

UNCC AUG Sub-Committee

Monday 30 September 2019

at Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Maitrayee Bhowmick- Jewkes (Secretary)	(MBJ)	Joint Office
Loraine O'Shaughnessy	(LOS)	Joint Office
Helen Bennet	(HB)	Joint Office
Andy Gordon	(AG)	DNV-GL
Chandima Dutton*	(CD)	Waters Wye Associates
Clive Whitehand	(CWh)	DNV-GL
Fiona Cottam	(FC)	Xoserve
Mark Bellman	(MB)	Scottish Power
Mark Palmer*	(MP)	Orsted
Steve Mulinganie	(SM)	Gazprom
Rhys Kealley	(RK)	British Gas
Tony Perchard	(TP)	DNV-GL
Sallyann Blackett*	(SB)	E.ON

* via teleconference

Copies of all papers are available at: <https://www.gasgovernance.co.uk/aug/300919>

1.0 Introduction

Bob Fletcher (BF) welcomed everyone to the meeting.

Approval of Minutes (24 July 2019)

The minutes of the previous meeting were approved.

2.0 Review of Outstanding Actions

Action 0701: Xoserve (FC) to propose, as part of the report on the AUG end of year review for the August UNCC, that the AUG Sub-committee can investigate a matter referred to them from the UNCC and/or coming out of the annual AUG process review. This proposal would include any corresponding changes required to the AUG Sub-committee terms of reference. If approved Xoserve to work with Joint Office to arrange an additional meeting date.

Update: FC (Xoserve) advised that the annual AUG report and consolidated feedback was presented to the UNCC in addition to the framework document. No actions were raised that would require further meetings to review any proposed changes. **Closed.**

Action 0702: DNV-GL (TP) to update the log of topic areas taking into consideration the feedback provided at the meeting.

Update: TP (DNV-GL) has updated the framework with new format. **Closed.**

3.0 AUG 2020/2021 Timeline

Tony Perchard (TP) did a walkthrough of the presentation entitled Early Engagement Meeting for the AUG Sub-Committee and agenda the AUG (DNV-GL) aimed to cover in the meeting.

Indicative AUG Timeline for Analysis Year 2019/20: TP confirmed that the AUGE have started to receive data and have started the analysis. They are therefore in a good place to give an overview of what they hope to achieve in the coming year and take on board any feedback provided by the committee. The next steps on their timeline is to publish a new draft version of the AUG Statement by January 2020.

Data status: TP said the AUGE are currently capturing a log of all data requests from the industry and monthly updates are published on the Joint Office website. Currently, there were no major data issues reported. TP asked Steve Mulinganie (SM) whether he had received any updates on getting data from large sites. SM said he was waiting on Energy Assets to respond to his request for information and that he would chase for an update. He would also copy TP into email loop so TP can liaise directly with Energy Assets if required.

The risk identified was that gas theft was major issue last year. Whilst it does not appear to be an issue so far, the Supplier Theft of Gas Data was not provided in time. Fiona Cottam (FC) stated that this data is produced by Electralink (TRAS). Whilst approval to share this had been provided in principle, it must be confirmed formally before the information is shared with Xoserve and the AUGE. FC agreed to chase Electralink and update the AUGE.

New Action 0901: Xoserve (FC) to chase Electralink for gas theft data.

Gas Temperature Data: TP informed the workgroup that the AUGE had sent out an industry wide data request but had not received any responses at this time. They have sourced copies of original reports on a Domestic Meter Temperature Survey. TP confirmed the AUGE and Xoserve have written to the Gas Transporters (GTs) requesting permission to use the data from this report. FC confirmed she will chase this action with GTs. Should permission be provided, it would mean that it would be possible to use the gas temperature effect in the AUG methodology this year. This will also have a knock-on effect on the meter temperature studies that UNC Request 0693R - Treatment of kWh error arising from statutory volume-energy conversion raised by Scottish Power.

Theft analysis: Andy Gordon (AG) provided an update. The plan for the coming year will be to implement the full methodology dependant on data coming in (which the AUGE is hopeful about receiving).

AG informed the committee that 'Fiscal Theft' has been approved as a new code for theft by TIG (Theft Issues Group). Fiscal theft is likely to only take place from Electronic Token Meters (ETMs) which will mostly consist of domestic customers and should be reported as a valve tamper. AG said that this was being entered into the system as zero assessed losses as opposed to fiscal losses. Work the AUGE have carried out has illustrated that valve tamper indicator will be best to capture this theft rather than zero assessed losses. This will therefore be the principle going forward. Rhys Kealley (RK) would like some documentation to show what was discussed. AG agreed to pass this information on. MB raised question on whether it is being identified correctly. AG said advised that valve tampers on ETMs are fiscal theft, is not strictly correct, but it is the easiest way of identifying this issue. SM stated that the assertion is that if it is metered, then the loss can be recovered. Therefore, if fiscal theft is detected, it can be determined how much has been stolen.

