

AQ Review Principle Topic Workgroup

Terms of Reference

1. Purpose

Following agreement at the Project Nexus Uniform Network Code (PNUNC) Workstream, a number of Principle Topic Workgroups are to be established to review the high level industry principles, considering the comments raised as part of xoserve's Project Nexus Consultation. These discussions will focus around confirmation of the high level business rules (i.e. the what and not the who), only for those processes that are unlikely to be affected by the development of the anticipated Smart Metering Programme.

Each Principle Workgroup meeting will be organised and conducted in a manner consistent with the existing UNC governance process, seeking to engage industry participants and progress these principle areas to a conclusion. The Principle Workgroups will focus on what the industry will do rather than who will carry out the specific tasks. This will ensure that the results can be used by any party irrespective of industry design. Whilst a timetable has been established for these workgroups the timescales are flexible and could be extended or curtailed as appropriate. The workgroups will report to the Project Nexus Workstream.

It is not envisaged that the Principle Topic Workgroups investigate the process in detail; however, the output should provide clear direction and definition of the business rules, which in turn can be taken forward to support the AMR Requirements phase and the Smart Metering Workgroup.

2. AQ Review Principle Workgroup

A number of comments were raised by industry participants in response to the Project Nexus consultations, a summary of which are provided below (covered under section 6.1 of the Initial Requirements Register);

- a) Existing annual AQ review process, consider more frequent reviews of the AQ & SOQ
- b) The introduction of a rolling AQ is a core service required to allow the industry to operate ensuring energy is more accurately allocated
- c) Increased energy consumption data should help to identify step changes in energy consumption. It would therefore appear beneficial for this information to feed directly into an updated AQ rather than waiting until the annual review in October

The workgroup is therefore expected to consider all the comments raised, as well as considering the existing arrangements, any alternatives proposed to date and any options developed within the workgroup.

3. Scope and Deliverables

3.1 The Group is asked to:

- a) Reach a consensus on the future high level business rules for AQ
- b) Clarify any interaction or impact with any live Modification / Review Proposals and any other Project Nexus Principle or Topic Workgroup.
- c) Identify and analyse any issues which impact the efficient and effective operation of the existing arrangements
- d) Consider any contractual changes where appropriate.
- e) Record issues which might usefully be taken forward under this Workgroup or any other governance process
- f) Identify and monitor risks
- g) Consider transitional arrangements

3.2 Topic Workgroup Deliverables:

- a) Progress reports for the PNUC Workstream (a spokesperson from the Workgroup to attend PNUC, helping to ensure continuity and to identify any impacts with other Workgroups);
- b) High level business rules for the AQ process
- c) A final report containing the recommendations of the Workgroup for presentation to the PNUC Workstream

4. Limits

The Workgroup will consider all appropriate governance arrangements including:

- The Uniform Network Code
- Licences (Gas Transporter, Shipper and Supplier)
- UNC Ancillary documents or agreements

5. Composition

Each workgroup meeting will be chaired and facilitated by the Joint Office (JO). The chair will be responsible for ensuring all of the UNC governance procedures are adhered to.

The following have been nominated as members of the Workgroup, with others able to attend meetings subject to prior agreement of the chair, consistent with the Chairman’s Guidelines.

Name	Organisation
	Joint Office
	Joint Office
	xoserve
	xoserve

A Principle Topic Workgroup meeting will be quorate provided that there are at least six attendees, two of which are GT’s.

6. Roles and Responsibilities

The following table outlines the roles and responsibilities for all the members of the Workgroup.

Organisation	Responsibilities
Joint Office	<ul style="list-style-type: none"> • Chair and facilitate Workgroup Meeting, in accordance with the Chairman’s Guidelines • Produce minutes • Coordinate group update
xoserve	<ul style="list-style-type: none"> • Provide analysis of initial consultation requirements for discussion in the workgroup if necessary • Provide information to Workgroup on any development from dependent Workgroups • Provide expertise in design analysis and as-is process knowledge • Support workgroup discussions on possible principle options • Prepare supporting information and carry out analysis, where necessary, to aid discussions • Prepare draft high level business rules for approval within the workgroup • Manage overall workgroup timetable, in conjunction with other Principle Topic Workgroups and the Joint Office.
Users	<ul style="list-style-type: none"> • Provide knowledgeable resources to support workgroup
Gas Transporters	<ul style="list-style-type: none"> • Provide empowered decision makers • Maintain commitment throughout workgroup timetable

7. Information Sources

- Uniform Network Code
- Licences (Gas Transporter, Shipper and Supplier)
- Gas Act
- Utilities Act
- UK Link Manual
- Industry legislation, as required

8. Timetable

It has been agreed that the AQ Review Principle Workgroup will take place over the required number of meetings to achieve the deliverables specified under section 3.2.

The meetings will cover the following areas:-

- As-is (Current Principles)
- Initial Presentation and early discussions on all options, including consultation responses
- Agree detail on any further analysis, if necessary
- Analysis and discussions on options, as appropriate
- Consider whether any potential alternatives have yet to be considered
- Review in progress modifications and impacts on principles
- Consider preferred Principles
- Document and agree preferred Principles
- Review high level business rules to support
- Initial preparation of Workgroup Report
- Discuss final report drafting
- Approve final report
- IRR tracked to indicate which entries have not been progressed and why and to document any additional topics