

**Distribution Workstream Minutes**  
**Thursday 25 September 2008**  
**Elaxon, 350 Euston Road, London**

**Attendees**

Bob Fletcher (Chair)	BF	Joint Office
Helen Cuin (Secretary)	HC	Joint Office
Andrew Stone	ST	National Grid Operations
Brian Durber	BD	E.ON UK
Chris Warner	CW	National Grid Distribution
Gareth Evans	GE	Waters Wye
Jemma Woolston	JW	Shell Gas Direct
Jon Dixon	JD	Ofgem
Julian Majdanski	JM	Joint Office
Linda Whitcroft	LW	xoserve
Mark Jones	MJ	SSE
Mitch Donnelly	MD	British Gas
Phil Broom	PB	Gaz de France
Phil Lucas	PL	National Grid Distribution
Richard Street	RS	Corona Energy
Rosie McGlynn	RM	EDF Energy
Simon Howe	SH	RWE npower
Simon Trivella	ST	Wales & West Utilities
Stefan Leedham	SL	EDF Energy
Steve Nunnington	SN	xoserve

**Apologies**

Colin Nairn	CN	Scotia Gas Networks
Richard Dutton	RD	Total
Erika Melén	EM	E.ON UK

**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:** JD confirmed this is currently being considered however no update was available.

**Carried forward**

**Action 0801:** National Grid Distribution to consider code implications for billing detected theft of gas.

**Action Update:** CW explained that a group under the auspices of ENA/ERA had identified a series of measures to improve the Theft of gas regime and reported accordingly. CW understood that Ofgem intended to consult based upon the report. National Grid noted this and suggested that enhancements to the UNC should be based on industry recommendations and consequently didn't want to propose piecemeal modifications and that it should be dealt with in its entirety.

**Complete**

**Action 0802:** SB to Amend Modification Proposal 0218.

**Action Update:** Amended Proposal published 08 September 2008.

**Complete**

**Action 0803:** EM to consider and amend Modification Proposal 0220.

**Action Update:** Amended Proposal published 17 September 2008.

**Complete**

**Action 0804:** E.ON to produce a set of Business Rules for UNC 0220.

**Action Update:** BD explained that a set of Business Rules had not been produced as it was considered the Proposal was now sufficiently clear following amendment.

**Complete**

**Action 0805:** Joint Office to raise a new topic on behalf all DNO's with a Medium priority.

**Action Update:** New Topic raised.

**Complete**

**Action 0806:** National Grid Distribution to provide a presentation on its proposed activities concerning the surveying of sub-deduct arrangements.

**Action Update:** AS provided a presentation see item 3.5.

**Complete**

**Action 0807:** All Transporters to report on potential survey methodologies for Primes and Subs.

**Action Update:** National Grid agreed to provide a draft process for further discussion see Action 0904.

**Complete**

### **1.3. Review of Live Modification Proposals**

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

## **2. Modification Proposals**

### **2.1. Proposal 0220: "Invoicing Arrangements for Late Payments"**

BD explained a set of Business Rules had not been developed as E.ON believes following the recent amendments that the proposal is now sufficiently developed for these not to be required.

The Workstream Report was considered and concluded in preparation of the October Panel Meeting. Changes were made to the advantages and disadvantages section of the report. It was agreed that Legal text would not be required.

### **2.2. Proposal 0225: " Revised Timescales for LDZ Shrinkage Arrangements"**

ST provided a presentation which explained the current arrangements, along with the intent of the Proposal, he also explained the appendices attached to the Proposal highlighting the limited changes. ST confirmed the advantages and disadvantages of the Proposal and the required transitional arrangements. He explained that the LDZ Shrinkage Adjustments Methodology will need to be revised and that a draft will be produced in October for consideration. ST explained the next steps; in particular the

contingency arrangements for the DNs provision of the initial estimates for April 2009 LDZ Shrinkage, which are due in January 2009.

RS questioned the aspiration for Ofgem to provide a prompt decision. JD did not see any reason why Ofgem would not be able to provide an early decision on the modification. ST explained that as the timescales are tight for this modification any concerns need to be provided before the October Panel Meeting.

SL asked if any disadvantages have been identified by moving away from the gas year and moving towards a formula year.

**Action 0901:** Any feedback/concerns relating to UNC 0225 should be provided to Simon Trivella ASAP.

### **2.3. Draft Proposal: “Correct Apportionment for Energy under Modification 0194 Framework”**

MD explained the changes made to the Draft Proposal following the receipt of feedback. He confirmed that there have been two key changes. These take into account the rate of AQ changes in the LSP and SSP markets and the methodology used to take this into consideration.

MD confirmed that a presentation has been prepared and will be made available for publication with the minutes of this meeting. He welcomed contact from anybody who had any questions. BF asked if MD could present the presentation at the October Distribution Workstream.

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

PB questioned the mechanics of processing UNC0194 and the provided Draft Proposal; he expressed concern with processing a modification which was contingent on another modification.

Concern was expressed that there are no costs associated with UNC0194 however there will be costs associated with populating the table. LW expressed concern that there were perceived costs associated with UNC0194 as xoserve need to prepare for the invoice changes.

Ofgem was approached for their view on the approach taken. JD believed that the route taken was pragmatic.

SW questioned the reference to an offline process within section 4b. MD confirmed he would re-examine this.

MD welcomed any further comments on the draft modification.

### **2.4. Draft Proposal: “Additional Data Requirements for the Administration of CSEP Supply Points”**

PL provided a presentation which was provided at the Ofgem CSEP group. MD asked about the validation of iGT data submitted to DNs, ST explained the use of references to improve data provision. The proposal will enhance the ability of xoserve to match specified connections with a record of DNO connection.

