

**Offtake Arrangements Workstream**  
**Wednesday 08 September 2010**  
**Renewal Conference Centre, Load Lane, Solihull, B91 2JR**

**Attendees**

Tim Davis (Chair)	(TD) Joint Office
Helen Cuin (Secretary)	(HC) Joint Office
Alison Chamberlain	(AC) National Grid Distribution
Ben Tuson	(BT) Scotia Gas Networks
Bethan Winter	(BW) Wales & West Utilities
Brian Durber	(BD) E.ON UK
Chris Hill	(CH) First:utility
Chris Shanley	(CS) National Grid NTS
Graham Wood	(GW) British Gas
Jonathan Wisdom	(JW) RWE npower
Keith Dixon	(KD) Northern Gas Networks
Lorraine Weir	(LW) National Grid NTS
Mark Freeman	(MF) National Grid Distribution
Richard Wilson	(RW) National Grid NTS
Rob Cameron-Higgs	(RCH) Wales & West Utilities
Scott Western	(SW) Wales & West Utilities
Stefan Leedham	(SL) EDF Energy

**1. Introduction and Status Review****1.1 Minutes from previous meeting**

The minutes of the previous meeting were approved.

**1.2 Review of Actions from previous meetings**

**Action OF1031:** NG UKD to formally propose a UNC Modification Proposal amending UNC OAD Section F as agreed.

**Action Update:** AJ confirmed a proposal to remove the end date in OAD is being progressed, and Legal Text is in the process of being drafted. **Carried forward**

**Action OF0601:** Transporters to provide a presentation on current Meter Performance Reporting obligations at the next Offtake Arrangements Workstream meeting.

**Action Update:** AC provided a presentation on NTS to LDZ Meters – Audits & Validations. See item 4.0. **Complete**

**Action OF0701:** RCH to propose a selection of interim meeting dates and circulate to NTS and the DNs.

**Action Update:** Additional dates discussed. See item 5.0. **Complete**

**Action OF0702:** NTS and the DNs to confirm that they are able to field at least one person with appropriate expertise to attend the next formal OAW on 06 August 2010.

**Action Update:** All DNs present on 08 September 2010. **Closed**

**Action OF0703:** PG to confirm the latest date for signing off the requirements for IGMS change.

**Action Update:** No further update. **Carried forward**

## 2. Measurement Error Notifications

### 2.1 Measurement Error SO001 (Braishfield B MTB)

Joel Martin had provided a written update ahead of the meeting: *During August and September 2010 Keith Vugler, SGN's Significant Meter Error Expert, has been carrying out flow tests at the Braishfield B offtake in the Southern LDZ in relation to the compilation of the Significant Meter Error Report. A third flow test is due to take place around the 18th October 2010 when inlet pressures at the offtake are at the required level to facilitate such a test.*

JW asked about the invoicing process and requested an indication of likely dates.

**Action 0901:** SGN to provide an indication of the likely invoicing dates for Measurement Error SO001 (Braishfield B MTB)

### 2.2 National Grid Meter Error Update

AC confirmed that National Grid Distribution had provided a written update, and this was available to view on the Joint Office of Gas Transporters' website: [www.gasgovernance.co.uk/OA/090710](http://www.gasgovernance.co.uk/OA/090710). She had anticipated that adjustments would appear September invoices, but this will not be until next month. AC indicated that the amount will be lower than previously expected, of the order of £8m with 40 offtake meters involved.

GW asked if National Grid is able to provide details of the revised quantities for each LDZ as this is used to make calculations. AC confirmed that this information could be provided; she indicated that 3 of the LDZs are expected to tip over the 50GWh threshold.

**Action 0902:** National Grid to provide details of Meter Error revised quantities for each of the LDZs.

## 3. Review of the 'Measurement Error Notification Guidelines for NTS to LDZ and LDZ to LDZ Measurement Installations'

TD confirmed comments had been received from Transporters and this version was used on screen as a basis for discussion, with suggested changes captured during the discussions (this version has been published alongside these minutes).

