

Uniform Network Code Committee
Minutes of the 121st Meeting held on Tuesday 20 May 2014
at 31 Homer Road, Solihull B91 3LT

Attendees

Voting Members:

| Shipper Representatives | Transporter Representatives |
|--------------------------------|--|
| | C Warner (CWa), National Grid Distribution |

Non-Voting Members:

| Chairman | Ofgem Representative | Consumer Representative |
|------------------------------|-----------------------------|--------------------------------|
| L Jenkins (LJ), Joint Office | | |

Also in Attendance:

A Gordon (AG) DNV GL; F Cottam (FC), Xoserve; G Evans* (GE), WatersWye; G Wood (GW), British Gas; H Comerford (HC), Utilita; H Cuin (HCu), Secretary; Marie Clark* (MC), Scottish Power; Mike Bagnall* (MB), British Gas; M Jones* (MJ), N Cole (NC), Xoserve; S Cropper (SC), British Gas; S Mulinganie (SM), Gazprom; T Perchard (TP), DNV GL.

* *via teleconference.*

121.1 Note of any alternates attending meeting

None advised.

121.2 Apologies for Absence

A Barnes, A Green, A Musgrave, C Wright, E Melén, J Ferguson, P Broom, R Fairholme, R Hewitt and S Edwards.

121.3 Minutes and Actions from the previous meeting

LJ noted that today's meeting wouldn't be quorate however no decisions were due to be taken.

121.4 Matters for UNCC attention

a) Presentation of the Draft Allocation of Unidentified Gas Statement 2015/16

TP provided the [1st Draft 2014 AUGS presentation for 2015/16](#). The purpose of today's meeting was to consider the first draft of the unidentified gas statement which has been provided and allow parties to seek clarification for anything that is not understood. TP explained that the methodology has remained fairly stable but a number of UNC modifications needed to be taken account.

TP advised that GL have recently merged with Det Norske Veritas and have been rebranded to DNV GL. He provided details of the new AUGE mailbox: AUGE.software@dnvgl.com

TP provided the Timelines for this year's process within the presentation. As of yet DNV GL has not received any responses as part of the 1st draft AUGS consultation process, however he encouraged communication of these as early as possible.

The meeting considered the availability of the information on the Xoserve website and that it should only be available to Shipper Parties. SM enquired about the availability of the data for consultants those particularly appointed as agents. FC confirmed that access could only be provided to registered users. To access the data users would require a user ID and password.

Post Meeting Note:

The link to obtain supporting information for the Draft AUGS 2015-16 is:

<https://www.xoserveextranet.com/uklinkdocs/default.asp>. This link will direct the user to the main login screen where they will have to provide an ID and password. The data can then be found in the folder entitled: 22. MOD229 AUGE Data Provision / 19. Draft AUGS 2015-16 Supporting Information.

SM asked about the interim AUG Table provided to GTs on the 01 October and if other parties could have access to this data at the same time. It was clarified that the guidelines allow for the Transporters to view and publish an interim AUG table to the industry.

SM asked for a view on this and last year's figures. TP clarified that the bulk of the methodology is largely the same. He was expecting the figures not to be much different than last year. TP was not expecting the interim figures to be too much different to the final figures. He noted that the biggest changes would be related to the modifications.

FC confirmed that a link is available to the indicative timeline on the main AUGE page <http://www.gasgovernance.co.uk/auge>. This timeline maps out the key interactions and all the meetings that have been scheduled. The direct link to the indicative timeline for the 2014/15 AUGS is: ([http://www.gasgovernance.co.uk/sites/default/files/AUGE-2014%7E15 timeline UNCC.pdf](http://www.gasgovernance.co.uk/sites/default/files/AUGE-2014%7E15%20timeline%20UNCC.pdf))

TP provided an overview of the methodology. He explained last year there were 3 years of historic data for estimates. This year there is an additional year and there was a choice to use

either 4 years data or the most recent 3 years' data. A decision had been taken to use the 4 years from 2009 until 2013.

SC enquired which DM meter errors are subtracted. FC explained any adjustments and reconciliations undertaken for the DM market for example meter fault communication failures are taken into account.

TP clarified that the chart on slide 9 did not represent real data and was only to illustrate the principle. LJ enquired if a straight average or a weighted average should be considered to take into account the smoothing effect of using a longer window. AG believed at the moment there is insufficient data to provide robust trends. He explained up until the point where there is sufficient years of data and a better ability to consider trends the most stable information will need to be used.

AG provided details of the modifications, which will have a potential impact:

Modification 0410A – Responsibility for gas off-taken at Unregistered Sites following New Network Connections

AG explained that this modification intends to reduce unidentified gas, the key principal being a meter cannot be fitted unless a supply contract is in place and when these are identified unregistered sites can be back billed.

Modification 0425V - Re-establishment of Supply Meter Points – Shipperless sites

AG explained the use of the same technique used for Modification 0424 - Re-establishment of Supply Meter Points – prospective measures to address shipperless sites, with one key difference being the application date. The decay curve starts in May 2105 using a two-step process to take into account the permanent and temporary split.

SP highlighted that in certain circumstances back billing may not be possible if a different Shipper registers the site to the installing Shipper. She believed this scenario would need to be considered and whether a installation start read has been used or not.

Modification 0431 - Shipper/Transporter - Meter Point Portfolio Reconciliation

CW highlighted an Ofgem letter had been issued to encourage parties to clean data for dead sites and duplicates Transporters will know more about the materiality of any portfolio changes through the portfolio reconciliation exercise.

Modification 0469S - Transporter Gas Safety Visit Reporting

AG explained that there is a potential impact to shipperless and unregistered sites. However no action is required at this stage

Modifications 0398: Limitation on Retrospective Invoicing and 0429: Customer Settlement Error Claims Process

TP summarised the impacts in reconciled energy between years 3 and 4 is small. Modification 0429 will allow any significant errors to be corrected

Theft Detection Rates Update

TP highlighted the target to increase theft detection rates. He believed that there was an end date in the licence however this was questioned. It was anticipated that the incentive to increase theft detection rates would affect the unidentified gas.

GE enquired if there could be gas that is categorised as theft that is not actually theft. It was anticipated that there would be a step-change now there is an active obligation to detect theft. If the stepped changes are not realised as expected at some point there would be benefit considering other elements of unidentified gas such as shrinkage.

SM highlighted the existence of a theft case where over time the theft had resulted in the AQ decaying which would skew the actual consumption.

Next Steps

TP concluded the presentation summarising the next steps. The consultation will close on 12 June 2014. DNV GL will prepare responses and the Proposed AUGS for 2015/16. As data is received this will undergo validation and any new issues that arise will be assessed along with any modifications implemented over the summer period that will impact the 2015/16 year.

SM enquired when the raw data would be available to examine. FC explained that the guidelines allow for the data to be prepared whilst the methodology is being agreed. The first time the numbers will be available will be once the methodology has been agreed. Based on last years process the data was expected towards the end of October 2014. FC explained that the raw data alone would be of limited use without taking into account all the manipulations required as part of the process to consider the end result.

121.5 Any Other Business

None raised.

121.6 Next Meeting

Thursday 19 June 2014, at the ENA, London.

Action Table – UNCC

| Action Ref | Meeting Date | Minute Ref | Action | Owner | Status Update |
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