in terms of the four proposed options may be a way of segmenting the market in preference to using traditional market differentiation methods which utilise energy or the main premises usage;
- PT also noted that care is needed to ensure that the rules used to manage the out of scope AMR reads and subsequent allocation processes for the higher usage sites are not transferred to the lower usage sites as this would make the process long and unnecessary – currently monthly read sites are dealt with differently to the daily read sites and perhaps maintaining this difference (rather than link them together as AMR spreads down through the usage layers) may be beneficial;
- when asked, FC confirmed that where the previous day's estimate is replaced with an actual read this falls under the reconciliation area;
- looking at the possible alternatives slide, MD suggested that the use of validation calculated using the allocation at D+1 by the GT was a more radical suggestion;
- places reliance on the accuracy of the AQRs and as a consequence, the daily profiles is a very complex solution;
- GE suggested that the accuracy of AQRs is a concern as this places a heavy reliance on the development of accurate algorithms;
- in considering the Strawman Alternative Validation table on slide 11, MD pointed out that this potentially only applies to option 4 whilst FC suggested we need to avoid potentially 'racking up' site errors;
- care will be needed to avoid doubling up on the number of validation rules – it boils down to how big a safety net is deemed appropriate;
- some believe that it is the size of the error and not the size of the customer/site which is important;
- FC suggested that we should not be looking to agree the percentages involved, but rather the framework – you could then delve down into the detail (%) at a later date;
- Moving on to consider the rejections slide, FC suggested that additional downstream checks may be required, and
- SM suggested that it hinges on identifying the minimum acceptable standard as individual parties contractual valuations and checks may be different.

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Summarising, BF suggested that further consideration will be required at future meetings.

Two new actions were agreed, one for shippers to examine their sites where validation failures have taken place and consider if the strawman validation proposals would/could work, and xoserve are to provide a short list of suitable questions for shippers to (consistently) ask their colleagues or service providers for answers to.

- 5.2.2 – Workgroup agreed to the GT using the D-7 estimate for allocation purposes for process 2 whilst highlighting the concerns surrounding the difference between weather sensitive, and non weather sensitive loads;
  - explain how D-7 does not take weather sensitivity into account – heating load sensitivity issues may need capturing and considering at a later date;
  - when asked FC confirmed that broadly speaking, usage ‘swings’ tend to reflect temperature ‘swings’;
  - LH remains unsure whether or not she can support the proposed solution and still has concerns on the potential impact of this option on the (larger) small sites;
- 5.2.6, 5.2.11, 5.3.9, 5.3.13, 5.4.8 & 5.4.10 – will be revisited in due course;
- 5.3.6 – correction of a typo whereby 5.3.17 should read as 5.3.18;
- 5.3.18 – LH questioned if option 3 actually addresses process read timings;
  - in response, FC pointed out that whilst there are no actual timings on the batch submissions, she believes that 5.3.18 makes provision for must read submissions which addresses this concern – effectively it is a 4 month back-stop window;

Following a question regarding any caps on read volumes from SM, FC advised that the requirement would be expressed as no cap on the number of daily volumes that could be submitted, and that input would be required from Shippers as to their expected take-up of the various process options;

- 5.3.20 – FC confirmed that this will be ‘lifted’ for consideration under reconciliation in due course;
- 5.6.7 – SM suggested that the principle is sound and it boils down to which read process is most suitable – an AQ derived read or a D-7;
  - GE voiced some concern at possible utilisation of the current AQ processes as this could potentially invoke system process issues over time – i.e. the validation rules ‘trip up’ the actual reads (the potential impact of opening read errors v’s historical data)
  - accurate tolerance setting will be of paramount importance;

- SN suggested opting for the AQ model, but call it consumption – this was agreed subject to the caveat that GE still thinks this would/could not work;

MD then provided a brief overview of the Issues Log.

In closing, FC asked that we formally minute that the workgroup will NOT consider ratchets, although she is happy to keep a watching brief. BF supported this and pointed out that this area is the subject of a Code Review.

xoserve (FC) to update the Business Rules Document in line with suggested amendments in time for consideration at a future meeting.

## **2.2 Alignment of IRR requirements**

BF advised that this item had been covered under the review of the issues log in item 2.1 above.

## **2.3 Transitional Arrangements**

BF advised that this item maybe discussed at a future meeting, if convened.

## **3. Workgroup Report**

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

BF advised that he would provide a verbal report in due course.

## **4. Workgroup Process**

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

The following new actions were discussed and assigned:

**New Action AMR033: Shippers to consider any additional read items (based on existing File Formats) for the shipper to GT read communications.**

**New Action AMR034: xoserve (FC/MD) to provide examples of the current FF's to support the undertaking of action AMR033 by the shippers.**

**New Action AMR035: Shippers to examine their sites where validation failures have taken place and consider if the 'strawman' validation proposals would/could work.**

**New Action AMR036: xoserve (FC/MD) to provide a short list of suitable questions for shippers to (consistently) ask their suppliers for information.**

**New Action AMR037: xoserve (FC) to update the Business Rules Document in line with suggested amendments in time for consideration at a future meeting.**

**New Action AMR038: xoserve (MD) to produce a plan / tracker document (similar to that utilised for PN UNC), suitable for updating at each meeting.**

**New Action AMR039: All to review the plan / tracker document at each meeting to ensure each topic is 'on target' and identify any potential issues (missed milestones etc.) and consider any 'knock on' impacts on other topic areas.**

## **5. Diary Planning**

*Please note, that discussions on this item were taken out of sequence and completed prior to consideration of item 2. above.*

**5.1 AMR Workplan presentation**

xoserve (MD) provided a brief overview of the proposed workplan, with the main discussion points being:

Proposed Plan slide 3

MD pointed out that the 'Meeting 1' items were in fact for consideration at today's meeting.

