

Review Group 0157 Minutes
Tuesday 08 April 2008
Renewal Conference Centre, Lode Lane, Solihull, B91 2JR

Attendees

Julian Majdanski (Chair)	JM	Joint Office of Gas Transporters
Helen Cuin (Secretary)	HC	Joint Office of Gas Transporters
Alex Travell	AT	E.ON UK
Alison Jennings	AJ	xoserve
Chris Warner	CW	National Grid Distribution
Heidi Martin	HM	RWE npower
Karen Kennedy	KK	Scottish Power
Marie Clarke	MC	Scottish Power
Rosie McGlynn	RM	EDF
Simon Trivella	ST	Wales & West Utilities
Mark Jones	MJ	SSE

Apologies

Abid Sheikh	AB	energywatch
David Speake	DS	ESP Pipelines
James Crosland	JC	Corona Energy
Jenny Rawlinson	JR	GTC

1. Introduction

1.1. Minutes of previous meeting

The minutes of the previous meeting were accepted.

1.2. Review of actions from previous meeting

Action RG0157 0008: iGTs and DNs to provide current end to end process.

Action Update: JM confirmed that a process flow had been provided by xoserve but that this requires further input see Action RG0157 0009 and 0038. **Carried Forward.**

Action RG0157 0009: All to consider timescales that could be used within an end to end process.

Action Update: Timescales had not been provided for completion of the end to end process. **Carried Forward.**

Action RG0157 0023: Shippers to provide iGTs with meter reads to enable site reconciliations.

Action Update: It was agreed that this should be an ongoing operational requirement and therefore the Action can be closed. **Closed.**

Action RG0157 030: Shippers and iGTs to develop solutions short of xoserve holding individual iGT meter point data that would improve the visibility of LMN data.

Action Update: This action was carried forward to allow iGTs to consider alternative solutions. **Carried Forward.**

Action RG0157 031: iGTs, xoserve and Transporters to examine which field could be used for the provision of I&C MPRNs

Action Update: GTC to confirm if their current use of the field can be changed to allow industry usage. **Carried Forward.**

Action RG0157 036: Transporters to provide the updated workplan for publication on the Joint Office Website.

Action Update: An updated workplan was not available. **Carried Forward.**

Action RG0157 037: xoserve to provide the current end to end process for publication on the Joint Office Website.

Action Update: xoserve had provided an end to end process this was published on the Joint Office Website to allow the completion of action RG0157 038. **Complete.**

Action RG0157 038: DNs and iGTs to provide xoserve with current process timescales for each stage, to enable a timeframe to be produced for discussion at the next meeting

Action Update: No details from DNs or iGTs had been provided on existing practise timescales. **Carried Forward.**

Action RG0157 039: AT to provide an explanation of the equivalent electricity model.

Action Update: AT provided a presentation on the DCUSA Model. **Complete.**

2. Review Group Discussion

2.1. End to End Process

AJ confirmed that the timings of the New Project Process will impact completions. It was agreed as the group needed the iGTs input it would add little benefit considering the process in detail. It was agreed to revisit Action RG0157 0038 at the next meeting.

MC asked about iGT self connects. ST explained the self connect process and that gas should not flow until the completion details have been received by the DNs. AT explained how housing developments are built in phases and connected to gas which is charged to the developer.

2.2. DCUSA Model

AT provided a presentation on the DCUSA Model; he believed it was conceivable to implement a similar model in the gas market.

AT explained that a further data flow would be required on the DCUSA Gas Model to allow validation of the data.

MC asked about aggregation information that the iGT would send, AT confirmed that the registration of MPRNs would be the responsibility of the iGTs and would be done directly on a daily basis.

AT believed there were a number of contractual changes. CW was unsure of legislative implications regarding the charging of Transportation.

AT explained that the risks are wholly borne by the iGT in the DCUSA model.

CW believed that it would be worth exploring this model further by considering the advantages and disadvantages. There was a general support for developing a DCUSA type model, acknowledging that licence implications would need to be considered.

2.3. iGT CSEP Billing Solution

MC provided a presentation which highlighted that the mismatch between CSEP and iGT invoicing has increased significantly, with a potential misallocation of energy calculated at SAP of £22.3m per annum. The presentation provided an alternative solution.

It was agreed that this model was also worth exploring further.

2.4. Suppressed Validation

AJ suggested the removal of certain validation to allow files to flow and reduce the number of current rejections, predominately AQ breaches and CSP01 rejections. It was agreed that this could be considered as an alternative option.

