

Distribution Workstream Minutes

Thursday 23 October 2008

31 Homer Road, Solihull

Attendees

Bob Fletcher (Chair)	BF	Joint Office
Helen Cuin (Secretary)	HC	Joint Office
Alan Raper	AR	National Grid Distribution
Brian Durber	BD	E.ON UK
Chris Warner	CW	National Grid Distribution
Fiona Cottam	FC	xoserve
Heidi Martin	HM	RWE Npower
Jemma Woolston	JW	Shell Gas Direct
Jenny Booth	JB	Ofgem
Joanna Ferguson	JF	Northern Gas Networks
Joel Martin	JM	Scotia Gas Networks
Linda Whitcroft	LW	xoserve
Mitch Donnelly	MD	British Gas
Phil Broom	PB	Gaz de France
Phil Lucas	PL	National Grid Distribution
Richard Street	RS	Corona Energy
Simon Trivella	ST	Wales & West Utilities
Stefan Leedham	SL	EDF Energy
Tim Davis	TD	Joint Office

Apologies

Shelley Rouse	SR	Statoil
Rob Cameron-Higgs	RCH	Northern Gas Networks

1. Introduction and Status Review

1.1. Minutes from August Workstream

The minutes of the previous meeting were approved.

1.2. Review of Actions from previous meetings

Action 0609: Ofgem to consider whether they would wish to lead any further cross-industry work on credit best practice.

Action Update: JB confirmed that Ofgem are currently looking at the credit guidelines. She asked if all industry parties could send any concerns or issues they would like considered to Ofgem via Jenny Booth or Jon Dixon.

Carried forward

New Action 1001: All industry parties to advise Jenny Booth or Jon Dixon, Ofgem of any issues or concerns for Ofgem's consideration of the Credit Guidelines.

Action 0901: Any feedback/concerns relating to UNC0225 should be provided to Simon Trivella ASAP.

Action Update: Representations for UNC0225 have now been invited and will close on 06 November 2008. **Complete.**

Action 0902: British Gas to provide a presentation on the methodology for the rate of AQ changes in the LSP and SSP market.

Action Update: MD provided a presentation. See item 2.1

Complete.

Action 0903: National Grid to examine the possibility of meter labelling as part of the Prime and Subs survey process.

Action Update: CW asked if this action could be carried forward.

Carried forward

Action 0904: National Grid to draft a Primes and Subs ownership investigation process for further consideration by other DNOs

Action Update: CW asked if this action could be carried forward.

Carried forward

1.3. Review of Live Modification Proposals

BF summarised the current situation of all the live Modifications for the Distribution Workstream.

He confirmed that the recent modifications referred to the Distribution Workstream will be batched together by subject similarity and discussed at a separate Distribution Workstream.

2. Modification Proposals

2.1. Proposal 0228: “Correct Apportionment for NDM Error – Energy”

MD confirmed that UNC0228 had been considered by the October Panel Meeting however it had been deferred until the next meeting. MD indicated that British Gas minded to amend the Modification to incorporate UNC0194 as this would remove the dependency on UNC0194. He explained that the effect of doing this would overwrite any previous changes to the UNC made if UNC0194 were implemented. Ofgem have been approached about this intention as this solution would in effect replace but not change the original legal text with text additions relating to the population of the table.

MD indicated that if UNC0194 was rejected by Ofgem for reasons surrounding the use of an allocation table then British Gas would consider the need to withdraw UNC0228.

MD provided a presentation on the methodology for the rate of AQ changes in the LSP and SSP market. He explained that concerns had been expressed within Development Work Group 0194 about the rate of LSP AQ changes compared to SSP AQ Changes. MD acknowledged that the AQ changes are different in the SSP compared to the LSP and this has now been reflected within the modification.

PB expressed concern that the methodology assumes that the profiles are current. RS expressed a concern about the differences in Shipper portfolios as each Shipper will have different customer profiles. He also expressed a concern about the assumptions being made.

PB wished to make a distinction between market aggregation and shipper aggregation as these will be different.

MD explained the rebalancing mechanism for AQ changes. ST questioned the use of 1.72TWh. MD explained that this is the ratio between SSP and LSP. RS confirmed that the worked example of the equation was correct but he highlighted the use of retrospective AQs. ST noticed an error in the methodology's equation references, MD confirmed that this would be changed, however the worked example was correct. MD explained that the 1.72TWh if put back into the SSP sector would balance out the two markets. The 1.72TWh was the relative difference between the two markets.

Action 1002: British Gas to correct the errors in the methodology's equation references contained in the UNC0228 presentation and proposal.

AR asked if the numbers had been used to understand the effect of using the formula, as this would ascertain if there was any volatility and understand the reality of using the formula.

MD welcomed any comments on the presentation.

RS asked if British Gas were able to provide the workings of the figures to enable further understanding.

Action 1003: British Gas to make available the UNC0228 figures and the workings to enable further Shipper interrogation.

FC expressed a concern about the Theft, unregistered sites and the other residual elements.

PB expressed concern about the terminology used within the modification relating to the term Theft. He suggested that a residual element ought to be considered instead of using Theft as a balancing factor. MD believed if all other elements have been quantified the remaining element would be Theft. However PB believed that this was misleading. MD indicated that this feedback would be considered.