Volume conversion: TP said that significant amount of detailed analysis had been carried out on this topic in the previous year, which concluded that data was insufficient to justify varying from 12.2 degrees as an average temperature. Also, there was not enough information which was why LDZ specific factors are outside the AUGE remit in terms of the table contents.

TP said currently the AUGE had raised a query with Xoserve to get a copy of a domestic temperature study with summary values. They are keen to review this to note the

difference between temperatures for the year of the study and the current Seasonal Normal Temperature (SNT). FC said she would chase her team for this information.

New Action 0902: Xoserve (FC) to provide a copy of the domestic temperature study to AUGÉ.

SM wanted to know why there was no update on this as the DSC Contract Management Committee had already approved the spend on this study. FC said that the AUGÉ had been agreed to hold fire on the lab study until the information from Transporters was made available.

CW confirmed this was because the report they were requesting was shared in the Shrinkage Forum in 2000. However, this report is likely to have historically relevant information, which is owned by GTs. The AUGÉ have asked Xoserve to confirm they can use the data in the report, or to see if there was more up to date data with the GTs. Subject to receiving permission use this data, the AUGÉ proposes to use the report findings to:

- Estimate UIG from temperature conversion (assuming SNT)
 - By LDZ & EUC
 - Use LDZ specific temperatures
 - Different temperature for different site types (to be defined)
 - Temperatures based on EUC specific meter location data (See Topic 58)
- Assess potential to develop relationship between gas temperature and air/ground temperature
 - Can only do this at annual level
- Will need to account for
 - Difference between temperature for years of study and current SNT
 - Differences in Flow Weighted Average calculation

FC confirmed that the data held in the report would need permission for its use from GTs, and as per previously stated, she was waiting on the GTs to respond to her. She said she would chase them again. CW said that once they have clarification from Xoserve on whether they can use the report, they can then use it to inform their study.

MB said if permission is given for using this report, it could also be used to study gas temperatures for UNC Request 0693R. SM queried the current Thermal Energy Regulations requirement of 12.2 degrees and whether further clarity is required from Ofgem or BEIS regarding the ground temperature. AG noted that ground and above ground temperatures had not changed significantly in 20 years and if this was raised could contradict the study carried out by Ofgem.

Meter location: Sallyann Blackett (SB) queried how much of the meter location information, illustrated in the AUGÉ's slides, is unknown. AG said they would investigate location information. SM queried the quantity of external meters, noting that there may be several on boundaries of properties with external meters which might be subject to different temperatures dependant on its aspect.

External meter temperature: TP stated that the AUGÉ's views are that extremes of temperatures do not affect the meter particularly. He also presented some analysis of the temperature where meters are located using sample data with a temperature recorded at the meter location. Noting the temperature on an hourly basis, there was a difference in temperature of 1.5 degrees between the sample meter and LDZ weather station. FC said that it was not reflective as meters can be in various places and what this can do to temperatures could be higher or lower by 1.5 degrees on either side.

The committee agreed that it was most likely therefore that changes in temperature do not have major effect on modelling, but for volume conversion they need exact temperature readings.

Level of permanent UIG post-Nexus: TP said this was an ongoing item being monitored. The chart in the slides is being updated monthly with data provided by Xoserve.

Meter exchange: A number of issues regarding meter exchanges had been raised for the previous year. TP said that there are now more data issues and this has been raised with Xoserve. FC said this was a data read issue, advising that data/reads were stored in the system, but this was not being extracted. Investigation into this was to continue.

Converted/Unconverted reads: The AUGE is liaising with Xoserve to understand the issue and a number of discussions have been held. Unconverted reads were not validated or used for anything. This was thus switched off as validation was affecting read submissions. This will be reviewed further as part of the AUG assessment.

Accuracy of NDM algorithm: AUGE presented this as an ongoing monitoring item to review how this issue impacts on the AUG methodology. SB said that the SNT will be shifting due to the completion of the 5-year review. Consistency is required regarding what is being undertaken for SNT. Depending on the seasonality, UIG will change, dependant on weighting factors.

Incorrect customer information: No new sources of UIG has been detected. All the issues regarding this seems to be related to registration issues. Hence, a site being shipperless and unregistered seems to be the biggest concern.

EUC mapping: TP said that this issue does not directly impact the AUG and is more of a monitoring topic. New mappings have been obtained and new EUCs have been created.

SM queried whether the EUC table should be extended to reflect the EUCs that currently exist and should not be fixed against an historical table that is a requirement of UNC. There was some discussion on what the updated EUC table should contain. FC said this would need an administrative modification to change, however, it will most likely have system impacts. SM mentioned that it is not likely to capture the consequences until a modification is raised.

MB queried if the EUCs are updated, the table should be updated at the same time for the next AUGS. Also, he queried if we are using the right approach against EUCs and if this should be aligned to an LDZ approach as discussed earlier. CW stated the level of detail the modification will include would depend on how much granularity is required as currently EUCs are set at national level.

SM clarified he wants to raise a simple modification in this case to add the EUCs to the table automatically. The system changes may affect it when the modification is delivered, but otherwise he wants to keep this straightforward.