Action RG0157 0040: xoserve to assess the current rejections/validations and the implications if these were not employed.

2.5. Single Point Service Provider

CW suggested that there was a fourth model which could be considered. He believed that iGTs are not currently incentivised to account for gas off taken from the DN network. Therefore he suggested a single point service provider for managing portfolios with a direct interest for the repository of supply point data. CW confirmed he had not yet considered the costs.

It was acknowledged that changes to the UNC and iGT UNC would be required however it was deemed to be a viable solution especially with the iGT market development.

The cost of such a solution was considered. ST believed that the CSEP administration charge would be replaced.

Action RG0157 0041: National Grid (CW) to review the principle of using a single service provider.

Action RG0157 0042: All to consider the possible Options/Solutions further, assessing the advantages and disadvantages of each model and completing the table for discussion at the next meeting.

MC was keen to undertake a number of steps whilst alternative models were being considered as all the models considered today were long term solutions.

AJ confirmed that there would be a cost to xoserve for maintaining an entire CSEP portfolio.

RM asked if the CSEP admin charge covers all costs of the CSEP process and whether this charge could cover further development. ST clarified that the current charge only covers the costs of operating the existing system and that it is not a pot, he suggested that the administration charge would be increased to cover the costs of further development as this seemed reasonable.

RM wished to understand what the previous admin charge had covered, believing that the £13 per CSEP site may have been higher previously. MC highlighted that Ofgem approved the CSEP admin charge and that the number of CSEPs have increased considerably and economies have been realised which has resulted in a reduction of costs.

AJ highlighted the potential problems with managing nested CSEPs, particularly the billing of them.

Action RG0157 0043: xoserve to look at what would need to be captured for nested CSEPs.

2.6. Inflated AQs on iGT networks

The paper provided by David Speake was considered. ST confirmed that GTC and IPL have advised that erroneous AQs will be reported and reverted to the values in the CSEP NExA AQ Table.

2.7. Update to UNC0167 Implementation

AJ provided an update on the position to date post UNC0152. AJ agreed to provide a copy for publication with the minutes.

KK questioned the progress of neutral reconciliation.

3. Diary Planning for Review Group

10:30, 29 April 2008, Ofgem Millbank, London, SW1P 3GE

4. AOB

4.1. CW questioned if responses had been provided to the actions agreed at the Ofgem CSEP NExA meeting. JM confirmed that the previous RG0157 minutes highlighted some of the agreed actions however no response had been provided to the Joint Office.

APPENDIX A.

ACTION LOG - Review Group 0157

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
RG0157 0008	11/09/2007	2.2	iGTs and DNs to provide current end to end process	iGTs and Transporters	Carried Forward
RG0157 0009	11/09/2007	2.2	All to consider timescales that could be used within an end to end process.	All	Carried Forward
RG0157 0023	12/11/2007	4.0	Shippers to provide iGTs with meter volumes to enable site reconciliations.	All Shippers	Closed.
RG0157 030	11/12/2007	1.2	Shippers and iGTs to develop solutions short of xoserve holding individual iGT meter point data that would improve the visibility of LMN data.	iGTs (PE) and Shippers (KK)	Carried Forward
RG0157 031	30/01/2008	1.2	iGts, xoserve and Transporters to examine which field could be used for the provision of I&C MPRNs	All	Carried Forward
RG0157 036	10/03/2008	2.1	Transporters to provide the updated workplan for publication on the Joint Office Website.	Transporters	Pending
RG0157 037	10/03/2008	2.2	xoserve to provide the current end to end process for publication on the Joint Office Website.	xoserve (ZT)	Complete.
RG0157 038	10/03/2008	2.2	DNs and iGTs to provide xoserve with current process timescales at each stage of process to enable a timeframe to be produced for discussion at the next meeting	iGTs and Transporters	Pending
RG0157 039	10/03/2008	2.4	AT to provide the equivalent electricity model.	E.ON UK (AT)	Complete.

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
RG0157 040	08.04.08	2.4	xoserve to assess the current rejections/validations and the implications if these were not employed.	Xoserve (AJ)	Pending
RG0157 041	08.04.08	2.5	National Grid (CW) to review the principle of using a single service provider.	National Grid (CW)	Pending
RG0157 042	08.04.08	2.5	All to consider the possible Options/Solutions further, assessing the advantages and disadvantages of each model and completing the table for discussion at the next meeting.	All	Pending
RG0157 043	08.04.08	2.5	xoserve to look at what would need to be captured for a nested CSEP.	xoserve (AJ)	Pending