

**Distribution Workstream Minutes**  
**Thursday 28 September 2006**  
**Elexon, 350 Euston Road, London**

**Attendees**

Tim Davis (Chair)	TD	Joint Office of Gas Transporters
Helen Cuin (Secretary)	HC	Joint Office of Gas Transporters
Julian Majdanski	JM	Joint Office of Gas Transporters
Andrew Keogh	AK	E=MC <sup>2</sup>
Brian Durber	BD	E.ON UK
Claire Walsh	CW	British Gas Trading
Fiona Upton	FU	E.ON UK
Gareth Evans	GE	Total Gas & Power
Graham Wood	GW	British Gas Trading
James Crosland	JC	Corona Energy
Jenny Booth	JB	Ofgem
Linda Whitcroft	LW	xoserve
Marie Clark	MCl	Scottish Power
Mark Jones	MJ	Scottish and Southern
Phil Broom	PBr	Gaz de France ESS
Sallyann Blackett	SB	xoserve
Sham Afonja	SA	RWE Npower
Stefan Leedham	SL	EDF Energy
Steve Nunnington	SN	xoserve

**Apologies**

Alex Travell	E.ON UK
Mick Curtis	E=MC <sup>2</sup>
Simon Howe	RWE Npower

**1. Introduction and Status Review**

**1.1. Minutes from August Distribution Workstream**

Comments received:-

General Amendment to Minutes. Phil Lucas requested that any reference to National Grid should stipulate National Grid UK Distribution.

Amendment to Minute Ref 3.2. Phil Lucas clarified the paragraph should read: PL noted that IGTs have a concern regarding double jeopardy, by having provisions both within the UNC and within NExAs and that ~~National Grid~~ Distribution Networks would look to remove the relevant provisions from the NExAs, via the UNC Modification Process.

The Minutes of the previous meeting were approved.

**1.2. Review of Actions from August Distribution Workstream meeting.**

**Dis0801:** xoserve to be invited to the September Distribution Workstream to help clarify interaction with AQ Review Process.

**Action Update:** Steve Nunnington attended. Action Complete

**Dis0802:** Ofgem to consider providing a written response, outlining its preliminary view on Network Ownership beyond the ECV, to assist with policy development.

**Action Update:** JB confirmed that Ofgem's Legal Team have looked at National Grid's view, which is in line with current regulations. However Ofgem need to have a firm policy decision and are currently trying to arrange a meeting with the HSE and the Dti to consider the best way forward.

Action: Carried Forward

### 1.3 Review of Live Modification Proposals and Topics Log

TD reviewed the current Distribution Modification Proposals and Topic Status Report.

GE confirmed that an amendment to Modification Proposal 0088 "Extension of DM service to enable Consumer Demand Side Management" would be provided to the Joint Office later today.

## 2. Modification Proposals

### 2.1 Proposal 0099: "Management of erroneous Domestic AQs during the Registration process"

TD confirmed that the Panel agreed to a three month extension for the development of this Modification Proposal.

SA summarised the changes made to the Modification Proposal which was published on 27 September 2006.

GW expressed a concern with regards to incorrect amendments to AQs and how these would be captured and managed. SA confirmed that reconciliation would be undertaken on erroneous amendments to cover the period of the incorrect AQ. However she was not certain that xoserve would be able to identify all erroneous amendments.

**Action 0901:** xoserve to clarify the process for capturing erroneous AQ changes - particularly if an AQ has been amended using the BTU Form for an appeal from an I&C to Domestic AQ and this amendment turns out to be erroneous. xoserve to clarify how the energy and the AQ calculation would be reconciled.

GW suggested a further change to the Modification Proposal to add clarity in relation to a change of supplier.

TD requested if the Workstream would wish consider and provide written comments on the current Workstream Report which, unless objections were received, would be issued to the Panel in October.

**Action 0902:** Workstream Report 0099 to be published with September's Minutes for review. Any comments or further changes required need to be provided to the Joint Office no later 17:00hours on 09 October 2006.

### 2.2 Proposal 0115 "Correct Apportionment of NDM Error"

GW introduced the Modification Proposal confirming that the purpose of the Proposal is to address the inconsistency in the way that allocation is balanced between the Small Supply Point and Large Supply Point Market.