3. Topics

3.1. 014Dis, CSEP NExA agreements

JB confirmed that Ofgem held a meeting on 03 October 2008. It was agreed at this meeting to host workshop to consider further options for the administration of CSEP supply points. She confirmed that the arrangements are currently being made for a potential date of 24 November 2008.

CW confirmed that further process improvements are still be encouraged by Ofgem in addition to a longer term solution.

3.2 025Dis, User Pays

BF confirmed that Modification Proposal 0213 guidance documents are in the early stages of production.

3.3 031Dis, Maintenance of Best Practice Guidelines for gas and electricity network operator credit cover

JB confirmed earlier that this is currently undergoing further consideration. SL advised it is hoped to present the guidance document at the November Governance Workstream.

3.4 032Dis, Primes & Subs

JM believed that Shippers have made a request for a list of Primes and Subs, he confirmed that a user portfolio report is available which lists the meter link code field details to identify which Meter points are parts of a Primes and Sub configuration.

RS questioned which sites are going to be visited and when. The Transporters confirmed that this is still being looked at and reassured the Shippers that they will be included within the process.

4. AOB

4.1 Update from iGT Modification Panel

ST confirmed that the iGT Modification Panel is quite at the moment. There is one review relating to the single service provider, however this has been put on hold until progression of Ofgem's workshop on CESP administration.

4.2 Update from Ofgem AMR Meeting

RS provided an update, he confirmed that the gas meters and electricity meters have been separated. The gas group looked at the various issues and identified three streams of work: Change of supply, SPAA flows and Energy Services and Technology Association (ESTA) Code of practise.

He confirmed that the UNC0227: "Implementation of an industry AMR database to facilitate the change of supply process", had been raised in response to the first stream.

He believed the biggest impact envisaged during 2009 will be the Carbon Reduction Commitment (CRC) as this will encourage the installation of AMR equipment.

4.3 Emergency Contact Details

ST highlighted the imminent Emergency Exercise "Prelude". He also highlighted that Shippers will be contacted in relation to section Q of the UNC 2.2 and 2.3 User emergency contacts and large firm supply point contacts. ST explained that it is the Shippers obligation to ensure the emergency contact details are up to date and wanted to provide a "heads up" on the exercise.

MD confirmed that British Gas regularly write to their customers to explain the importance of correct contact details and to ensure details are maintained. However he explained during project Neptune it was discovered that a number of updates had not been used as part of the exercise due to a timing issue.

RS welcomed the provision of detailed feedback from the National Exercise as this summarised the success of the emergency contacts.

HM highlighted that year on year the results of the National Exercise appear poor and she questioned if there was more the industry could do, as they are very dependant on Customers providing the appropriate information. A single service agent was briefly discussed to manage the management of emergency contacts.

BD asked about the possibility of remotely isolating supply points. He believed the HSE are looking for a more pragmatic solution.

5.0 Diary Planning for Workstream

Additional Workstream Meetings:

0224/0227: Tuesday 04 November 0224, 13:00, Ofgem, Millbank, London

Energy Mods: Friday 07 November, 10:00, London venue to be confirmed. Elexon, ENA or Millbank.

0224/0227: to be discussed at the 27 November 2008 Distribution Workstream, Elexon.

0224/0227: 02 December 2008, Elexon (Green room to be extended)

Energy Mods: Tuesday 16 December 2008, 10:00 at a Solihull venue to be confirmed.

Ordinary Distribution Workstream Meetings:

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

Tuesday 06 January 2009, 10:00 Elexon, 350 Euston Road, London
Thursday 29 January 2009, 31 Homer Road, Solihull
Thursday 26 February 2009, 10:00, Elexon, 350 Euston Road, London
Thursday 26 March 2009, 10:00, Elexon, 350 Euston Road, London
Thursday 23 April 2009, 31 Homer Road, Solihull
Thursday 28 May 2009, 10:00, Elexon, 350 Euston Road, London
Thursday 25 June 2009, 10:00, Elexon, 350 Euston Road, London
Thursday 23 July 2009, 31 Homer Road, Solihull

Action Table (Appendix 1)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
DIS0609	27/06/08	3.2	Ofgem to consider whether they would wish to lead any further cross-industry work on credit best practice	Ofgem (JB)	Action: Carried Forward
DIS0901	25/09/08	2.2	Any feedback/concerns relating to UNC 0225 should be provided to Simon Trivella ASAP.	All	Action: Complete
DIS0902	25/09/08	2.3	British Gas to provide a presentation on the methodology for the rate of AQ changes in the LSP and SSP market.	British Gas (MD)	Action: Complete
DIS0903	25/09/08	3.5	National Grid to examine the possibility of meter labelling as part of the Prime and Subs survey process	National Grid (CW)	Action: Carried Forward
DIS0904	25/09/08	3.5	National Grid to draft a Primes and Subs ownership investigation process for further consideration by other DNOs.	National Grid (AS/CW)	Action: Carried Forward
DIS1001	23/10/08	1.2	All industry parties to advise Jenny Booth or Jon Dixon, Ofgem of any issues or concerns for Ofgem's consideration of the Credit Guidelines.	All	Action: Pending
DIS1002	23/10/08	2.1	British Gas to correct the errors in the methodology's equation references contained in the UNC0228 presentation and proposal.	British Gas (MD)	Action: Pending
DIS1003	23/10/08	2.1	British Gas to make available the UNC0228 figures and the workings to enable further Shipper interrogation.	British Gas (MD)	Action: Pending