

Project Nexus
AMR 17 Workgroup Minutes
Wednesday 02 February 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
Fiona Cottam	(FC)	xoserve
Gareth Evans*	(GE)	Waters Wye Associates
Jonathan Wisdom	(JW)	RWE npower
Lisa Harris	(LH)	Shell
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

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

Update: Retained for visibility purposes.

Carried Forward

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

Update: BF explained that this matter would be covered under the business rules discussions below.

Carried Forward

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

Update: FC confirmed that the FFs had been provided and published on the Joint Office web site.

Closed

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

Update: SM advised that Gazprom had commenced analysis of their portfolio (with either a U6 or U16 meter) for the last 12 months, the findings for which he expects to be able to present at the next meeting.

An initial examination of the raw data suggests that it includes a wide range of sites. The impact of premises such as shops which may or may not be trading over a weekend are being considered and the utilisation of aggregated tolerances could be one way of mitigating the impact of these types of site. PT wondered if the rules appertaining to the larger metered sites could possibly be applied at the smaller end of the market.

Carried Forward

Action AMR036: xoserve (FC/MD) to provide a short list of suitable questions for shippers to (consistently) ask their colleagues or service providers for information.

Update: FC confirmed that the list of questions had been provided as requested.

Closed

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

Update: FC confirmed that the business rules document had been updated in line with the discussions undertaken during the AMR16 meeting.

Closed

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

Update: MD confirmed that a new plan / tracker had been prepared and published on the Joint Office web site, as requested.

Closed

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.

Update: Joint Office (MiB) agreed to add a new AMR standing agenda item to review the plan / tracker document at each meeting.

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/020211>.

2.1 Further Consideration of Meter Reading Arrangements

2.1.1 PNUNC AMR Topic Workgroup Meeting 17 – Meter Reading presentation

xoserve (MD), provided a brief overview of the presentation. MD pointed out that at the previous meeting (AMR16) consideration of an estimating methodology for process 3 had been overlooked.

Moving on, MD pointed out that on the 'Questions / Issues log' page, any items marked as red are to be considered at today's meeting.

2.1.2 AMR Meter Reading Proposed To-Be Processes presentation

xoserve (MP), provided a brief overview of the presentation. Those present discussed the four proposed process maps in some depth. The following key points being discussed:

Process 1 Flow Chart

Referring to box 1.4, BD remarked that under the present DM mandatory process shippers are not obliged to provide a D-7 estimated read, as this is a transporter service. For clarity, SM added that in his view any reading where he has derived it by the use of a calculation is an estimate and any read he has obtained by any other means is an actual read. FC reminded those present that the option of D-7 provision by Shippers was previously included within the business rules in response to requests from various parties.

In answering a question as to why shippers want to be able to provide an estimate at this stage in the process, SM indicated that it is able to reflect a shipper's commercial relationship with their respective service providers. CW suggested that the estimated reads provided here do not necessarily warrant or need any form of validation.

Moving on to consider step 1.6, FC pointed out that the logic check is there to protect shippers and other market participants from the effects of (possible) erroneous values which may have a high financial impact. In response, SM suggested that 1.6 should really be 'common' to both streams (swim lanes) in that case. FC noted that a logic check primarily relates to the physical (equipment) aspects of a reading whereas, a validation focuses on aspects of the read itself. MP advised that he would look to add a link between steps 1.9 and 1.6.

The debate then moved on to consider possible validation failure requirements, and the need to develop suitable rules to support these. Asked whether or not a process is required to support service provider (system / process related) failures, SM thought that this was not necessary as it would / should already be covered by the contractual agreements in place between the parties concerned. However, BD reminded those present that service provider market liberalisation initiatives will need further consideration in due course. FC suggested that if the D-7 rule is deemed suitable, this could be utilised in the shorter term to 'limit' the likely exposure in the case of a failure.

FC went on to remind those present that the exposure to this type of risk (i.e. liabilities amongst others) currently sit with the Transporters and these will be transferring over to the shippers in the new world – these DM unbundling type of issues will need consideration in due course.

In responding to a question as to whether or not xoserve could superimpose file flow information on the process flow charts, FC pointed out that this would not be possible because the future communication requirements have not been defined as yet.

In considering how best to progress matters, and being mindful of the development and launch of modifications to assist the project, BF reminded those present that under the new UNC governance arrangements any and each new modification will be treated as a workgroup in its own right – whilst this does not prevent discussion of

several 'related' modifications on the same day and in theory at the same meeting (basically similar in concept to the old workstreams), each would be recorded separately (i.e. individual sets of minutes).

