



Workgroup 0631R

Initial Meeting 25 October 2017

Meeting Agenda – as published by Joint Office 2

- 1.0 Outline of Request
 - Proposer to explain the rationale for raising the Request and the intended outcome, and any specific areas that the Workgroup needs to address.
- 2.0 Scope of Work
 - 2.1 Subject Scope
 - 2.2 Issues and Questions from Panel
 - 2.3 Initial Representations
 - 2.4 Terms of Reference (<https://www.gasgovernance.co.uk/0631>)
- 3.0 Workplan
- 4.0 Next Steps
- 5.0 Any Other Business
- 6.0 Diary Planning
 - Agree agenda items and actions for next meeting

Scope – as per 0631R proposal

1. Xoserve to fully evaluate the accuracy of the NDM algorithm parameters and if weather sensitivity factors are punishing NDM LSP sites more than NDM SSP sites
2. Xoserve to review whether universal individual meter point reconciliation (i.e. post Nexus golive) is working correctly, and importantly fairly
3. Assess whether UIG can be fixed each day (NDM demand can be accurately forecasted by shippers using EUC bands whereas UIG cannot be forecasted) and subsequently reconciled beyond D+5
 1. For example would a fixed UIG value of 1.2% be applied when the initial demand attribution run is made D-1 such that UIG remains a fixed constant within day (D) during the nomination stage and at the allocation close out (D+5).
 2. If a fixed UIG value could not be applied could an alternative be applied that would minimise the volatility and inconsistent reporting of UIG between nomination and allocation periods
4. Xoserve to carry out analysis urgently of the EUC1B ALP and DAF change (that came into effect on 1 October 2017) and assess what impacts, if any, this has made to UIG levels
5. Xoserve to analyse the NDM WAR band EUCs and to assess whether there are difference between shippers
6. Consider bringing forward the ALP and DAF review if new changes do not improve UIG levels significantly after 1 October 2017 and make this a monthly process
7. Xoserve to provide DESC with as much information required such that DESC are able to quickly adjust the algorithm if a change should be made (Corona Energy willing to assist on providing analysis)
8. Analysis of why TWG (DESC) recommended Option E of the NDM algorithm and why option A and C were ignored (could these have been better for industry?)
9. Xoserve to obtain data from industry to assist on UIG and demand

Unidentified Gas

Awareness Day: Suggested Actions

20th October 2017

Awareness Day: Suggested Actions – Background ⁵

- Xoserve UIG Awareness Day held 20/10/17 at suggestion of Performance Assurance Committee
- Objectives: raise awareness of calculations and causes of UIG, also current issues
- Key message: not all known/suspected causes can be quantified, industry co-operation required to address many of the causes
- Outputs: attendees worked in groups to suggest proposed actions to reduce/mitigate UIG going forward
 - See following slides for highest priority suggestions from each group
- Proposed approach – review the suggestions, prioritise, assign owners and determine action plan, data requirements etc

Process Compliance/Improvement

Suggested Action – Slide 1 of 4	Priority/ Forum for consideration
Mandate more frequent read provision	
Make Class provision of NDM Sample data mandatory	
Review of DM resynchronisation process	
Review of Shrinkage determination process, including CSEP Shrinkage	
Complete current remedial actions, incl DM project and AQ=1	
Shipper education on end-to-end processes to improve compliance	
Investigate anomalies in DM estimates in Gemini	

Regime changes

Suggested Action – Slide 2 of 4	Priority/ Forum for consideration
Automatic flow of Smart meter data into Allocation/balancing processes	
Extend D+5 Close-out to, say, D+30	
Remove barriers to use of Class 2 (e.g. ratchets)	
Revert to old allocation processes – either completely or half way e.g. reinstate Scaling Factor	

Additional Investigation/Analysis

Suggested Action – Slide 3 of 4	Priority/ Forum for consideration
Analyse NDM Customer behaviour, especially non-weather related	
Analyse suitability of the NDM Bucket EUC profiles	
Compare to electricity industry – what levels of losses do they see?	
Greater transparency of data – e.g. naming Shippers whose actions/delays are contributing to UIG	
Greater visibility of theft data from other forums	
Greater visibility of CSEP data e.g. supply point counts	
More data on unregistered sites	
Compare old v new allocations – what does this tell us about the post-Nexus performance?	
Analyse winners v losers – who is benefitting?	

Conceptual Questions

Suggested Action – Slide 4 of 4	Priority/ Forum for consideration
What level of UIG at D+5 is acceptable to the Industry?	
What is the eventual level of UIG at Line-in-the-Sand?	
Is there an inherent industry issue if UIG continues at this level?	
If this level of UIG continues, how does the industry adapt?	
Review of Shrinkage determination process, including CSEP Shrinkage	

- Raise Urgent Modification (timebound) to allow visibility of confidential data for this piece of work and to address any DPA issues
- Confidentiality agreements in place
- Assign Xoserve stand alone laptops with no internet/intranet access (to be retained in Xoserve's offices)
- Aggregated data where possible that is therefore not confidential
- Anonymise the data where practical – e.g. remove Shipper/specific address information
- Allocate a dedicated room/area to avoid access to other information around the building
- Encrypted USBs to load/hold data
- Identifiable Lanyards

Next Steps/Action Planning