

Performance Assurance Committee Minutes
Unidentified Gas (UIG) and DM Reads Rejection Issues Review
Wednesday 29 November 2017
at The Arden Hotel & Leisure Club, Coventry Road, Solihull, B92 0ED

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Belky Mora-Perez	(BMP)	National Grid Venture
Bryony Cornwell*	(BC)	Corona Energy
Carl Whitehouse	(CW)	First Utility
Fiona Cottam	(FC)	Xoserve
Hilary Chapman	(HC)	Transporter Member
James Cornfield*	(JC)	RWE Supply & Trading
John Welch	(JW)	Shipper Member
Karen Kennedy	(KK)	British Gas
Lisa Saycell	(LS)	Shipper Member
Lorna Lewin	(LL)	Orsted Sales UK
Mark Bellman	(MBe)	ScottishPower
Mark Jones*	(MJ)	Shipper Member
Nirav Vyas	(NV)	PAFA
Rachel Hinsley	(RH)	Xoserve
Shane Denny	(SD)	PAFA
Simon Harris	(SH)	Xoserve
Tim Hammond	(TH)	Corona Energy

Apologies

Shanna Key	(SK)	Transporter Member
Andy Clasper	(AC)	Transporter Member
Mitch Donnelly	(MD)	Shipper Member
Rob Johnstone	(RJ)	Transporter Member

* via teleconference

Copies of non-confidential papers are available at: <http://www.gasgovernance.co.uk/PAC/291117>

1. Introductions

BF opened the meeting and explained that it was quorate, although as this was an open meeting specific to DM Read and UIG related issues and it was unlikely voting would be required.

He noted the formal apologies from:-

Shanna Key

Andy Clasper

Mitch Donnelly

Rob Johnstone

Alternate

Hilary Chapman for Rob Johnstone

BF explained that the main purpose of the meeting was to further discuss UIG in relation to the DM Reads issue. He then said he had expected more attendees and that he had been under the impression that more presentations/case studies and documents were going to be supplied, in order to have constructive and meaningful discussions.

2. Review of Minutes (14 November 2017)

The minutes were approved.

3. Shipper knowledge sharing on resolution of DM Read Rejection issues

LS provided an overview of the Gazprom 'DM Read Rejection Knowledge Sharing' presentation which overviewed the Positive Actions, Improvements and Main Issues. LS said that Gazprom had had a meeting with Xoserve to address some of the issues they had encountered and this had helped them address the problems with submitting reads. LL asked whether LS thought the issues had been brought about by a lack of knowledge internally or externally, LS said that initially it was a mix of both. LS also said that the weekly calls with the DMSP had taken a while to 'bed in' but that these had been very helpful and informative. LS ended by saying that she felt the data issues were temporary and not a long-term problem and that Xoserve had been working very hard to fix these, even though most were outside of their control.

LL said that her organisation Orsted Sales UK had been experiencing similar issues and had been addressing them via a similar approach as Gazprom had adopted. BMP also added that the weekly calls had helped to enable discrepancies to be resolved more quickly.

FC then said that there were only 4 problem sites left in Pot 1, who were still using estimates, and that only one of them was having a material impact on UIG and that 21 Sites were being manually fixed regarding the consumption numbers. SH then explained that a lot of work was still taking place on a priority level, in relation to the Data and Resolution process and BMP also added that some asset issues had now been resolved, as some sites had now moved from Class 1 to Class 2.

A general discussion then took place regarding the Data Flows from the Meters in Class 1 and Class 2 and the changed asset details, together as to whether these were correct as per Modification 0634 and before D+5. FC explained that the statistics were being published on the Xoserve website every week and on the PAFA Huddle Site, and that presently there were 31 outstanding in Pot 1 and 32 outstanding in Pot 2. BF said he presumed some Sites could go out and then back into a pot again and SH confirmed that was the case for Pot 2. In addition, there were new sites being added to Pot 2 on a regular basis so it churned more than Pot 1. NV said that everyone should now have access to the PAFA Huddle Site, as an invitation was sent out a few weeks ago and that it was sent to a member of each organisation's Regulation Team.

BF then explained that Modification 0634 was in relation to the reporting and the use of Xoserve's discretion and that it might be a topic PAC should be considering reporting for, especially regarding the consequences and reasoning for it. SH said in relation to the Sites under Modification 0634, that these continue to be estimated, for a 7 day period and that if there was no Shipper agreement, then it was at the discretion of Xoserve. MBe suggested that perhaps Xoserve should bring a proposal to PAC specifically in relation to the reporting and process as defined by Modification 0634.

It was noted that Modification 0634 contained a level of reporting and PAC may want to

consider if this was sufficient or if they needed un-anonymised data to support their consideration of related issues.

