

Development Work Group 0194 Minutes
Tuesday 13 May 2008
Holiday Inn Solihull, 61 Homer Road, B91 3QD

Attendees

Tim Davis (Chair)	TD	Joint Office
Helen Cuin (Secretary)	HC	Joint Office
Mitch Donnelly (Proposer)	MD	British Gas
Denis Aitchison	DA	Scotia Gas Networks
Brian Durber	BD	E.ON UK
Chris Warner	CW	National Grid Distribution
Fiona Cottam	FC	xoserve
Joanna Ferguson	JF	Northern Gas Networks
Linda Whitcroft	LW	xoserve
Richard Dutton	RD	Total Gas and Power
John Edwards	JE	Wales & West Utilities
Mark Jones	MJ	SSE

Apologies

Chris Hill	CH	RWE Npower
Shelley Rouse	SR	Statoil (UK)
James Crump	JC	Ofgem

1. Introduction and Status review

1.1. Minutes from previous meeting

The minutes of the previous meeting were approved.

1.2. Review of Actions from previous meeting

Action DG0194 0003: All to consider suggested Work Plan and the data required in preparation for the next meeting

Action Update: Ongoing

Action Carried Forward.

Action DG0194 0004: All to consider Governance.

Action Update: See item 2.1.

Action Complete.

Action DG0194 0005: DNs to provide information on the use of **correction factors**

Action Update: CW provided the following information:

1. The GT must calculate thermal energy (to drive commodity reconciliation invoicing) in accordance with The Gas (Calculation of Thermal Energy) Regulations 1996.
2. Thermal energy is calculated using the converted volume of gas and the calorific value.
3. The converted volume of gas is calculated using the temperature and compression conversion factor and the volume of gas registered by the meter (assuming the meter is not attached to an "appropriate standard volume

conversion system” or an “appropriate standard temperature conversion system”).

4. (i) In respect of sites with an AQ >732,000kWh, a site specific temperature and conversion factor must be used (calculated using certain site specific information e.g: offtake altitude and offtake pressure).
- (ii) Sites with an AQ ≤732,000kWh must have a temperature and conversion factor of 1.02264.

Action Complete.

Action DG0194 006: xoserve to provide information on the Verification process.

Action Update: Material provided.

Action Complete

Action DG0194 007: All to consider the discussed categories further and consider if any additional ones should be included within the table.

Action Update: See item 2.4.

Action Carried Complete

Action DG0194 008: xoserve to provide an update on Verification from the RbD Subgroup of the Billing Operations Forum.

Action Update: Material provided.

Action Complete.

Action DG0194 0009; Transporters to provide information to assist understanding on how Shrinkage works, how it is charged and why it has changed.

Action Update: Information to be provided at next meeting.

Action Carried Forward

Action DG0194 0010: Ofgem to provide any available data on the accuracy of meters by type.

Action Update: Information to be provided at next meeting.

Action Carried Forward

2. Review Group Discussion

2.1. Governance

MD suggested that this had been concluded and that the table should sit within the UNC and hence be covered by the generic governance process. There was general agreement that the table should reside within the UNC and be modifiable by raising a Modification Proposal.

2.2. Verification

FC provided a presentation on RbD Verification - previously presented by Dean Johnson at the RbD Sub Group following the April Billing Operations Forum.

LW provided an explanation of the RbD Imbalance - Causes Billed – Actual Difference April 2004 to March 2008. LW confirmed that Threshold crossers will correct themselves over time. Of the 27.28TWh identified, some 24TWh will be charged back to RbD and part of the 15.76TWh will be assigned to unregistered sites.

The analysis is based on a domestic sample provided by British Gas. A discussion evolved about the declining sample and that, according to the sample xoserve are billing less than the actual consumption per customer. This was contrasted with the datalogged sample used by xoserve for demand estimation purposes which

demonstrated the opposite impact. It was agreed that further consideration might usefully be given to identifying and maintaining a representative, stratified, sample.

2.3. Correction/Shrinkage/Under allocated Site mechanisms

CW provided an update on the use of Correction Factors. MD confirmed that SND has changed.

It was noted that Theft of Gas and Unregistered Sites had been disused earlier under the auspices of Review Group 0208 and it was agreed that the statistics requested would have value for Development Work Group 0194.

Action 0011: Theft of Gas and Unregistered site statistics to be provided and considered further.

FC provided a presentation on how many meters have had read factor changes. MD asked how many of these did not have a reconciliation.

It was agreed Shrinkage would need to be considered further, including the impact of changes due to be implemented 01 October 2008. CW suggested Kerri Matthews may be able to attend the next meeting to provide the Work Group with more information.

Action 0012: Shrinkage information to be provided and to be considered further.

2.4. Further consideration of Table Categories

LW asked if the group now have a finite list of items for the RbD allocation table. It was agreed that there were no additional items for the table, although the possibility of regional information was discussed.

TD asked if MD could bring a revised Proposal to the next meeting, including suggested figures. MD felt further discussion was needed before doing this, and it was acknowledged that more information on Theft of Gas and Unregistered Sites would be available for the next meeting. This will inform further consideration of the table figures.

It was agreed that it would be preferable if Ofgem attended the next meeting in order to clarify if they felt anything had been overlooked.

CW suggested that the group may also want to consider Meter bypasses further.

Action 0013: CW to report bypass activity.

3. Diary Planning for Review Group

Approximately 13:00, 09 June 2008, Elexon, 350 Euston Road, London (following Review Group 0208)

4. AOB

None.

ACTION LOG – Development Work Group 0194

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
DG0194 003	28/02/08	4.0	All to consider suggested Work Plan and the data required in preparation for the next meeting	All	Ongoing
DG0194 004	13/03/08	3.1	All to consider Governance.	All	Complete
DG0194 005	13/03/08	3.2	DNs to provide information on the use of Correction Factors	All DNs	Complete
DG0194 006	13/03/08	3.2	xoserve to provide information on the Verification process.	xoserve (FC)	Complete
DG0194 007	13/03/08	3.2	All to consider the discussed categories further and consider if any additional ones should be included.	All	Complete
DG0194 0008	27/03/08	2.2	xoserve to provide an update on the Verification from the Billing Operations Forum.	xoserve (FC)	Complete
DG0194 0009	27/03/08	2.3	Transporters to provide some information to understanding how Shrinkage works, how it is charged out and why Shrinkage has changed.	Transporters	Carried Forward
DG0194 0010	27/03/08	2.4	Ofgem to provide any available data on the accuracy of meters by type.	Ofgem (JC)	Carried Forward

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
DG0194 0011	13/05/08	2.3	Theft of Gas and Unregistered site statistics to be provided and considered further.	xoserve (FC)	Pending
DG0194 0012	13/05/08	2.3	Shrinkage information to be provided and to be considered further.	National Grid (CW/KM)	Pending
DG0194 0013	13/05/08	2.4	CW to report bypass activity.	National Grid (CW)	Pending