

**Offtake Arrangements Workstream**  
**Tuesday 30 November 2010**  
**via teleconference**

**Attendees**

Tim Davis (Chair)	(TD) Joint Office
Lorna Dupont (Secretary)	(LD) Joint Office
Alan Raper	(AR) National Grid Distribution
Alison Chamberlain	(AC) National Grid Distribution
Brian Durber	(BD) E.ON UK
Chris Shanley	(CS) National Grid NTS
Elaine Carr	(EC) Scottish Power
Graham Wood	(GW) British Gas
Helga Clarke	(HC) National Grid NTS
Joel Martin	(JM) Scotia Gas Networks
Jonathan Wisdom	(JW) RWE npower
Keith Vugler	(KV) Independent Technical Expert
Lorraine Weir	(LW) National Grid NTS
Mark Jones	(MJ) SSE
Rob Cameron-Higgs	(RCH) Wales & West Utilities
Scott Western	(SW) Wales & West Utilities
Simon Trivella	(ST) Wales & West Utilities
Stefan Leedham	(SL) EDF Energy
Stuart Gibbons	(SG) National Grid Distribution

**1. Introduction and Status Review**

TD welcomed all to the meeting.

**1.1 Minutes from previous meeting**

The minutes of the previous meeting were approved.

**1.2 Review of Actions from previous meetings**

**Action OF0902:** National Grid to provide details of Meter Error revised quantities for each of the LDZs.

**Update:** AC reported that all had now been invoiced, except one (Hyde Pastures) which was likely to be invoiced in December. **Closed**

**Action OF0903:** RWE npower to review Section D of the OAD and discuss a possible insertion with National Grid to include site monitoring.

**Update:** JW reported that due to other priorities he would be pursuing this with National Grid at a later date, and agreed that this action now be closed. **Closed**

**Action OF0904:** Consideration to be given on the appropriate wording for pre-notifications within the Meter Error Notification Guidelines.

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

**Action OF1001:** Collate Shippers' questions relating to recent SMEs, and submit to JO for publication; DNs to respond.

**Update:** GW indicated that this was being progressed through SGN's offer of Shipper meetings. AC added that development of guidelines and spreadsheets was taking place and, as reviews of completed MEs were carried out, questions were likely to be addressed on an ongoing basis. **Closed**

**Action OF1002:** Arrange SGN Director visits with interested Shippers.

**Update:** JM reported that Shipper meetings had been arranged. **Closed**

**Action OF1003:** Establishment of a formal Log to capture reasons for MEs and remedies - DNs to consider in what format it might best be produced.

**Update:** JM reported that Steve Skipp was organising meetings with the other DNs to discuss the requirements. GW asked if it would be made available to Shippers. BD observed that although Shippers may not strictly need to know the details, it would be good to know that something positive is happening as this would promote confidence going forward. AC added that a Directors' meeting was taking place shortly and that Scotia had circulated its 'best practice document' in advance of this. GW would appreciate a further update and requested that the action remain open. **Carried forward**

**Action OF1004:** Investigate why SGN's demand forecasts, scheduling charges and correction factors failed to pick up on the Aberdeen error, and report back.

**Update:** JM reported that stringent new processes had been put in place to build up a library of various demand scenarios to monitor appropriately so that anomalies can be identified and escalated. SL reiterated his original points, figures, and questions and these were briefly discussed. BD observed it would be useful to know how big the throughput was for this meter relative to the LDZ. ST agreed with this observation. JM will look at providing the flow in the LDZ in relation to Aberdeen MTA. **Carried forward**

**Action OF1005:** Downstream Transporter to invite preferred nominee to take up appointment and confirm acceptance of the appointment to the JO.

**Update:** The preferred nominee was contacted, provisionally accepted the appointment and provided a Conflict of Interest Statement, to which parties may object by the closing date of Friday 03 December 2010. **Closed**

**Action OF1006:** Publish the name of the Independent Technical Expert when confirmation of appointment received.

**Update:** Completed. **Closed**

**Action OF1007:** All to review the draft Register and comment on the key information to be included, to be reviewed at the next meeting.

**Update:** See 3.1, below – any further comments/suggestions to be sent to the JO in advance of the January meeting. **Carried forward**

**Action OF1008:** Provide a link to enable access to information relating to SGS visits.

**Update:** Completed. **Closed**

**Action OF1009:** OAD Section I Review (OPNs) - Ascertain existence of set of validation rules and report back.

**Update:** Due at 08 December 2010 meeting. **Carried forward**

**Action OF 1010:** OAD Section I Review (Exit Reform/Risk Management Processes) - Provide illustrations of two 'difficult days', what options there might be and how it might work.

**Update:** Due at 08 December 2010 meeting. **Carried forward**

**Action OF1101:** OAD Section I Review - National Grid NTS to look at difficult day scenarios to understand processes and provide an update on 30/11/10.

**Update:** Due at 08 December 2010 meeting. **Carried forward**

**Action OF1102:** OAD Section I Review - National Grid NTS to look at possible list of options for aggregation and critical areas and provide an update on 30/11/10.