PAC Members reiterated again that regarding this specific meeting, that it was disappointing that only Gazprom had supplied information for discussion and that maybe a more detailed requirement would have been useful and a more explicit brief would have provided clarity. BF asked Members to note that Ofgem had written out to the specific Shippers individually requesting their attendance and submission of the relevant Case Studies and that there was an invitation to the DMSP to do similar. LL felt that the request for the Case Studies and associated information had been requested too late by Ofgem, in order for this to provide at this meeting. CW said his concern was that there was an industry expectation that the DM Read issue was to be resolved by 04 December 2017 and that this clearly was not now going to be possible and FC also said that Xoserve had literally been doing everything in their power to resolve DM Reads issues.

MBe asked what was the comparison with the pre Nexus level in relation to UIG and SH that they could not draw a comparison with the Old UK Link System as there was no correlation between the two and it would be like comparing Apples and Pears. He also added that Business As Usual (BAU) was not the usual normal regarding Pot 2. MBe asked if it was possible for PAC to look at what was an acceptable level for BAU. FC said originally 30 Sites were impacting UIG, but that in actual terms that only 1% of DM Sites were in Pot 2. MBe asked if that was the right level? CW asked if it depended on the day in the month when the Site entered the Pot? FC said no, it did not have an impact with regards to the actual day.

Then CW said that Modification 0635 proposed that the rate was 99% and that 97.5% was of consumption for that specific day and that this percentage was driven off the AQ. FC challenged if AQ was an appropriate measure for DM as it wasn't relevant to the sites actual consumption. NV asked if this was something that could be discussed at the December PAC meeting. BF advised that Modification 0635 had a long lead time and was not due to be presented to Panel until April 2018, with a potential implementation not until June/July 2018, so it was unlikely to impact the UIG related discussion currently ongoing. He also stated that the agenda for the 12 December meeting was very lengthy as it currently stood.

A general discussion took place about the effectiveness of the meeting and BF wanted to know what everyone had hoped to get out of the day. JW said clearly the communications had broken down and that was the reason for the lack of case studies for discussion and then he asked if anyone present, was prepared to share the areas of issues within the meeting, no one was forthcoming. The discussion moved on to confidentiality and areas of disclosure and that was why no organisations were prepared or willing to share information.

Rejection Reads and Reasons as of 28 November 2017 (138 Rejections)

SH then provided an overview of the specific 138 DM rejections and reasons as below:

Top 7 equates to 80% of the overall DM rejections

- 1) MPRN is not identified as a Class 1 Site, brand new Class 2 or a Greenfield Site 22.4%
- 2) Read received in fault period 16%
- 3) Invalid Number of Dials 16%
- 4) Meter Serial Number Mis-match 8.6%. (FC said there was only one Mis-match as the photos are not clear and this one is impacting UIG)

- 5) Converter Serial Number does not match 8.6%
- 6) Energy within tolerance and system override on 7.9%
- 7) Incorrect Imperial / Metric indicator flag does not match 4.3%

SH explained that the 138 related to if the consumption was wrong after 5 days and were then recorded. He then talked through each area in detail and a general discussion took place as to when and why Shippers move Classes. BF noted that at a previous meeting it was suggested that if a DM site was failing to provide Daily Reads, then it should be moved to Class 4.

JW said he understood that in real terms, 4 Sites were affecting UIG and that 2 of those were close to a resolution, with plans in place to address the remaining 2. He asked what was the age profile of the offending sites and SH said that the average was 22 days and that highest one was 106 days and that there had been 38 new sites in the last 30 days. SH also added that there were some Shipper driven RGMA issues in relation to the readings provided and this had meant they needed to be checked, to see if they were in line with the DMSP to compare the correct readings. He said a detailed Guidance Document was being produced by Xoserve regarding the Read Rejections and this would be published on the website and a link would be sent via email to all parties who were still experiencing issues. JW asked SH to produce a summary of the reasons and read rejections for the next meeting in order to then discuss and decide about raising a new modification.

New Action PAC UIG 1114: Xoserve (FC/SH) to provide a breakdown by reason code, energy and AQ the number of MPRN's by category and the number of days.

A general discussion took place as to whether the 09 January 2018 meeting could be an open Meeting and whether 2018 PAC meetings could be open sessions, perhaps every other month, or whether the morning session could be open and then the afternoon be closed to PAC Members only. MBe proposed that the last 3 open meetings had been very useful and informative and was helpful to establish that PAC were in the process of addressing the UIG issues. CW felt that leaving the open meeting until 09 January was too far away and MBe agreed. JW proposed that at the meeting on 12 December that a decision should be made how to progress the issue for the 09 January 2018 meeting, in relation to raising a modification and also discussing incentives etc. BF also stated that there was a lot of material and topics to be discussed specifically for the PAC at the December meeting. The general consensus of the parties' present was that they were disappointed at the level and speed of progress that had been made to date.