CSEP methodology: TP requested this on behalf of the AUGE as they have very little overview of CSEP demand and meter reads. They would like to see a sample of meter reads post-Nexus to see if there is any adjustment. They need multiple meter reads for this.

Potential new issues for the AUGE:

- Meter maintenance (under reads): RK asked how often sites are visited. SM said he could facilitate a conversation with MAMs via SPAA and MAMCoP to get this information.
- AG advised that volume conversion is a similar issue. SM said converters had been stripped out from a lot of sites as they were not mandated, and a site-specific conversion factor should have been provided. He can request this information from MAMCoP.

New Action 0903: Gazprom (SM) to facilitate conversation between AUGÉ and MAMs regarding meter maintenance and site-specific conversion factors.

Innovations: CW advised the committee that the AUGÉ would like to raise new changes and to be able to innovate, however, the current framework would need to be changed for them to do this. He is concerned, if AUGÉ wants to look at a change or an issue and they don't have a sponsor they will be accused of not being impartial. MB says this should not be the case as they should be able to investigate issues to identify changes which benefit the wider industry. SM agreed.

It was put forward by SM and MB that the AUGÉ should set out a case for change to identify the process to be adopted. The argument was that the AUG framework does not at present encourage continuous improvement, this change would improve this limitation. BF agreed.

FC agreed to look at what is feasible for AUGÉ and what is the best time is for them to achieve deliverables so Xoserve can factor this into their work plan. Further action on Xoserve and the AUGÉ to look into publishing a draft paper on LDZ specific factors as an example of process improvement.

New Action 0904: The AUGÉ (CW) and Xoserve (FC) to look at producing a workplan for the AUGÉ to identify process improvements and a cost benefit analysis for publishing a draft paper on LDZ specific factors.

CW said they could not agree to additional work without approval from Xoserve. FC said that Xoserve sometimes have budgetary constraints which stops them from approving work later on in the contract year. MB and SM suggested to the AUGÉ to raise it with the AUG Sub-Committee if they don't have approval, as both PAC and DSC Change and DSC Contract committees will have the budget to authorise the works requested if a need can be identified.

Industry Changes and Modifications: Significant discussions took place around the industry changes and modifications which may impact the AUGS – particularly Modification 0700. The Final AUG table is informed by Product Class 3 transfer information which exceeds what was originally anticipated for the 2019/20 AUG Year.

Next step: The AUGÉ will publish their draft statement. RK asked if they would be publishing this before 1st January 2020. AUGÉ said they would try to do this by mid-December.

SB asked if they can publish a note on Volume Conversion before the AUG Statement. SM agreed. AUGÉ will put something in their monthly report once they are granted permission to use the relevant data.

4.0 AUGÉ Approach and Considerations for 2020/2021

None yet.

5.0 Any Other Business

- 5.1. Summary of Review of 2018/19 AUG Year: there was no consensus on the feedback received on this. Also, less feedback was received than the year before.
- 5.2. Update on Procurement of a Laboratory Study on within-pipe gas temperature: as discussed above.

6.0 Next Steps

1. AUGE to publish their draft statement for 2020/2021.
2. Draft paper on LDZ specifics to be published by AUGE and Xoserve. BF suggested a separate meeting to discuss this item could be arranged if required by committee attendees. SM said a teleconference for ½ to 1 hour should be sufficient.

New Action 0905: Joint Office to organise a meeting to discuss LDZ specifics Draft Paper should a request for meeting be received.

7.0 Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Workgroup meetings will take place as follows:

Time/Date	Venue	AUG Sub-Committee Agenda
10:30 Friday 10 January 2020	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Agenda items to be agreed.

Action Table (as at 30 September 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0701	24/07/19	5.0	Xoserve (FC) to propose, as part of the report on the AUG end of year review for the August UNCC, that the AUG Sub-committee can investigate a matter referred to them from the UNCC and/or coming out of the annual AUG process review. This proposal would include any corresponding changes required to the AUG Sub-committee terms of reference. If approved Xoserve to work with Joint Office to arrange an additional meeting date.	Xoserve (FC)	Close
0702	24/07/19	6.0	DNV-GL (TP) to update the log of topic areas taking into consideration the feedback provided at the meeting.	DNV-GL (TP)	Close
0901	30/09/19	3.0	Xoserve (FC) to chase Electralink for gas theft data.	Xoserve (FC)	Pending
0902	30/09/19	3.0	Xoserve (FC) to provide a copy of the domestic temperature study to AUGE.	Xoserve (FC)	Pending
0903	30/09/19	3.0	Gazprom (SM) to facilitate conversation between AUGE and MAMs regarding meter maintenance and site-specific conversion factors.	Gazprom (SM)	Pending
0904	30/09/19	3.0	The AUGE (CW) and Xoserve (FC) to look at producing a workplan for the AUGE to identify process improvements and a cost	Xoserve (FC) DNV-GL	Pending

Action Table (as at 30 September 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			benefit analysis for publishing a draft paper on LDZ specific factors.	(CW)	
0905	30/09/19	6.0	Joint Office to organise a meeting to discuss LDZ specifics Draft Paper.	Joint Office	Pending