GW questioned the proposed wording with respect to rolling up of related Meter Errors - he wanted to make sure that there would be no implications to the invoicing arrangements specified in the UNC. It was acknowledged that the document only defined when a Significant Meter Error Report should be produced and did not overwrite nor change any UNC provisions..

JW suggested an insertion of text requiring monitoring of sites that have had an error to check equipment is operating, as it should. The Transporters believed any such provision should be in the OAD rather than this document.

**Action 0903:** RWE npower to review Section D of the OAD and discuss a possible insertion with National Grid to include site monitoring.

GW asked if there was anything in OAD to allow Shippers to see validation reports if something has happened on a site. CS believed there was nothing in the OAD to preclude Shippers requesting a validation report and he believed that the Shippers would have the same rights to see the validation reports as the Upstream Transporter.

GW questioned the timeframe for the downstream party notification to the Joint Office. He expressed a preference for early indications even if caveats were needed regarding

the details and impact of the error. AC expressed concern about providing estimates within a restricted timescale, particularly considering incidents where there were a number of errors to be considered. GW questioned if downstream Transporters could provide a pre notification to advise that an error is being investigated and that further information will be provided in due course. It was agreed that Transporters would provide pre-notifications for errors and that this should be added to the Guidelines. It was accepted in some instances the pre-notification may be very limited and simply be a notice which confirms an error is being investigated on a particular LDZ

**Action 0904:** Consideration to be given on the appropriate wording for pre-notifications within the Meter Error Notification Guidelines.

The voting mechanism for the appointment of the independent expert was discussed. The relevance of the list was questioned and how it is reviewed, SL explained that there is a requirement to review the list of experts at the Offtake Committee. It was concluded that the amended voting process was appropriate.

JE questioned if the ITE could be asked to provide comments, observations or recommendations. It was challenged if the ITE would want to pass judgement or provide an opinion outside the scope of the work that they have been asked to undertake. However it was accepted that if an ITE wished to offer observations or comments, this should not be stifled.

The desirability of published post-error reviews with lessons learnt was considered and whether such a review ought to be required within the guidelines. GW suggested a review of Tie's delivery of their contract would also be useful to assist with future appointment processes.

GW asked if the downstream Transporters can advise Shippers once a contract has been agreed with the ITE - to allow monitoring and tracking of the ITE investigation process.

Having run through the draft, it was agreed to publish the amended draft Guidelines for final consideration before approval.

**Action 0905:** Joint Office to publish the amended draft Guidelines for further consideration. Any additional feedback/comments will be considered before finalising the report for approval.

GW asked if all Transporters could consider the existing Meter Error Reports Summary and provide updates on any meter errors which have not been recently updated.

**Action 0906:** All Transporters to provide Meter Error Report updates on any outstanding MERs.

#### 4. Meter Performance Reporting

AC provided a presentation on NTS to LDZ Meters – Audits & Validations.

A general discussion took place about the validations, audits and reporting mechanism. A number of clarification points from the presentation were requested. AC agreed to provide further information at the next Offtake Arrangements Workstream.

**Action 0907:** National Grid to provide further clarification on Meter Validations, Audits and Meter Performance Reporting.

#### 5. OAD Section I Review

##### 5.1 Review Proposal 0316: “Review of Section I of the Offtake Arrangements Document (OAD): NTS Operational Flows”

AC questioned whether this review should be separated from the Offtake Arrangements Workstream. It was agreed to conduct the review at the end of Workstream meetings where other business is on the agenda.

RCH gave a presentation on a revised work plan for the Review. He suggested a walk through with Transporters considering OPNs during September - this would allow viable options for change to be considered in October. CS believed the topic areas should be available for discussion in October and requested that OPN solutions are considered following further discussions on Section I.

It was agreed that between now and the 08 October Workstream meeting, Transporters will develop material for the Meeting and use the session to address OPNs. It was anticipated that Exit Reform will be able to be discussed in November and that Pressures can be considered at the next session (late November/early December).

It was agreed that an informal meeting be held at National Grid Warwick with system operational staff on 16 September 2010.

