

Distribution Workstream Minutes

Thursday 24 January 2008

31 Homer Road, Solihull

Attendees

Julian Majdanski (Chair)	JM	Joint Office of Gas Transporters
Helen Cuin (Secretary)	HC	Joint Office of Gas Transporters
Alex Pichler-Tennenberg	APT	RWE Npower
Andrew Green	AG	Total Gas and Power
Brian Durber	BD	E.ON UK
Chris Warner	CW	National Grid Distribution
Claire Thorneywork	CT	National Grid Transmission
Erika Melen	EM	E.ON UK
Joanna Ferguson	JF	Northern Gas Networks
Joel Martin	JMa	Scotia Gas Networks
Jon Dixon	JD	Ofgem
Kerri Matthews	KM	National Grid
Linda Whitcroft	LW	xoserve
Marie Clark	MCI	Scottish Power
Mark Jones	MJ	SSE
Mick Curtis	MC	E=MC ²
Mitch Donnelly	MD	British Gas
Nick Wye	NW	Waterswye
Phil Broom	PB	Gaz de France
Phil Lucas	PL	National Grid Distribution
Richard Dutton	RD	Total Gas and Power
Shelley Rouse	SR	Statoil
Simon Howe	SH	RWE npower
Simon Trivella	ST	Wales & West Utilities
Steve Nunnington	SN	xoserve
Steve Williams	SW	ENI UK
Sue Davies	SD	Wales & West Utilities
Thomas Vickers	TV	Gaz de France
Tracey Walker	TW	E.ON UK

Apologies

James Crosland	JC	Corona Energy
Rob Cameron-Higgs	RCH	Northern Gas Networks

1.0 Introduction and Status Review

1.1. Minutes from December Distribution Workstream

Minutes were approved.

1.2. Review of Actions from previous meetings

Action 1107: RS/MD to produce a list of questions/issues relating to the Correct Apportionment of NDM Error for circulation by the Joint Office.

Action Update: MD confirmed UNC 0194 raised.

Action: Complete

Action 1108: All to consider list of questions/issues relating to the Correct Apportionment of NDM Error (action 1107) and the provision of evidence before the December Workstream meeting.

Action: Closed

Action 1201: Northern Gas Networks to provide an email address for the provision of Emergency Contacts Information.

Action: See item 3.5. **Complete**

Action 1202: All Transporters to consider solutions for updating Emergency Contact Information.

Action: **Carried Forward**

1.3. Review of Live Modification Proposals and Topics Log

See items 2.0 and 3.0.

2.0 Modification Proposals

2.1. Proposal 0191: “Discontinuance of Code Credit Rules”

SD asked if there were any questions on the Modification Proposal. No questions were raised.

ST confirmed that the proposal will need a variation to change a reference to the "Code Credit Rules" in Section G 2.1.10.

2.2. Proposal 0182: “ Introduction of DNO obligations to facilitate resolution of unresolved USRVs”

CW introduced the Modification Proposal. He confirmed the need to identify a set business rules to include: the period for USRV resolution, the backstop mechanism and the DN's obligations.

SH asked if the Proposal would preclude Shippers requesting assistance through a commercial arrangement. CW acknowledged that this had been discussed in the Review Group. He suggested that commercial arrangements could be made in addition to the process being proposed.

CW confirmed that he intends to provide some analysis to illustrate patterns of behaviour.

SH questioned the involvement of Shippers once a USRV has been transferred to the Transporter to resolve. MD expressed an interest in the Shipper becoming involved in case action is required by the Shipper as a result of Transporter findings. CW confirmed that this could be considered.

CW made reference to UNC 0188/0188A and confirmed that the resolution of USRVs would be a User Pays service.

CW welcomed views on the Proposal and the trade off between the incentive period and backstop mechanism, before the next Workstream Meeting.

Action 0101: All to provide views on UNC0182 to National Grid (CW).

2.3. Proposal 0194: “ Correct Apportionment of NDM Error – Energy”

MD introduced the Modification Proposal confirming that he had carried forward most of the things from UNC 0115, he encouraged wide representation for the Development Workgroup.

PB welcomed the appendix and suggested that this ought to be the focus for the Workgroup along with Ofgem's Decision Letter on UNC0115.

MD confirmed that the intention will be to look at the incentives.

JM suggested the initial meeting will be held at the end of February.

3.0 Topics

3.1. 014Dis, CSEP NExA agreements

PL confirmed that work is ongoing, and that Modification Proposals have been raised. UNC 0167 was discussed and he confirmed that the Transporters are seeking to amend Annex A of the CSEP NeXA.

3.2. 025Dis, User Pays

CW confirmed UNC0188: "Introduction into the UNC of the Agency Charging Statement ("User Pays")" consultation closes 07 February 08.

