

UNC Workgroup 0594R Minutes
Meter Reading Submission for Advanced & Smart Metering
Thursday 27 October 2016
at Energy UK, Charles House, 5-11 Regent Street, London SW1Y 4LR

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Andrew Margan*	(AM)	British Gas
Andy Clasper	(AC)	National Grid Distribution
Carl Whitehouse	(CW)	First Utility
Colette Baldwin	(CB)	E.ON Energy
David Mitchell	(DM)	Scotia Gas Networks
Debbie Mullinganie*	(DMu)	BP
Fraiser Mathieson	(FM)	Scotia Gas Networks
Gavin Anderson*	(GA)	EDF Energy
Huw Comerford	(HC)	Utilita
John Welch	(JW)	npower
Jon Dixon	(JD)	Ofgem
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Nicola Garland	(NG)	Ofgem
Patricia Parker*	(PP)	Utiligroup
Rachel Hinsley	(RH)	Xoserve
Richard Pomroy*	(RP)	Wales & West Utilities
Sean Hayward	(SH)	Ofgem
Shanna Key	(SK)	Northern Gas Networks
Steven Britton	(SB)	Cornwall Energy
Steve Mullinganie	(SM)	Gazprom
Tricia Quinn*	(TQ)	Ofgem

* *via teleconference*

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0594/271016>

1. Outline of Request

SM provided a brief explanation of the rationale behind raising this request during which he suggested that the recent CMA publication could / would potentially change the scope of the review, and as a consequence, Gazprom are currently considering the matter in more detail.

2. Initial Discussion**2.1. Initial Representations**

None presented for consideration.

2.2. Issues and Questions from Panel

None.

2.3. General discussion

During a brief discussion, SM questioned whether or not the introduction of an additional 3 million AMR / SMART meter readings from June 2017 onwards could potentially invoke any prohibition related concerns. He went on to add that Gazprom are also looking closely at the submission of daily read position 6 months post Project Nexus Implementation Date (PNID) related impacts, and whether these stay as Class 3 sites or should be moved into Class 2.

JD provided a brief explanation behind the potential 25 day impacts, quoting UNC Modification 0432 legal text changes for UNC TPD Section M definitions – in short, whilst the CMA Order is not specific on this matter, from a pragmatic point of view, it makes sense for these to stay 'as-is'.

In considering the timing aspects associated with moving from this review group to the raising of a formal UNC Modification, BF suggested that one option would / could be to append a draft modification to the Review Group Report in due course. Subsequently, once raised the modification could possibly go straight out to consultation.

When SM wondered whether there are any valid questions / concerns relating to the glide path aspects, JD indicated that he believes that Ofgem does not have specific powers in place in order to direct the CMA proposals. He remains of the opinion that it is rather strange to look to putting detailed requirements within the licence, when elsewhere the industry are looking to remove licence obligations that look to be counter productive. Furthermore, he also remains doubtful that there is any scope to change the post PNID 6 month aspects.

Moving on, RH advised that in looking at whether or not Xoserve are able to manage the predicted levels of AMR / SMART meter reading traffic, Xoserve have identified some potential information related differences which would need resolving in due course.

New Action 1001: Ofgem (JD) & Xoserve (RH) to confirm the validity of the AMR / SMART reading volumetric predictions and the potential impacts on system capability.

SM advised that Gazprom's focus is on daily read submissions aspects and he would welcome views from the more domestic market aligned parties – perhaps one option would be to focus the review group considerations into looking at issues associated with the step to daily, and / or step to monthly provisions.

When SM then indicated that he would look to providing some cost / benefit analysis, JD indicated that Ofgem would be looking for the Performance Assurance Committee (PAC) to pick up matters such as this, but regardless of who does it, it would be monitored. JD reminded parties that the Engage Report had not only considered unallocated gas aspects, but also taken into account wider aspects of impacts to settlement.

It was noted that the Workgroup Report could include both PAC and governance aspects and that a change to the Workgroup Terms of Reference might be needed in due course.

When JD pointed out that the modification(s) do not necessarily have to directly follow CMA recommendations / proposals, SM suggested that perhaps all that is needed to bottom out this matter is a couple of meetings to consider options and identify the way forward.

Moving on, JD explained that he had provided a presentation at the July Change Overview Board (COB) meeting that also touched on the settlement aspects.

JD felt that rather than simply waiting until 2020, it would be beneficial for the industry to start thinking about these matters sooner rather than later (i.e. take a more holistic view in cost v's benefit terms).

3. Any Other Business

None.

4. Next Steps

It was agreed to consider the issues raised at the November Workgroup meeting.

5. Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/Diary

Distribution Workgroup meetings will take place as follows:

Time/Date	Venue	Workgroup Programme
10:30 Thursday 24 November 2016	Consort House, 6 Homer Road, Solihull B91 3QQ	• Standard Agenda items

Action Table (27 October 2016)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1001	27/10/16	2.3	To confirm the validity of the AMR / SMART reading volumetric predictions and the potential impacts on system capability.	Ofgem (JD) & Xoserve (RH)	Pending