

Development Work Group 0209 Minutes
Wednesday 05 December 2008
31 Homer Road, Solihull

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office of Gas Transporters
Mike Berrisford (Secretary)	(MiB)	Joint Office of Gas Transporters
Chris Warner	(CW)	National Grid Distribution
Denis Aitchison	(DA)	Scotia Gas Networks
George Glenn	(GG)	ScottishPower
Joanna Ferguson	(JF)	Northern Gas Networks
Louise Hellyer	(LH)	Total Gas & Power
Mark Jones	(MJ)	SSE
Phil Lucas	(PL)	National Grid Distribution
Sallyann Blackett (Proposer)	(SB)	E.ON Energy
Simon Howe	(SH)	RWE Npower
Stefan Leedham	(SL)	EDF Energy
Steve Nunnington	(SN)	xoserve
Steve Taylor	(ST)	British Gas Trading
Sue Prosser	(SP)	xoserve

Apologies

James Crump	(JC)	Ofgem
John Bradley (Chair)	(JB)	Joint Office of Gas Transporters

1. Introduction and Development Work Group Operation

1.1 Minutes from Previous Meeting

National Grid Distribution (CW) pointed out that the following information had been inadvertently left out of the November minutes:

“xoserve has advised that there are 736k SSP MPRNs on NGD’s networks that have not been read for 12 months.

The percentage relative to the total SSP population is therefore:

736,420 / 10,642,215 = 6.92%”

Thereafter, the minutes of the previous meeting were accepted.

1.2 Review of Actions from previous meetings

DWG0209 030 – Chair (BF) informed members that this action would be covered under items 2.1 & 2.2 below.

2. Group Discussion and Agreements

Copies of all the various presentation materials for this meeting are available to view and/or download from the Joint Office of Gas Transporters web site at:

<http://www.gasgovernance.com/Code/DWGs/Mod0209/05Dec08/>

2.1 Completion of Detailed Business Rules (inc. process flow maps)

Chair (BF) opened by suggesting that members should have reviewed the business rules and any amendments could be made during the course of the meeting. In discussions, the following points of interest were highlighted:

- High level definitions
 - confirmation that the majority of definitions are additional to those already present within the Uniform Network Code (UNC), and
 - some definitions taken directly from UNC;
- Meter Readings
 - a previous meeting looked at potential costs for both options (complex & light solutions);
 - the consensus of the meeting was to go with option 1 (complex) as the preferred choice and remove all references to option 2 from the business rules;
 - parties can anticipate some 'knock on' effects on items such as meter reading, file format and subsequent validations, particularly when considering changes;
 - the 'AQ Calculation Proposal' flowchart indicated that a Shipper would submit a meter reading, in reality, this is not restricted to just shippers (i.e. Must Reads).
- Monthly Process
 - in step 19, remove [] from 10th, and
 - in step 20, five business days is acceptable.
- Consumption Periods
 - in step 24.3, for the avoidance of doubt DM remains an annual process.
- Validation
 - step 26 refers to system parameter related validation;
 - in step 34.1 where the 'original' AQ fails validation, the subsequent 'AQ resubmissions window' will be up to 15 business days - xoserve provides a report back to shippers at D -5 and thereafter shippers have until the 10th business day to resubmit a valid meter reading (ref: step 19), thereby equating to 15 business days.

Members believe that the tighter validation rules will go some way to removing a large proportion of USRV's, although xoserve remain concerned that failed AQ validation and USRV issues will remain similar. SN informed members that current project Nexus thinking is that validation should take place 'up front' thereby negating the USRV effects. He went on to add that the issue for shippers is compounded when inheriting sites without 'direct' access to their associated historical data. Some members believe that the 15 day window provides an incentive to shippers to chase an amended read. In any case the appeals process provides a 'safety net'.

SN reminded members that xoserve provide a report to the Authority regarding AQ Amendments which appears to have gone some way to

influencing behaviour patterns. This shows that in recent years shippers have applied a more balanced approach to AQ Amendments.

In closing, members agreed to amend the Information Close-Out period to the **second** (2nd) month, and

- in step 34.2 change “1st Day of the second month” to read as “1st Day of the **third** month”

- Appeals

- in step 38.1, change to read “erroneously submitted by”;
- steps 39 & 39.1, refer to existing manual processes.

Members discussed the potential impact associated with submitting a BTU form alongside an AQ revision. In response, SN suggested that the correct way to go about this would be to submit the BTU form and then ‘flag’ (reject) your AQ for the following nine (9) months. SP indicated that currently submission of these forms is low (I&C sites only) although it could be expected to increase in the new world. Furthermore, most forms are submitted for ‘Green Field’ and redevelopment sites.

The consensus was leave the current provisions as is, and

- in step 41, whilst acknowledging that it very much depends on the volume of appeals, go with five (5) business days.

- Thresholds

- the concept of three (3) consecutive reads triggering a threshold cross potentially impacts upon EUC Band 9 and under the current process it could be up to 12 months before these became apparent. SP suggested that as we already have band 9 this may not be a major issue for this modification proposal;
- future ‘volume’ related issues would need to be considered;
- the consensus was to remove steps 46.1 & 46.2 and integrate into step 46;
- in step 47, remove [], and
- members do not consider there to be any conflict between the proposed business rules and the UNC, though this is subject to legal review.