**Action 0908:** Transporters to liaise and develop OPN material for the 08 October 2010 Workstream Meeting.

As an example of areas where change may be desirable, RCH asked for views on the zonal offtake flex zones. A table illustrating the existing zones was provided and RCH noted that these were not aligned with DN boundaries, which could be an issue. MF believed there were still a number of factors to be considered before it could be concluded that the zones should be changed.

Following discussion of a number of possible meeting dates, it was agreed to meet again on 02 November and 30 November at 31 Homer Road.

TD updated the Terms of Reference to reflect the changed work plan and agreed to republish.

## 6. Any Other Business

### 6.1 Draft Proposal – Publication of scheduled offtake meter validations

BD provided a brief explanation of a Draft Modification Proposal requesting a schedule of planned and actual validations be made available on the Joint Office Website. He welcomed feedback on the proposal.

A discussion took place on the programmed validations and the possible reporting Transporters could provide. RCH expressed concern with having obligations to undertake validations at certain points in a fixed time since there can be valid reasons for scheduling validations at slightly extended timescales, such as the ability to turn off an offtake, the availability of an auditor etc. It was suggested that a validation period may usefully be defined.

Shippers emphasised they were looking for greater transparency on meter validations, perhaps as a matrix which was published for information purposes. BD asked the Transporters for feedback at the next Workstream on how they believe this could be best achieved.

**Action 0909:** Transporters to consider the publication of scheduled offtake meter validations proposal and provide a response on how this could be achieved at the next Offtake Workstream Meeting.

## 7. Diary Planning for Workstream

The next meeting of the Offtake Arrangements Workstream is due to be held at 10:00 on Friday 08 October 2010 at 31 Homer Road, Solihull B91 3LT.

The purpose of the next meeting will be to discuss and finalise the MER guidelines, meter performance reporting and the Section I Review.



**ACTION LOG – Offtake Arrangements Workstream**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
OF1031	04/07/07	2.1 Topic 007OF	NG UKD to formally propose a UNC Modification Proposal amending UNC OAD Section F as agreed.	NG UKD (AR)	Carried forward
OF0601	10/06/10	4.1	Transporters to provide a presentation on current Meter Performance Reporting obligations at the next Offtake Arrangements Workstream meeting.	Transporters	Complete
OF0701	09/07/10	4.1	RCH to propose a selection of interim meeting dates and circulate to NTS and the DNs.	WWU (RCH)	Complete
OF0702	09/07/10	4.1	NTS and the DNs to confirm that they are able to field at least one person with appropriate expertise to attend the next formal OAW on 06 August 2010.	All Transporters	Closed
OF0703	09/07/10	4.1	Confirm the latest date for signing off the requirements for IGMS change.	National Grid NTS (PG)	Carried forward
OF0901	08/09/10	2.1	SGN to provide an indication of the likely invoicing dates for Measurement Error SO001 (Braishfield B MTB)	Scotia Gas Networks (BT)	Pending
OF0902	08/09/10	2.2	National Grid to provided details of Meter Error revised quantities for each of the LDZs.	National Grid Distribution (AC)	Pending
OF0903	08/09/10	3.0	RWE npower to review Section D of the OAD and discuss a possible insertion with National Grid to include site monitoring.	RWE npower (JW)	Pending
OF0904	08/09/10	3.0	Consideration to be given on the appropriate wording for pre-notifications within the Meter Error Notification Guidelines.	All	Pending
OF0905	08/09/10	3.0	Joint Office to publish the amended draft Guidelines for further consideration. Any additional feedback/comments will be considered before	Joint Office	Pending

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			finalising the report for approval.		
OF0906	08/09/10	3.0	All Transporters to provide Meter Error Report updates on any outstanding MERs.	All Transporters	Pending
OF0907	08/09/10	4.0	National Grid to provide further clarification on Meter Validations, Audits and Meter Performance Reporting.	National Grid Distribution (AC)	Pending
OF0908	08/09/10	5.0	Section I Review - Transporters to liaise and develop OPN material for the 08 October 2008 Workstream Meeting.	All Transporters	Pending
OF0909	08/09/10	6.0	Transporters to consider the publication of scheduled offtake meter validations proposal and provide a response on how this could be achieved at the next Offtake Workstream Meeting.	All Transporters	Pending