

Project Nexus Workgroup Minutes
Tuesday 07 October 2014
at 31 Homer Road, Solihull B91 3LT

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Alex Ross-Shaw*	(ARS)	Northern Gas Networks
Alison Neild	(AN)	Gazprom
Andy Miller	(AM)	Xoserve
Brendan Cooper*	(BC)	GDF suez
Chris Warner	(CW)	National Grid Distribution
Ed Hunter	(EH)	RWE npower
Elaine Carr	(EC)	Scottish Power
Emma Lyndon	(EL)	Xoserve
Gareth Evans*	(GE)	Waters Wye Associates
Graham Wood	(GW)	British Gas
Huw Comerford	(HC)	Utilita
James Hill	(JH)	EDF Energy
James Rigby	(JR)	RWE npower
Jon Dixon*	(JD)	Ofgem
Leigh Chapman	(LC)	First Utility
Liz Furmedge	(LM)	First Utility
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Michelle Downes	(MD)	Xoserve
Mike Bagnall	(MB)	British Gas
Michael Paul	(MP)	Gazprom
Paul Hamilton*	(PH)	SSE
Richard Franklin	(RF)	Opus Energy
Sallyann Blackett	(SB)	E.ON
Steve Mulinganie	(SM)	Gazprom
Sue Cropper	(SC)	British Gas

* via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/nexus/071014>

1. Introduction and Status Review

1.1. Minutes

Approved.

1.2. Actions

NEX0804: Xoserve (MD) to confirm whether or not, there are any other invoicing legacy (file) formats parties would need to be aware of.

Update: MD confirmed the file formats should be available at the end of phase 3 on 14 October. **Carried Forward**

NEX0807: Xoserve (MD) to investigate the potential systems impacts of possibly introducing another (inner) tolerance band (0 – 20,000kWh).

Update: MD confirmed that the additional tolerance can be accommodated and would be included. **Complete**

NEX0901: Xoserve (AM/MD) to provide portfolios to each shipper of the AQs (SSP and LSP) that were suspended from the AQ process by Xoserve.

Update: AM confirmed results were being compiled and should be available for the next meeting. **Carried Forward.**

NEX0902: Xoserve (AM/MD) to provide a profile for an AQ tolerance band with a range of 0 – 75,000 (to assist in assessing the proposed new (inner) tolerance band for 0 – 20,000).

Update: In progress – see update for NEX0807. **Carried Forward.**

NEX0903: Xoserve (AM) to provide an example of how a Class 4 prime with a Class 3 sub meter would actually work with regards to reconciliation.

Update: See item 3.5. **Complete.**

NEX0904: Joint Office (LJ/MB) to place an item on the next DNCFM agenda to highlight (Nexus) concerns to Transporters and seek a response and possible scenario examples.

Update: Undertaken. **Complete.**

NEX0905: Xoserve (MD) to provide a short presentation showing how unidentified gas is treated at nomination and allocation stages.

Update: Presentation to be provided in due course. **Carried Forward.**

1.3. Pre Modification Discussions

No new items for discussion.

1.4. Status Update

1.4.1. 0514 - Extending the Daily Metered 'voluntary' service to Project Nexus Implementation Date plus six months.

BF confirmed that the Distribution Workgroup had considered the modification on 25 September 2014. It was recommended by the Distribution Workgroup that the Project Nexus Workgroup consider this modification as it is a transition topic.

CW confirmed that National Grid Distribution have agreed to add further clarity to the modification and provide draft legal text for the 04 November Project Nexus meeting, with an aim to conclude the Workgroup Report at that meeting.

2. Workgroups

2.1. 0473/0473A: Project Nexus – Allocation of Unidentified Gas

(Report to Panel 16 October 2014) – Papers at:

<http://www.gasgovernance.co.uk/0473>

2.2. 0515S: Project Nexus – Allocation of Unidentified Gas

(Report to Panel 15 January 2015) – Papers at:

<http://www.gasgovernance.co.uk/0515>

3. Issues and topics for discussion

3.1. Unreconciled iGT LSP accounts at migration

SC suggested that the iGT reconciliation post Nexus is reconsidered following some confusion expressed in the industry.

AM clarified that on Nexus go live the CSEP system that processes the LSP reconciliation on CSEPs, gets turned off and will cease to work. The industry will need to address any missing reconciliation periods that pre dates the last read on the system so these can be processed. AM explained that at go live the CSEP LSP sites will migrate from the database with a read, that read will become the opening read for the reconciliation which will be subsequently created by the first read submitted after 01 Oct 2015. He reassured parties that reconciliation will reconcile back to the last available read held on the system.

AM further explained that if there is a missing reconciliation period for CSEP sites, these will not get processed. For example if there is a period January to May and then September to December, with June to August reconciliation missing, the missing period will not get processed. He highlighted some 4500 sites have missing reconciliation periods which Shippers are encouraged to deal with. He also highlighted that two reads, 9 months apart are required for rolling AQ.

MJ enquired about LMNs created in error. AM confirmed Xoserve will produce an explanation document to clarify how the reconciliation process will work including erroneous LMNs.

Action 1001: Xoserve to produce and circulate a CSEP reconciliation explanation document.