Proposed Plan continued slide 4

When asked, FC agreed to include consideration of the interaction with the AUGÉ (Allocation of Unidentified Gas Expert).

Proposed Plan continued slide 5

When asked, FC agreed to consider whether or not, a Market Differentiation meeting (for the AMR area only) would be required.

Planned Dates slide 6

BF advised that a consolidated version of the planned dates would be published on the Joint Office web site in due course.

Thereafter, it was agreed to change the 24 May 2011 details to read as a 'Re-Synch & Reconciliation' meeting.

Management of the Plan slide 7

xoserve (MD) agreed to undertake a new action based around the first two bullet points to produce a plan / tracker document (similar to that utilised for the PN UNC) that would be updated at each meeting.

Thereafter, the workgroup accepted a new action to coincide with the above, to review the plan / tracker document at each meeting to ensure each topic is on target and identify any potential issues (missed milestones etc.) and 'knock on' impacts on other topic areas.

The following meetings are scheduled to take place during Jan/Feb/Mar 2011:

| <b>Title</b>      | <b>Date</b> | <b>Location</b>                     |
|-------------------|-------------|-------------------------------------|
| AMR17             | 02/02/2011  | NG Office, 31 Homer Road, Solihull. |
| SET1              | 09/02/2011  | NG Office, 31 Homer Road, Solihull. |
| Workgroup & AMR18 | 22/02/2011  | ENA, 52 Horseferry Road, London.    |
| SET2              | 02/03/2011  | NG Office, 31 Homer Road, Solihull. |
| Workgroup & AMR19 | 14/03/2011  | NG Office, 31 Homer Road, Solihull. |
| SET3              | 23/03/2011  | NG Office, 31 Homer Road, Solihull. |

**6. Any Other Business**

Progress Update on the development of the draft UNC modifications

GE provided a brief progress update on his three draft modification proposals (Daily Meter Read, Enhanced Supply Point Enquiry Service and Market Differentiation). He advised that these have been written and are currently undergoing internal review. The modifications aim to cover the whole market, and not simply AMR.

However, he advised that these proposals have 'missed' the deadline for consideration at the 20/01/11 Panel meeting.

FC pointed out that the proposed AMR Workplan is 'neutral' with regard to any new modification proposals that may be raised. She went on to indicate that she would be keen for the three (or any other related) new proposals to be sent to 'Project Nexus UNC Workgroup' for consideration.

#### Code Governance Update

BF advised those present that under the new governance regime each modification (as in the above statement) would become a workgroup in their own right before clarifying that the latest submission date for new modification proposals to the Panel is now eight (8) business days prior to a meeting.



## Appendix 1

Action Table

| Action Ref | Meeting Date | Minute Ref | Action  | Owner                            | Status Update  |
|------------|--------------|------------|---|----------------------------------|--|
| AMR028     | 16.11.10     | 2.1.2      | Consider what would constitute an appropriate AQ consumption threshold for utilisation in process 2.  | All                              | Update provided.<br><b>Closed</b>                      |
| AMR029     | 16.11.10     | 2.1.2      | Investigate the provision of drift related information (DM resynch frequencies and volume data).  | National Grid Distribution (CW)  | Update to be provided in due course.<br><b>Pending</b> |
| AMR030     | 16.11.10     | 2.1.2      | Consider what the current validation process is, and how it would need to be amended to suit utilisation in the four proposed processes (i.e. develop a draft validation process for consideration at a future meeting, if and when, convened). | xoserve (FC) & Transporters (CW) | Update provided.<br><b>Closed</b>                      |
| AMR031     | 16.11.10     | 2.1.2      | Update the Business Rules Document in line with suggested amendments in time for consideration at a future meeting.   | xoserve (FC)                     | Update provided.<br><b>Closed</b>                      |
| AMR032     | 16.11.10     | 5.         | Undertake the booking of provisional meeting dates in 2011 for consideration at the Project Nexus Workstream meeting on 10/12/10.   | Joint Office (MiB)               | Update provided.<br><b>Closed</b>                      |
| AMR033     | 14.01.11     | 2.1.2      | Consider any additional read items (based on existing File Formats) for the shipper to GT read communications.  | Shippers                         | Update to be provided in due course.                   |
| AMR034     | 14.01.11     | 2.1.2      | Provide examples of the current FF's to support the undertaking of action AMR033 by the shippers.   | xoserve (FC/MD)                  | Update to be provided in due course.                   |
| AMR035     | 14.01.11     | 2.1.2      | Examine their sites where validation failures have taken place and consider if the 'strawman' validation proposals would/could work.  | Shippers                         | Update to be provided in due course.                   |

| Action Ref | Meeting Date | Minute Ref | Action  | Owner           | Status Update                        |
|------------|--------------|------------|---|-----------------|--------------------------------------|
| AMR036     | 14.01.11     | 2.1.2      | Provide a short list of suitable questions for shippers to (consistently) ask their colleagues or service providers for information.  | xoserve (FC/MD) | Update to be provided in due course. |
| AMR037     | 14.01.11     | 2.1.2      | Update the Business Rules Document in line with suggested amendments in time for consideration at a future meeting.   | xoserve (FC)    | Update to be provided in due course. |
| AMR038     | 14.01.11     | 5.1        | Produce a plan / tracker document (similar to that utilised for PN UNC), suitable for updating at each meeting.   | xoserve (MD)    | Update to be provided in due course. |
| AMR039     | 14.01.11     | 5.1        | Review the plan / tracker document at each meeting to ensure each topic is 'on target' and identify any potential issues (missed milestones etc.) and consider any 'knock on' impacts on other topic areas. | All             | Update to be provided in due course. |