4. Review of Actions

Action PAC/UIG 1103: Xoserve (LW) to provide an update on the review of the DM resynchronisation process.

Update: FC requested that this action be carried forward and that she would provide the DM resynchronisation process update at the next meeting on 12 December. **Carried forward**

PAC UIG 1112: Ofgem (JD) to write to the DM Shippers and DMSP to invite them to the PAC UIG meeting on 29 November 2017 in Solihull and for them to bring anonymised Case Studies regarding the DM Read Issues they are experiencing presently.

Updated: The Workgroup agreed this action could now be closed. **Closed.**

PAC UIG 1113: Xoserve (FC) to meet with the PAFA to sense check the Risk Register and the PAFA Contract in order to determine materiality.

Update: FC requested that this action was carried forward as this work was presently in progress. **Carried forward**

5. Any Other Business

5.1 Further Developments for the Gas PAC Regime

BF advised that Angela Love had provided a presentation for discussion at the next PAC meeting in December as she and some other original PAC Members had now left, and she had felt that it was important to revisit the overall aspirations of PAC.

6. Next Steps

BF said that at the meeting on 12 December 2017, this would be the normal closed PAC members only meeting with the normal agenda items, adding that this would be a comprehensive meeting.

7. Diary Planning

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

Time/Date	Venue	Programme
10:30, Tuesday 12 December 2017	Energy UK, Charles Street,5-11 Regent Street, London SW1Y 4LR	<ul style="list-style-type: none"> • Risk Register • Consultation Responses • Reporting – including Schedule 2 • Potential New Modification regarding Rolling AQ Report • Love Energy Presentation – Further Developments Gas PAC Regime • Business Plan for 2018 against Budget
10.30, Tuesday 09 January 2018	Elexon, 350 Euston Road London Lon NW1 3AW UK	<ul style="list-style-type: none"> • To be confirmed
10.30, Monday 05 February 2018	Solihull – Venue TBC	<ul style="list-style-type: none"> • To be confirmed
10.30, Monday 05 March 2018	Elexon, 350 Euston Road London Lon NW1 3AW UK	<ul style="list-style-type: none"> • To be confirmed
10.30, Tuesday 10 April 2018	Solihull – Venue TBC	<ul style="list-style-type: none"> • To be confirmed
10.30, Tuesday 08 May 2018	Elexon, 350 Euston Road London Lon NW1 3AW UK	<ul style="list-style-type: none"> • To be confirmed
10.30, Tuesday 12 June 2018	Solihull – Venue TBC	<ul style="list-style-type: none"> • To be confirmed
10.30, Tuesday 10 July 2018	Elexon, 350 Euston Road London Lon NW1 3AW UK	<ul style="list-style-type: none"> • To be confirmed

10.30, Monday 06 August 2018	Solihull – Venue TBC	<ul style="list-style-type: none"> To be confirmed
10.30, Tuesday 11 September 2018	Elexon, 350 Euston Road London Lon NW1 3AW UK	<ul style="list-style-type: none"> To be confirmed
10.30, Tuesday 09 October 2018	Solihull – Venue TBC	<ul style="list-style-type: none"> To be confirmed
10.30, Monday 05 November 2018	Elexon, 350 Euston Road London Lon NW1 3AW UK	<ul style="list-style-type: none"> To be confirmed
10.30, Tuesday 11 December 2018	Solihull – Venue TBC	<ul style="list-style-type: none"> To be confirmed

Action Table (as at 29 November 2017)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
PAC UIG 1103	01/11/17	2.1	Xoserve (LW) to provide an update on the review of the DM resynchronisation process.	Xoserve (LW)	Carried forward
PAC UIG 1112	14/11/17	2.0	Ofgem (JD) to write to the DM Shippers and DMSP to invite them to the PAC UIG meeting on 29 November 2017 in Solihull and for them to bring anonymised Case Studies regarding the DM Read Issues they are experiencing presently.	Ofgem (JD)	Closed
PAC UIG 1113	14/11/17	2.0	Xoserve (FC) to meet with the PAFA to sense check the Risk Register and the PAFA Contract in order to determine materiality.	Xoserve (FC)	Carried forward
PAC UIG 1114	29/11/17	3.0	Xoserve (FC/SH) to provide a breakdown by reason code, energy and AQ the number of MPRN's by category and the number of days.	Xoserve (FC/SH)	Pending