JH asked about the August/September meter read submission for the CSEP reconciliation. AM clarified reads should be submitted as they are now and Xoserve will manage the treatment of reads. If Xoserve receive meter reads for larger supply points these will not be loaded to the system, these will be reconciled post October to avoid duplication of charges/credits. AM requested Shippers continue to send reads and Xoserve will manage offline process through August/September.

3.2. Transition Business Rules

MD provided an updated version of the [Project Nexus Transition Business Rules](#) discussed at the last meeting.

SM enquired about the setting of AQ/SOQs, WAR Bands and EUCs and if there are any unintended timing consequences. He questioned the SOQ changes being processed, with the setting of WAR Bands and the timing of winter consumption calculations.

SB clarified that the WAR bands are set in October. It was suggested that the BRD might wish to be reconsidered to address any timing issues.

The Workgroup suggested this is considered by the Demand Estimation Subcommittee (DESC).

Action 1002: DESC to consider the potential timing mismatch of WAR Band derivations and the impact on fixed SOQs.

3.3. Nexus Business Rules

MD provided the [Project Nexus Business Rules](#). A number of points were clarified.

3.4. Requirements Log

MD provided the [Project Nexus UNC Requirements Log](#)

MD referred to 5 areas within the log and provided an explanation of the differences these were; AQ correction, twin stream meters, theft of gas, bypass and faulty meters.

She asked delegates to note an error in the AQ correction (requirement number 23), which needs to be updated to state 3 months to submit a new business appeal.

The log will be updated and republished.

3.5. Primes & Subs

MD provided an update on the [Primes & Subs](#) to clarify how a Class 4 Prime with a Class 3 Sub meter would actually work with regards to reconciliation.

3.6. AQ Backstop date Options

DA provided the [AQ Backstop date Options](#) and summarised the different options.

SM enquired about the loading of reads which have not been validated using the new rules and that these would be used to generate rolling AQs, he recognised there had been some debate on this issue previously, however he was concerned that for a period of six months there will be an accumulation of such reads being loaded onto the system that will drive Transportation Charges.

AM clarified there will be a degree of mitigation where a USRV has been triggered. SM wished to understand whether there is need for a modification to require compliance with the validation rules prior to go-live.

AM highlighted a suggestion to the industry that for the 2014 AQ amendment it was proposed the tolerance was removed entirely. AM highlighted there are a number of sites where AQs are amended but reads used to process the amendment are not being submitted but the Shippers. These are simply being used to amend the AQ, which suggests reads are obtained but not provided.

Further consideration will be undertaken on the AQ Backstop date options at the November meeting as to which options to take forward for migration.

Action 1003: All parties to provide views on the AQ Backstop date options by 21 October 2014.

4. Any Other Business

4.1. Gas Nominations and Allocations

MD notified an error on the LDZ Forecast Unidentified Gas formula. The presentation will be republished.

5. Diary Planning

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

Workgroup meetings will take place as follows:

Time/Date	Venue	Workgroup Programme
10:30 Friday 10 October	31 Homer Road, Solihull, B91 3LT	0473/0473A Completion of Workgroup Report
10:30 Tuesday 04	31 Homer Road, Solihull, B91 3LT	0514 Completion of

November		Workgroup Report 0515S Completion of Workgroup Report
10:30 Tuesday 09 December	31 Homer Road, Solihull, B91 3LT	To be confirmed

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
NEX0804	11/08/14	3.4	To confirm whether or not, there are any other invoicing legacy (file) formats parties would need to be aware of.	Xoserve (MD)	Carried Forward
NEX0807	11/08/14	3.5	To investigate the potential systems impacts of possibly introducing another (inner) tolerance band (0 – 20,000kWh).	Xoserve (MD)	Complete
NEX0901	09/09/14	3.2	To provide portfolios to each Shipper of the AQs (SSP and LSP) that were suspended from the AQ process by Xoserve.	Xoserve (AM/MD)	Carried Forward
NEX0902	09/09/14	3.3	To provide a profile for an AQ tolerance band with a range of 0 – 75,000 (to assist in assessing the proposed new (inner) tolerance band for 0 – 20,000).	Xoserve (AM/MD)	Carried Forward
NEX0903	09/09/14	3.5	To provide an example of how a Class 4 prime with a Class 3 sub meter would actually work with regards to reconciliation.	Xoserve (AM)	Complete
NEX0904	09/09/14	3.5	To place an item on the next DNCMF agenda to highlight (Nexus) concerns to Transporters and seek a response and possible scenario examples.	Joint Office (LJ/MB)	Complete
NEX0905	09/09/14	3.7	To provide a short presentation showing how unidentified gas is treated at nomination and allocation stages.	Xoserve (MD)	Carried Forward
NEX1001	07/10/14	3.1	Xoserve to produce and circulate a CSEP reconciliation explanation document.	Xoserve (AM)	Pending
NEX1002	07/10/14	3.2	DESC to consider the potential timing mismatch of WAR Band	DESC	Pending

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			derivations and the impact on fixed SOQs.		
NEX1003	07/10/14	3.6	All parties to provide views on the AQ Backstop date options by 21 October 2014.	All	Pending