



SCOTTISHPOWER

Measurement Error Notification Guidelines – Review

Notification Mechanism

Measurement Error Guidelines – Reporting Mechanism



The Notification Mechanism is a Shipper's **ONLY** source of information regarding Measurement Errors until such time as a Measurement Error Report is published.

The sooner a Shippers know about Measurement Errors, the sooner they can make provision for them.
[Over the last 3 years, Low significance Errors (< 30GWhs) have contributed 423 GWh (net) worth of associated costs to Shippers].

ScottishPower believe improved reporting of errors through the current Notification Mechanism could provide Shippers with greater and more appropriate visibility than is currently experienced.

Areas of focus:

- Time taken for notification of Errors
- MERs being compiled prior to Notification
- MER Publication Timescales

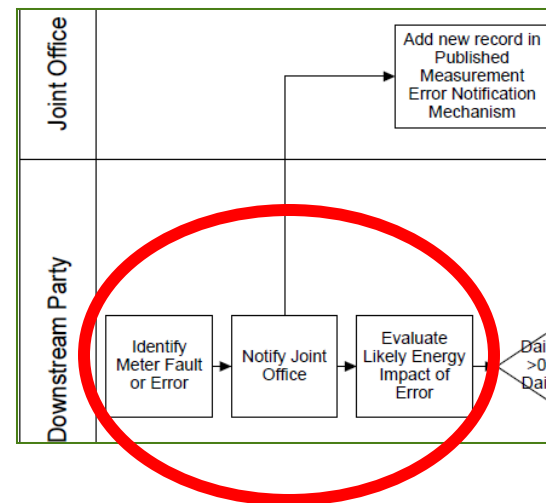
Time Taken to Notify



Section 6 of the Guidelines state:

*“The Downstream Transporter **must upon identification of a potential Measurement Error**.....Provide details to the Joint Office of Gas Transporters for publication as part of the agreed **“Measurement Error Notification Mechanism”**”*

However, in more than 1/3 of the 104 errors notified during the last 3 years, the relevant downstream transporter has taken more than 3 months from discovery of the error to notify the Joint Office.



Time to Notify from Discovery	Count
3 - 6 Months	15
6 - 9 Months	15
9 - 12 Months	4
> 12 Months	1
	35

•What issues cause delay in notification?

•What is an appropriate timescale for notification once a potential Measurement Error has been identified?

MER Compiled Prior to Notification



ScottishPower has some concerns regarding Measurement Error Reports being compiled (but not published) *prior* to any notification being published on the JO website.

Below is a table of 4 of the 14 MERs which have been completed prior to or on the day that notification has been published on the JO website (All data sourced from Notifications and published MERs).

Measurement Error	Discovered	Error Start Date	Corrected	First Notified	SMER Compiled	SMER Published	Period of Error (days)	Time for detection (days)	Time to Notify (days)	Time to compile SMER (days)	No of days between notification and SMER compiled	No of days between SMER compilation and publication.
A	15/04/2009	15/04/2009	15/04/2009	25/09/2009	15/08/2009	02/03/2010	0	0	160	120	-40	197
B	25/06/2009	11/08/2008	20/03/2009	18/05/2010	23/04/2010	21/01/2011	219	314	323	298	-25	268
C	01/09/2009	17/08/2004	04/08/2005	08/10/2009	22/09/2009	14/01/2010	347	1814	37	21	-16	112
D	24/06/2009	30/10/2008	24/06/2009	21/08/2009	21/08/2009	06/09/2010	234	234	57	57	0	375

ScottishPower feel this undermines the transparency of the MER process as:

- it removes the opportunity for Shippers to request any notified error be investigated as a SMER(Guidelines, Section 6, pg 11),
- it removes the opportunity to raise technical issues with the report author and
- these same reports were used as a basis for invoicing.

• **Are there practical reasons for MERs to be produced before Shippers are notified?**

MER Publication Timescales



- In addition to some MERs being compiled prior to notification, there is a concern over the length of time taken for the reports to be published as well as the length of time some errors have been outstanding.

While it is understood there may be revisions required after discussions between the ITE and Downstream Transporter, the MERs of **almost 20%** of errors notified have been published more than **3 months** after compilation.

This appears to have contributed to some invoicing issues.

Time from compilation to publication of MER	Count
>12 months	10
9-12 Months	3
6-9 Months	5
3-6 Months	2
	20

- Also, within the Measurement Error Register there are 33 'Live' errors, many of which have been outstanding for several years.

From a DN perspective, these may be considered to be resolved and closed, however, if this is the case, they have yet to be closed within the Register.

Period Outstanding (From Discovery)	Count
> 24 Months	10
12-24 Months	14
9-12 Months	2
6-9 Months	3
3-6 Months	3
< 3 Months	1
	33

- **What issues delay the publication of SMERs once they have been finalised?**
- **What issues delay errors being investigated and closed?**
- **How can these timescales be reduced?**

What we would like to see....



Current Guidelines

- All DNs to review Measurement Error Register and submit required Reports or closure notifications to the Joint Office for publication.
- A commitment from DNs to notify JO of an error upon identification (or as soon as is reasonably practical) and prior to any MER being commissioned.
- A commitment from DNs to forward all completed MERs to the Joint Office for publication as soon as they are finalised (or as soon as is reasonably practical).
- An overview of the current MER-to-invoice process would be helpful.

Potential Changes to Guidelines

- All identified Measurement Errors to be notified to the Joint Office and Upstream Transporters within a specified number of day/months.
- Notification from DNs of when construction of a Measurement Error Report (Low & Med significance errors) is commenced.
- All MERs to be published within a specified number of days of being finalised by author.