GW confirmed that he would provide some statistics that British Gas Trading had produced. However further data analysis will be required with the assistance of xoserve along with a high level impact analysis. British Gas Trading have requested a three month development window but will be looking to progress the Proposal as early as practical with an early implementation if at all possible.

GW confirmed that there is recognition of unreconciled energy such as Shipper-less sites, Theft of Gas and CSEP reconciliation. As sites with AMR facilities are more likely to be registered with a Supplier and are less likely to be exposed to Theft of Gas, these will be excluded.

TD suggested that consideration is given to a smaller meeting to develop the issues, enabling completion of the Workstream Report in November.

SN expressed an initial view that only larger NDM supply points should be considered.

SB confirmed that it would be impossible for xoserve to identify a daily figure of unallocated gas. LW expressed that, dependent on scope, significant system changes may be required which may need longer than three months. Application of a standard methodology may be more manageable than a daily process.

**Action 0903:** GW to work with xoserve and the Distribution Networks to understand the scale of the issue and provide a more detailed proposal for the October Workstream.

SB confirmed that Transporters would have to receive a Change Order Form from a Transporter to provide an estimate of cost, and that a cost would be involved in undertaking such a piece of work.

MCI challenged that the feeder processes, for example Theft of Gas, may need to be examined individually.

GW confirmed that he wants to work towards a manageable and acceptable mechanism to improve the current situation.

No opposition was expressed with regards to progressing with the development of this modification.

### 3. Topics

#### 3.1. 013Dis, Network Ownership beyond ECV at Prime and Sub-deduct Meter Configuration.

See Action 0802 Update – Section 1.2.

#### 3.2. 014Dis CSEP NExA Agreements

MCI provided two presentations with an update on the current situation. MCI confirmed that work is ongoing with iGTs, involving several iGT Code Modifications. It is evident that the NExA is not working as it should. However iGTs are not in support of the Modifications and Legal text has not been forthcoming.

TD commented that this appeared to be a breach of Licence obligations to provide Legal Text, and so an Ofgem issue. GW suggested the Modification rules may need aligning closer to that of the UNC.

iGTs are concerned with double jeopardy – however, National Grid have assisted by producing a draft of a modification to remove redundant provisions.

MCI provided information on a further three iGT Modification Proposals and a further UNC Modification Proposal to Introduce a Standard of Service Resolution of iGT LMN AQ Update Rejections.

SN confirmed that xoserve is considering the provision of an SPA service for iGTs which could resolve a number of issues.

#### 3.3. 016Dis: Termination of Dormant Shipper Licences

GE provided an update stating that a Modification Proposal has been drafted.

**3.4. Any new topics**

**4. AOB**

**5. Diary Planning for Workstream**

Next Meetings:

Thursday 26 October 2006, 10:00 at Novotel, Birmingham International Airport

Thursday 23 November 2006, 10:00 at Elexon, 350 Euston Road, London

Thursday 25 January 2007, 10:00 at Novotel, Birmingham International Airport

Thursday 22 February 2007, 10:00 at Elexon, 350 Euston Road, London

Thursday 22 March 2007, 10:00 at Novotel, Birmingham International Airport

Thursday 26 April 2007, 10:00 at Elexon, 350 Euston Road, London

Thursday 24 May 2007, 10:00 at Elexon, 350 Euston Road, London

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**Action Table (Appendix 1)**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
Dis0801	14/08/06	2.1	xoserve to be invited to the September Distribution Workstream to help clarify interaction with AQ Review Process.	JO	Action: Complete
Dis0802	14/08/06	3.1	Ofgem to consider providing a written response, outlining its preliminary view on Network Ownership beyond the ECV, to assist with policy development.	Ofgem (PS)	Action: Pending
Dis0901	28/09/06	2.1	xoserve to clarify the process for capturing erroneous AQ changes - particularly if an AQ has been amended using the BTU Form for an appeal from an I&C to Domestic AQ and this amendment turns out to be erroneous. xoserve to clarify how the energy and the AQ calculation would be reconciled.	xoserve (SB)	Action: Pending
Dis0902	28/09/06	2.1	Workstream Report 0099 to be published with September's Minutes for review. Any comments or further changes required need to be provided to the Joint Office no later 17:00hours on 09 October 2006.	All	Action: Pending
Dis0903	28/09/06	2.2	GW to work with xoserve and the Distribution Networks to understand the scale of the issue and provide a more detailed proposal for the October Workstream.	BGT (GW) and xoserve	Action: Pending