- Publication of Information

- in step 56, remove [] – *please note: 01 November is a ‘codified’ date.*

In closing, members discussed the timing and provision of legal text to support the proposed modification should be made available prior to consultation. DA pointed out that potential resource issues over the Christmas period at Scotia Gas Networks would delay the provision of legal text. CW suggested that the 0209 group report could still go to the December 08 modification panel seeking approval of the provision of legal text prior to the modification going out to consultation following a decision at the January 09 panel meeting.

2.2 Completion of Validation Rule Requirements

In discussions, the following points of interest were highlighted:

- Definitions

- as per the business rules, remove all references to option 2.
- Data Missing or Inconsistent – General
 - members should note that the list is not exhaustive and items will ‘come in’ and ‘drop off’ over time.
- Data Missing or Inconsistent – Threshold Crossing
 - reference 4a, concerns remain over whether or not the systems will be able to accurately ‘capture and recognising’ flats, particularly in Scotland. With this in mind, the proposed validation will be based upon address only. SP supported this by pointing out that the figures provided to date are on an annual basis and members can expect these to reduce even further under the proposed regime;
 - reference 4b, the proposed new flag will not identify all token meters and this is compounded by the fact that the ETM and AMR flags are the same – existing system limitations will need to be understood before implementation.

SL pointed out to members that 2009 will see the introduction of a mandate for ALL replacement meters to be AMR’s. SN also pointed out that regardless of what AMR provisions are included within project Nexus, members need to acknowledge the ever changing market environment impacts.

SB reminded members that these validation rules will reside outside of the UNC and can therefore be reviewed and amended accordingly.
 - Reference 4c, delete;
- Calculated AQ out of Tolerance
 - due to the way in which decreases will be dealt with in future, any isolated sites should have an AQ of zero. Isolated sites will fail to calculate an actual AQ value so would appear on a warning report as a carried forward AQ.
- Notification of Retention of Current AQ
 - add a new ‘link’ paragraph and statements, where appropriate, to tie in with the business rule changes (ref: BR steps 34.1 and 34.2);

Members then discussed the potential ‘go-live’ timing, suggesting that LSPs should go first, followed by the SSPs no more than 12 months later. When asked to clarify, SN suggested that LSPs would go on 01 October with SSPs sometime afterwards but not more than one year later. SN highlighted that whilst the intention is to commence roll-out on 01 October the actual implementation date, which is to be confirmed in due course, may have a bearing upon this.

SN went on to remind members that 0209 was ‘originally’ proposed on the basis that it would be included as part of project Nexus development. He firmly believes that the various aspects of both 0209 and Nexus need to be considered together as obviously any further development of 0209 should not take place until the Nexus business rules are clearly understood. As a consequence, implementation of 0209 will not be able to start until sometime in 2010.

In closing, SN also pointed out that the ConQuest system rebuild will also potentially have an impact upon the 0209 implementation timescales.

Chair (BF) asked, and members agreed to close the action.

Action DWG0209 030: Closed

3. Development Work Group Report

Chair (BF) opened by informing members that the displayed report (v0.3) already included the changes incorporated from the November meeting discussions.

Members then discussed and suggested appropriate changes in-line with the discussions undertaken elsewhere in the meeting. The main summary points being that:

- the group recommends that legal text is prepared prior to consultation taking place, and
- the panel is asked to request that legal text is prepared in support of the modification proposal.

In closing, Chair (BF) identified that the amended 0209 Development Workgroup Report will now be finalised and submitted to the December 08 UNC Modification Panel meeting with a request to extend the group through until 2009 to support a recommendation that the modification should be directed to consultation at the January 09 meeting, thereby allowing SGN sufficient time to prepare the legal text.

On this basis, all members indicated that they were happy with the report as amended.

BF went on to inform members that the amended versions of both the business and validation rules would be published on Tuesday 09 December 08 for their consideration and comments by no later than 17:00hrs on Friday 12 December 08.

Action DWG0209 031: All members to review the amended business and validation rules and provide feedback by no later than 17:00hrs on 12/12/08.

4. Diary Planning for Work Group

Following a group discussion regarding the need to undertake a review the 'final' business and validation rule documentation alongside the need to consider the proposed legal text, a follow up meeting was requested for February 09.

Please note: this was later confirmed as commencing at midday on Wednesday 11 February 09, in meeting room 6 at 31 Homer Road, Solihull.

5. AOB

National Grid (CW) wondered what would happen with regard to 0209 funding arrangements should it be implemented prior to project Nexus. In response, SL suggested that in his view, 0209 would not be implemented outside of Nexus.

CW pointed out to members that Nexus design requirements may have an impact upon the 0209 business rules. Members believe that should the proposed Nexus changes have a significant impact upon 0209, a subsequent UNC modification could be raised to address the wider industry issues.

APPENDIX A.**ACTION LOG – Development Work Group 0209**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
DWG0209 030	05/11/08	3.0	To review the business and validation rules prior to the next meeting with a view to being able to undertake a 'rubber stamp' exercise at the next meeting.	All members	Work Completed Closed
DWG0209 031	05/12/08	3.0	All members to review the amended business and validation rules and provide feedback by no later than 17:00hrs on 12/12/08.	All members	Subject to comments received, review at the Feb 09 meeting.

* **Key to action owners**