PL explained that a draft modification proposal was published with the Distribution Workstream Agenda and the intention is to raise this modification for the October Panel Meeting. SH questioned if the iGTs have any objections to the proposal. RM believed there would be little resistance for this proposal. ST confirmed that the iGTs appear to be supportive.

### **2.5. Draft Proposal: “Amendment to Protected Information Provisions to facilitate SPAA Schedule 23”**

CW provided the background to the draft proposal explaining that previously there was a provision within the UNC for a supply point information service which has now been replaced in the UNC by the reference to a Supply Point Administration Agreement (SPAA). One provision relates to the SCOGES service.

GE expressed concern on excluding the provision of information to Suppliers. CW and ST provided reassurance that Shippers and Suppliers would have access to information.

JM suggested a minor change to the proposal before CW

JD explained that he did not believe this modification was necessary as Ofgem's interpretation there is no restriction in licence to prevent the provision of information to Suppliers. JD believed that the proposal is for clarity only and to avoid misinterpretation, however he made it clear that there had been no breach.

### **3. Topics**

#### **3.1. 014Dis, CSEP NExA agreements**

CW confirmed that Ofgem have invited feedback on the strategic solutions and the group are convening for further consideration of these. A meeting had been planned for next week, however this has been postponed to allow Ofgem to consider and provide their view at the next meeting. The next meeting is provisionally planned for 13 October 2008.

#### **3.2 025Dis, User Pays**

BF confirmed that Modification Proposal 0213 had been deferred by the Modification Panel and is awaiting Legal Text.

#### **3.3 026Dis, RbD Issues Log**

JD confirmed that the RbD Issues Log Topic could now be closed.

#### **3.4 031Dis, Maintenance of Best Practice Guidelines for gas and electricity network operator credit cover**

JD confirmed earlier that this is currently undergoing further considered however an update was not available.

#### **3.5 032Dis, Primes & Subs**

AS provided a presentation providing the background to Prime and Subs explaining that approximately 1,000 prime arrangements exist with approximately 2,230 sub-deducts meters, within the National Grid Network. He explained that some sites cannot be engineered out for example Manchester airport, due to the main feed running under a runway. The next step is to confirm the ownership of the primary and sub-deduct meters, which Ofgem have provided guidance on how this should be done. AS welcomed input on how Transporters should contact Shippers and their customers.

BD questioned the configuration of some sites. CW explained that some relationships are one to one meter configurations and others have multiple sub-deduct meters.

RM welcomed a common approach, with consistent Transporter communication, she suggested that a nominated contact for each Shipper should be established for the GDNs to facilitate the provision of the customer contact information, it was also suggested that a copy of any communication is provided to the Shippers to enable Shippers to answer any customer enquiries. SH questioned if different letters ought to be sent to domestic customers and industrial or commercial premises. It was questioned who would be responsible for the communication either the Transporter or the

Supplier. It was confirmed that Shippers have been asked to cooperate with the project and that the Transporters would manage the process. AS believed a straight forward process could be developed.

MD expressed concern about fielding technical questions. AS believed that Transporters could field technical queries by ensuring Transporter contacts are provided on the customer letters but a contact with the Supplier ought to be established to ensure any site queries can be discussed.

RS asked about the possibility of labelling meters as part of the survey. ST confirmed that the project will start of identifying the current configuration and how much it would cost to engineer out these solutions. ST explained that existing configurations may not be adopted by Transporters, some networks may be determined as privately owned and that these will need to be identified appropriately.

CW agreed to examine the possibility of labelling and that a process will need to be outlined to ensure a consistent approach is adopted with a possible draft letter.

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

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

### 3.6 Any New Topics

## 4. AOB

### 4.1 Update from iGT Modification Panel

RM confirmed that there was no update to provide the Distribution Workstream.

### 4.2 Ofgem AMR Meeting Monday 29 October 2008

RS provided a reminder of the Ofgem AMR meeting on Monday, he suggested that all Shippers should check that they have a representative attending the meeting. ST asked if RS would be prepared to provide an update at the next Distribution Workstream Meeting.

## 5.0 Diary Planning for Workstream

Next Meetings:

Thursday 23 October 2008, 10:00, 31 Homer Road, Solihull, B91 3LT

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

Tuesday 06 January 2009, 10:00 location to be confirmed.

### 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
DIS0801	28/08/08	1.2	National Grid Distribution to consider code implications for billing detected theft of gas.	National Grid Distribution (CW)	Action: Complete
DIS0802	28/08/08	2.3	SB to Amend Modification Proposal 0218.	E.ON UK (SB)	Action: Complete
DIS0803	28/08/08	2.4	EM to consider and amend Modification Proposal 0220.	E.ON UK (EM)	Action: Complete 17.09.08
DIS0804	28/08/08	2.4	E.ON to produce a set of Business Rules for UNC 0220.	E.ON UK (EM)	Action: Closed
DIS0805	28/08/08	4.2	Joint Office to raise a new topic on behalf all DNO's with a Medium.	Joint Office (HC/BF)	Action: Complete
DIS0806	28/08/08	4.2	National Grid Distribution to provide a presentation on its proposed activities concerning the surveying of sub-deduct arrangements.	National Grid Distribution (CW)	Action: Complete
DIS0807	28/08/08	4.2	All Transporters to report on potential survey methodologies for Primes and Subs.	All Transporters	Action: Closed see Action 0904.
DIS0901	25/09/08	2.2	Any feedback/concerns relating to UNC 0225 should be provided to Simon Trivella ASAP.	All	Action: Pending
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: Pending
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: Pending
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: Pending