In returning to consider step 1.3, FC responded to a question advising that this refers to replacing with actual reads (ref: BR 5.1.9) but also acknowledged that a 'cap' or some form of charge to limit these may be needed to limit the number of times that a reading can be replaced depending on potential volumes.

Process 2 Flow Chart

MP opened by remarking that this chart will also be amended in line with the previous discussions above.

In considering step 2.4, xoserve confirmed that this relates to any read submitted up to and including 05:59 on D+1.

Moving on to step 2.7, parties confirmed that they would wish to know which read had been utilised (actual or estimated) especially as the detailed must read process is not shown in the examples provided.

FC pointed out that both step 2.9 & 2.10 reflect previous business rule discussions and requests. SM enquired if xoserve were / are confident that their systems are able to handle the potential volumes of data being streamed to them. Whilst acknowledging that further discussion on traffic (volume) levels is needed, FC responded that the predicted levels would need to form part of the business requirements.

BD remarked that consideration of costs associated to the respective processes would influence decisions over which one to opt for.

Process 3 Flow Chart

In considering step 3.4, SM enquired if any 'missing' reads (in a sequence – daily, weekly, fortnightly or monthly etc.) within a batch, or series of batches would result in the batch(es) being rejected. Whilst acknowledging that the answer may appear somewhat 'draconian', FC advised that it depended on what was the agreed business requirement. However, she went on to suggest that development of some form of a 'patch' mechanism for missing reads may be beneficial. This could also be supported by development of suitable communication mechanisms to inform parties where 'gaps' exist. She went on to suggest that differentiating between readings and energy (consumptions) in these cases is trickier – regardless of which solution we go for, care is needed to ensure that the must read processes can be operate effectively.

SM indicated that he would not expect batches containing missing days/reads to be rejected and would wish to see the gaps 'filled in' by some means or other. He also added that he would expect to be kept informed as to what value of energy was calculated for the missing days.

When asked, those present were unsure if they require a back calculation of energy to the reading (i.e. estimated reading for missing days) for process 3. It was agreed that the actual solution would be designed in due course. FC went on to suggest that having reads in place of energy (volumes) makes identification of missing reads possible, especially considering that maintaining 'completeness of energy' is of paramount importance. When asked, it

was suggested that provision of both readings and energy values for missing days would be beneficial, but as a minimum it must provide readings.

It was noted that it would be preferable to avoid the bureaucracy associated with the equivalent electricity model.

Process 4 Flow Chart

When asked if this was similar to a monthly reconciliation process, MD confirmed that it was.

In closing, MP agreed to take a new action to revise the process flow charts in line with the points raised during these discussions.

2.1.3 AMR 17 – Note on Weather Sensitivity presentation

FC provided a very brief overview of the presentation pointing out that SC relates to Scotland and SW to South Wales – two diametrically opposed areas deliberately selected for purpose of these examples.

Moving on, FC apologised for two typographical errors – the use of 1 & 5% should really read as degrees (temperature) and Band 05 War Band 2 should read as Band 4.

Looking at the graph FC confirmed that the data points relate to actual readings aggregated into LDZ models for Demand Estimation purposes.

2.1.4 AMR 17 – Analysis to Support Tolerance Level Discussions presentation

FC suggested that in light of outstanding action item AMR035, consideration of this matter is deferred until more information is provided by the Shippers, at the next meeting.

2.1.5 Options for Meter Reading Validation – Information / Analysis Request presentation

FC advised that this is provided to people for them to take away and consider with a view to providing feedback at a later date. In light of this suggested route, a new action was placed on those present.

2.1.6 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 (v0.10 dated 24/01/11)' document.

