

UNC Workgroup 0455S Minutes
Updating of Meter Information by the Transporter
Thursday 28 November 2013
at ENA, Dean Bradley House, 52 Horseferry Road,
London SW1P 2AF

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Alan Raper	(AR)	National Grid Distribution
Alex Ross-Shaw	(ARS)	Northern Gas Networks
Andrew Margan*	(AM)	British Gas
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
David Addison	(DA)	Xoserve
David Mitchell	(DM)	Scotia Gas Networks
Erika Melén	(EM)	Scotia Gas Networks
Hilary Chapman	(HC)	Xoserve
Kirsten Elliot-Smith	(KES)	Cornwall Energy
Lorna Lewin	(LL)	DONG Energy
Marie Clark	(MC)	ScottishPower
Mark Jones	(MJ)	SSE

* via teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/0455/281113

The Workgroup Report is due to be presented at the UNC Modification Panel by 19 December 2013.

1.0 Review of Minutes and Actions

1.1 Minutes

The minutes of the previous meeting were accepted.

1.2 Actions

No outstanding actions to consider.

2.0 Workgroup Discussion

High Level Cost estimate (HLC)

DA advised that Xoserve believe that the costs for this modification are in the range of £100 – 300k, via a phased CMS (a non UK Link system) based solution. It remains their intention to look to ‘bundle’ up the implementation with other modifications in order to keep the costs towards the lower end of the prescribed range.

Focusing on the proposed £20 – 40 per meter information update transaction costs, some felt that this was a little on the high side and believed that provision of some more information around how the figure is compiled would be beneficial. Responding, DA advised that the cost reflects the fact that manual interrogation, validation and possible updating of the Sites & Meters database would be needed. When asked, he advised that no anticipated duplicate (Must Read) site visit costs are envisaged, subject to the

appropriate acquisition of data. CW suggested that at a previous meeting some parties had suggested that the costs appeared on the low side.

3.0 Workgroup Report

During an onscreen review of the draft WGR (v0.4, dated 20 November 2013) some concerns were voiced around whether or not self-governance still applies, and the potential number of expected monthly transaction volumes (circa 100/month with an initial 1000/month anticipated). He then reminded the Workgroup that the volumetrics presented to date related to existing processes and others may emerge in time. In particular, he asked the Workgroup to be aware that as a result of Modification 0410A 'Responsibility for gas off-taken at Unregistered Sites following New Network Connections', a potentially material number of asset attachments may occur, in which case Modification 0455S would apply. When asked, DA confirmed that the charges would only be applied where Transporters have updated the asset information, although this can also be dependant upon the timescale triggers (i.e. the point at which Xoserve update the asset information).

Focusing attention on the User Pays table, a number of concerns were voiced around the fact that the incoming Supplier could potentially pick up costs through no fault of their own. Responding, DA provided a brief explanation around how and when Suppliers/Shippers would incur any costs. DA went on to advise that communications would be via the CMS (Shipper queue) mechanisms, with adoption of a new specific contact code and as this would be catered for via a file update, bulk responses could be catered for.

Concerns were also voiced around the domestic market potentially picking up predominately I&C related costs (a cost weighting related issue). In recognising these concerns, AR suggested that this is really a separate issue that should be considered once the high-level User Pays aspects are agreed. DA pointed out that UNC Modification 0410A 'Responsibility for gas off-taken at Unregistered Sites following New Network Connections' could also influence this modification going forward.

Following further debate around the development and operational costs, the Workgroup agreed to propose to recover the development and operation costs via adoption of an increased transactional cost of £60 to £80 per meter information update. Thereafter, the transactional costs would be reviewed once the development costs have been recovered, and it is expected that this should occur within 2 years of implementation. When asked, DA agreed to look to provide an ACS at short notice, and certainly prior to the WGR being submitted to Panel for consideration. DA also confirmed that the proposed solution is an enduring one as it is felt that the rollout of SMART Meters would not resolve all issues in this area. During a review of the legal text, CW explained that it had been updated since the previous Workgroup meeting to better reflect the intention of the modification. He suggested that any reporting requirements would/could fall under the auspices of the Performance Assurance Framework in future, support by Xoserve vigilance. It was also noted that the revised legal text appears to reflect the business rule changes, which all parties agreed was a good thing. Concluding, the Workgroup also agreed that the Panel should be asked to reconsider the question of whether or not the modification should be deemed as self-governance, or not.

The Workgroup considered and finalised the Workgroup Report for submission to the December Panel.

4.0 Any Other Business

None.

5.0 Diary Planning

No further meetings of the Workgroup are planned at this time.