

**UNC Workgroup 0575R Minutes**  
**Consider the Performance Assurance Reporting Requirements**  
**for Transporters**  
**Friday 15 April 2016**  
**By Teleconference**

**Attendees**

Alex Ross-Shaw	(ARS)	Northern Gas Networks
Angela Love	(AL)	Scottish Power
Bob Fletcher (Chair)	(RF)	Joint Office
Colette Baldwin	(CB)	E.ON UK
Colin Blair	(CB)	ScottishPower
David Mitchell	(DM)	Scotia Gas Networks
Edd Hunter	(EH)	RWE npower
Graham Wood	(GW)	British Gas
Hilary Chapman	(HCh)	Scotia Gas Networks
Karen Visgarda (Secretary)	(KV)	Joint Office
Rachel Hinsley	(RH)	Xoserve
Shiv Singh	(SS)	National Grid Distribution
Stuart Gibbons	(SG)	National Grid Distribution

\* *via teleconference*

Copies of all papers are available at: [www.gasgovernance.co.uk/0575/150416](http://www.gasgovernance.co.uk/0575/150416)

The Workgroup Report is due to be presented at the UNC Modification Panel by 15 December 2016.

**1.0 Outline of Request**

AL advised that the subject of this Request had been raised in line with the recently implemented Modification 0506V, which established a Performance Assurance framework. She explained under Modification 0506V it was recognised that Transporter, Shipper and the Transporters' Agency performance should be subject to performance monitoring to understand activities that impact on settlement accuracy (potentially with a view to incentivising performance). She went on to explain, that through the extensive development of the Performance Assurance framework, a study was instructed by Ofgem to look at the risks to settlement accuracy pre and post-Nexus. Within the output from that study (the Engage report), it was recognised that there could be risk imposed on the settlement process through Transporter performance in the management of Offtake metering.

AL explained that specifically within this report, there were two risks that related to the Transporters:

- Identified LDZ Offtake Metering Error
- Undetected LDZ Offtake Metering Error

AL explained that ScottishPower had met with Scotia Gas Networks in December 2015 to consider the regime around Offtake metering, following discussion at the Performance Assurance Workgroup, about a potential modification to look at Transporter reporting under the Performance Assurance arrangements. She explained ScottishPower also had brief discussions with National Grid and Wales and West Utilities about the regimes presently deployed.

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AL overviewed the present process, explaining, whilst the Transporters had checks in place around Offtake meters there was no general visibility of the regime to allow Shippers to understand this, or give assurance of how these checks were being performed to ensure that the potential for metering errors was minimised. She went on to explain, in addition, that Scotia had advised that they were replacing orifice plate meters with new technology (Ultrasonic meters) and therefore, it was an opportune time to understand the change to the regime that the Transporters were proposing to deploy and any amendments that they were making to the monitoring/assurance regime.

## **2.0 Initial Discussion**

### **2.1 Initial Representations**

None received.

### **2.2 Confirm the Scope and Title**

BF overviewed the Terms of Reference in relation to the scope and all were in agreement that they were suitable, as they were in line with the review itself. He also explained there would be no binding impact on the Code as a result of the review, although a modification could be attached to the report with a request that it is issued to consultation.

AL said she had noted the comments from the Panel regarding the proposed title and she said this could be changed if required. She said it could go to the 'Offtake Group' and BF said the Request was set up as an individual group so anyone could attend. He suggested the title should possibly be more along the lines of 'Offtake Metering Performance' rather than Performance Assurance. AL proposed that it was more in the arena of Performance Assurance, as per the report that Engage had produced previously. AL suggested that she could contact Engage and ask them to present at the next meeting to explain how they assessed the risk.

**New Action 0401: ScottishPower (AL) to invite Engage to present at the next meeting on 07 June 2016.**

Moving on, BF proposed that the order of the documents needed to be looked at from a Code impact, measurement error reports, metering maintenance frequency, and technical approach perspective, together with the Transporter and Ofgem inspection regimes. He asked the Networks if they could provide an overview of their 'regime of works' from a high-level perspective. SG, DM and ARS all agreed this would be possible, however they would all need time to consult with their respective departments internally. BF also asked if DM could provide information on how the incentives work through the RIIO, DM said this might not be possible from a sensitivity viewpoint. BF said if any high-level information could be provided from an 'Offtake Metering' angle that would be helpful. AL also proposed that no commercial information needed to be shared, but that an understanding of how the mechanisms worked would be very useful.

### **2.3 Decide how best to Address the Review**

BF highlighted the topics for discussion from a future 'meeting by meeting' perspective, which had been originally set out in the Request, this had been challenged by Panel with a report requested by December. He asked AL how long would be needed for the information to be collated to be able to produce a report.

AL said the time frame would depend on how long it would take the Transporters to generate the information and for risks to be identified (if any) and the mitigation needed. General discussion took place regarding the type of information that was needed and DM proposed that some of this information was already being produced for Ofgem in relation to performance measures, which could be seen as double reporting. AL said the information produced for Ofgem would be suitable and so there would be no need to reproduce this data.

Further general discussion took place about the potential for commercial sensitivity of some of this information. AL said that Scotia Gas Networks had shared some information in a slide presentation during a meeting with ScottishPower, however, a copy of the presentation was not forthcoming. BF proposed DM to investigate the area of 'information sharing' in relation to data sensitivity.

**New Action 0402: Scotia Gas Networks (DM) to investigate what information can be provided and shared from Scotia Gas Networks to a wider audience.**

### 3.0 Next Steps

BF proposed the first couple of meetings would generate information for discussion and consideration. He said moving forward, a 'take stock' approach would be discussed with the Workgroup, on what the future meeting requirements might be.

### 4.0 Any Other Business

None.

### 5.0 Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/Diary](http://www.gasgovernance.co.uk/Diary)

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
Tuesday 07 June 2016	Consort House, Princes Gate Buildings, 6 Homer Road, Solihull, B91 3QQ	<ul style="list-style-type: none"> <li>Engage Presentation on assessed risks</li> <li>Networks overview of 'Regime of Works'</li> <li>Consideration of review of Topics</li> </ul>
Tuesday 05 July 2016	Elexon, 350 Euston Road, London, NW1 3AW	To be confirmed
Tuesday 02 August 2016	Consort House, Princes Gate Buildings, 6 Homer Road, Solihull, B91 3QQ	To be confirmed
Tuesday 06 September 2016	Elexon, 350 Euston Road, London, NW1 3AW	To be confirmed

**Action Table (15 April 2016)**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
0401	15/04/16	2.2	ScottishPower (AL) to invite Engage to present at the next meeting on 07 June 2016.	ScottishPower(AL)	<b>Pending</b>
0402	15/04/16	2.3	Scotia Gas Networks (DM) to investigate what information can be provided and shared from Scotia Gas Networks to a wider audience.	Scotia Gas Networks (DM)	<b>Pending</b>