During the review of the BRD commencing from 5.8 onwards, the following points were considered/raised:

- 5.8 – referring to previous concerns over the DME process arrangements, MD sees no issue with processes 1 & 2, but 3 & 4 may need consideration;
 - BD suggested that there remains a concern over the D+5 to D+10 change of supplier along with other associated aspects;
 - some believe that the closing / opening read 'ownership' issue is addressed by the fact that the read belongs to the consumer;

- in considering inheriting the previous suppliers liabilities, it was suggested that identification of a mutually agreed 'transitional read' between the outgoing and incoming shipper (subject to passing tolerance checks) maybe beneficial;
- 5.9.1 – consideration of optical solutions should be included;
 - SM questioned the statement based on his view of previous discussions;
 - retention of check read processes was questioned, although it was acknowledged that they could be utilised for any derived reads, although some felt this should be out of scope;
 - further consideration of drift related risks is required before parties are able to fully committing to a solution. This would be covered under the AMR Reconciliation topic;
 - drift will also need consideration, but care is needed around addressing signal length issues (i.e. incorrect equipment configuration etc), plus under / over billing and technology risks amongst others;
 - code of practice guidance around drift to be considered – SM agreed to take an action to investigate and provide the Code of Practice documentation for consideration;
 - the 2 yearly safety check could be utilised as a back-stop position along with 'piggy backing' check reads onto them as well;
 - the value of xoserve retaining check read information was questioned;
 - reconciling safety and commercial issues maybe difficult;
- 5.9.2 – FC suggested this should be retained to protect RbD from the risks associated with long un-reconciled periods (process 4);
 - it was thought that this could be managed by the AUGE;
 - any subsequent modification would need to consider flexing the AUGE rules;
 - it was noted that when modification 0270 was raised the AUGE Modification (0229) had not been approved and hence those business rules stated that the meter points had to remain within RbD;

xoserve (MD) agreed to three new actions. The first is to discuss the supplier read issues with SL to ascertain what is required with regard to 5.8 whilst the second is to give further consideration to check reads and transfer reads. The final action is to update the BR document in line with the discussions undertaken during the meeting.

SM agreed to undertake a new action to provide a copy of the Drift Related Code of Practise for circulation by the Joint Office prior to the next meeting.

2.2 Alignment of IRR requirements

Not considered.

2.3 Transitional Arrangements

Not considered.

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 AMR040: xoserve (MP) to revise the flowchart maps for processes 1 through to 4 in line with comments provided.

New Action AMR041: All to consider the options for meter reading validation (information & analysis) and provide suitable feedback.

New Action AMR042: xoserve (MD/FC) & EDF Energy (SL) to discuss supplier read issues and ascertain what is required in terms of BRD rule 5.8.

New Action AMR043: xoserve (MD/FC) to give further consideration to check reads and transfer reads.

New Action AMR044: xoserve (MD/FC) to update the Business Rules Document in line with suggested amendments in time for consideration at a future meeting.

New Action AMR045: Gazprom (SM) to obtain a copy of the Codes of Practise 'covering' Drift and provide to the Joint Office for timely publication prior to the next meeting.

5. Diary Planning

5.1 AMR Workplan presentation

xoserve (MD) provided a brief overview of the proposed workgroup timeline plan (dated 17/01/11), with the main discussion points being:

- Parties agreed that the status for the Meter Reading item should remain as amber.

FC suggested that even if the group cannot 'bottom out' certain specific parameters (e.g. check reads), it should be possible to identify the broader requirements. Thereafter, any UNC modifications could seek to resolve outstanding issues within their own business rules discussions.

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

Title	Date	Location
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.
AMR20	05/04/2011	ENA, 52 Horseferry Road, London.

Workgroup & SET4	19/04/2011	NG Office, 31 Homer Road, Solihull.
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6. Any Other Business

None.

Appendix 1

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
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. Pending
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. Pending
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 provided. Closed
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. Pending
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 provided. Closed
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 provided. Closed
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 provided. Closed
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 provided. Closed
AMR040	02.02.11	2.1.2	Revise the flowchart maps for processes 1 through to 4 in	xoserve	Update to be provided in

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			line with comments provided.	(MP)	due course.
AMR041	02.02.11	2.1.5	Consider the options for meter reading validation (information & analysis) and provide suitable feedback.	All	Update to be provided in due course.
AMR042	02.02.11	2.1.6	Discuss supplier read issues and ascertain what is required in terms of BRD rule 5.8.	xoserve (MD/FC) & EDF Energy (SL)	Update to be provided in due course.
AMR043	02.02.11	2.1.6	To give further consideration to check reads and transfer reads.	xoserve (MD/FC)	Update to be provided in due course.
AMR044	02.02.11	2.1.6	Update the Business Rules Document in line with suggested amendments in time for consideration at a future meeting.	xoserve (MD/FC)	Update to be provided in due course.
AMR045	02.02.11	2.1.6	Obtain a copy of the Codes of Practice 'covering' Drift and provide to the Joint Office for timely publication prior to the next meeting.	Gazprom (SM)	Update to be provided in due course.