NW asked when the charge information will be available for Shippers and asked if xoserve are able to provide costs. SN confirmed costs would be investigated.

MC asked about the use of premium rate phone numbers, explaining the difficulty some organisations would have. MD confirmed the use of premium rate numbers had been investigated and alternatives considered.

3.3. 026Dis, RbD Issues Log

JD requested that this remains as a topic for visibility

PB highlighted that a Gas Forum Issues Log is also being considered

3.4. 027Dis, Measurement error notification guidelines and Draft Business Rules

ST confirmed that WWU have been asked to provide Legal Text, however a number of issues have been raised with regard to the documentation with EDF. ST believed that consideration needs to be given whether to vary the proposal. WWU are also considering whether a separate Modification Proposal needs to be raised.

3.5. 028Dis, Updating Emergency Contact Information

JF confirmed that contact details are published on the NGN website.

PL provided a draft National Grid Distribution contact list however this would not be ready for publication until the end of the month.

A debate occurred whether the Transporter Contacts should be published on the Joint Office Web site, or provided on the respective Transporter websites. It was agreed that Action 1202 would be carried forward for further consideration at February's Distribution Workstream.

3.6. 029Dis, Correct Apportionment of NDM Error

MD confirmed that UNC 0194: "Correct Apportionment of NDM Error – Energy" had been raised and a Development Workgroup established.

The Workstream agreed closure of the Topic now that the Modification has been raised.

3.7. Any New Topics

3.7.1. DN Shrinkage Changes

KM provided a presentation on DN Shrinkage Changes. The presentation provided an indication of what principles are being considered with a view of raising a Modification Proposal.

KM explained the current regime, outlined the Licence drafting and the transitional arrangements for the first 6 months. She also briefed the Workstream on the considerations being undertaken.

PB questioned the fixed quantities and whether these decrease over the 5 year Price Control period.

ST clarified the relationship between shrinkage volumes, the flow of gas and system pressure changes.

KM confirmed that National Grid hope to raise a Modification Proposal for the March UNC Panel Meeting with a preferred implementation date of 01 July, and an alternative implementation date of the 01 October.

SH questioned how the RbD reconciliation will work at the end of the process.

It was agreed to register Topic 030Dis with a High priority.

4.0 AOB

4.1. Update from iGT Modification Panel

MCI confirmed that all the Modification Proposals put forward to the iGT Panel had a decision made; four new Proposals had been raised and progressed to consultation.

4.2. South Wales Offtake Errors

ST provided an update reporting that a final Meter Error Report has been submitted to National Transmission. ST confirmed that WWU are hoping to issue a communication note to confirm that the 643 process will be progressed.

4.3. Maintenance of Best Practice Guidelines for gas and electricity network operator credit cover

SD provided a presentation confirming that Modification Proposals 0190 and 0191 had been raised.

SD welcomed views from Shippers and Ofgem. She confirmed that the next step is to collate views and identify the scope of a potential industry Review Group. She confirmed that equivalent electricity contacts have also been approached. SD also confirmed that Ofgem have indicated that the whole industry should be involved.

NW asked if any part of the guidelines had not been addressed.

SH questioned if the guidelines which have been established are suitable. JD suggested that regular reviews need to be undertaken and as long as the guidelines are kept up to date and relevant Ofgem would not have a preference as to how this was undertaken.

5.0 Diary Planning for Workstream

Next Meetings:

Thursday 28 February 2008, 10:00, Elexon, 350 Euston Road, London

Thursday 27 March 2008, 10:00, Elexon, 350 Euston Road, London

Thursday 24 April 2008, 10:00 31 Homer Road, B91 3LT

Thursday 22 May 2008, 10:00, Elexon, 350 Euston Road, London

Thursday 26 June 2008, 10:00, Elexon, 350 Euston Road, London

Action Table (Appendix 1)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
Dis1107	22/11/07	3.4.3	RS/MD to produce a list of questions/issues relating to the Correct Apportionment of NDM Error for circulation by the Joint Office.	Shippers (RS/MD)	Action: Complete
Dis1108	22/11/07	3.4.3	All to consider list of questions/issues relating to the Correct Apportionment of NDM Error (action 1107) and the provision of evidence before the December Workstream meeting.	All	Action: Closed
Dis1201	18/12/07	3.5	Northern Gas Networks to provide an email address for the provision of Emergency Contacts Information.	NGN	Action: Complete
Dis1202	18/12/07	3.5	All Transporters to consider solutions for updating Emergency Contact Information.	All Transporters	Action: Carried Forward
Dis0101	24/01/08	2.2	All to provide views on UNC0182 to National Grid (Chris Warner).	All	Action: Pending