**Update:** Due at 08 December 2010 meeting. **Carried forward**

## **2. Measurement Error Notifications**

### **2.1 National Grid Meter Error Update**

AC confirmed that a final summary of the position would be given when invoicing has been completed. A Post Error Review will then be arranged (provisionally on agenda for 25 January 2011 meeting) but, in the meantime, AC will be happy to assist with any questions or queries relating to invoicing, etc.

### **2.2 Measurement Error SO001 (Braishfield 'B' MTB)**

KV, the Appointed ITE, presented the salient points from his report and summarised the approach taken. BD commented that Shippers had appreciated the draft report as it had helped to make for easier comprehension of the issue.

KV explained the equipment in use on the site and reviewed his understanding of what the Significant Measurement Error Report (SMER) would include. He went on to explain the cause of the error (equalising valve inadvertently left open), the period affected, and the reasons for the multiple testing carried out. Graphs were presented illustrating and explaining the operating conditions and the test procedures, and KV expanded on his thinking behind the tests and their parameters, and his satisfaction with the reliability of the results.

KV then summarised his conclusion that, "having minimised the effects of the flow test stability and corrected the effect of the low range differential output difference during the low flow rate tests, the test procedure and subsequent results obtained were deemed to be the most satisfactory ...' in his opinion.

He recommended multiplying each of the daily standard volume totals reported within Gemini by a single correction factor. For the period affected by the error this would apply as follows:

- For gas day 26 January 2010 (error commencement date) this will comprise a part day correction based on 1.194 mscm (16:00 – 06:00 hrs)
- For gas days 27 January 2010 to 25 April 2010 (inclusive) this will comprise a full day correction.
- For gas day 26 April 2010 (error remedial date) this will comprise a part day correction based on 0.382 mscm (06:00 – 12:00 hrs).

KV added that the correction factor recommended for use was calculated from the most representative average error obtained from the site tests (see Table 7.2.2 in the draft Report), and the calculated correction factor was therefore 1.687.

Referring to points previously raised by British Gas through the Technical Issues Log, GW confirmed that the response received was satisfactory, and that he would circulate the revised report internally to the originator of the technical questions.

In response to questions from BD, KV confirmed that he had reviewed the Technicians' logs and had interviewed the personnel concerned, and was satisfied that the valve was fully open throughout the defined period - it was only ever open or closed. BD asked JM if the Control Centre would be monitoring the flow thereafter. KV referred to a graph in the draft Report (page 6) to indicate what could be monitored going forward.

GW pointed out to JM that Shippers needed to accrue an amount for next year and would like to know if the final figure was in line with or likely to be significantly different from the initial volume estimate of 1,161 GWh. JM responded that National Grid NTS will calculate the final amount at the end of the process, but he would discuss with KV to see what the degree of deviation might be and ascertain a figure to be used.

**Action OF1103: Measurement Error SC001 (Braishfield 'B' MTA): Ascertain the volume amount to be used and provide to Shippers.**

It was likely that the invoice would be issued March/April 2011.

TD asked if all were happy to accept the report as it stands. GW said that he would prefer to review internally first, and would submit any further comments as soon as possible. It was agreed that there was no need for another meeting in respect of the Report.

TD suggested that 2 weeks be allowed for internal review/submission of any further comments, following which the SMER would be finalised. This was agreed.

It was then questioned how SGN's proposed Six Point Plan might merge with the Report findings to make sure an error of this type would be prevented, or quickly identified, in future. SW reiterated that stringent new processes were in place to look at the before/after flows. JM added that it was very difficult to guarantee no further occurrences, but SGN was trying to mitigate all such circumstances. Shippers commented that they had not yet seen the SGN plan, and so could not be confident it would address the problems. BD observed that as a bare

minimum, it would be expected that in order to ensure that every valve is installed properly, a second technician should witness the calibration actions. Shippers then thanked KV for his efforts in providing such a clear Report.

### **2.3 Measurement Error SC006 (Aberdeen MTA)**

JM reported that Keith Vugler had been contacted and accepted the appointment as ITE to investigate and report on the Measurement Error SC006 Aberdeen MTA. It is anticipated that Keith will be commencing his review and carrying out flow tests in December 2010/January 2011.

JW suggested that in the interim a 'one page overview' setting out what the problem was would be very useful to Shippers. JM agreed to provide this.

**Action OF1104: Measurement Error SC006 (Aberdeen MTA): Provide a 'one page overview' of the error.**

### **2.4 Other Measurement Error (ME) Updates**

TD requested that parties continue to review the position of any outstanding MEs and provide appropriate updates. GW added that while a number of updates had been issued, some errors were still awaiting an update and might be able to be closed.

## **3. Review of MER Reporting Process**

### **3.1 Alternative to Spreadsheet**

(See <http://www.gasgovernance.co.uk/mer/test>)

The DNs were in favour of improving the current position and intended to meet to discuss what would be helpful.

TD demonstrated the draft Register in the Test area of the JO website and underlined the need for a Shipper perspective; all feedback would be very welcome so that improvements can be made as soon as possible.

SL commented that it was an improvement; however, in the current method he had found the front filter page to be very useful when discussing an ME internally, and suggested that it would be useful to retain/incorporate something like that. Shippers also commented that they would like to see the volume associated with each error included in the Register.

TD requested that any further comments be sent to JO in advance of the next meeting (25 January 2011).

## **4. 'Measurement Error Notification Guidelines for NTS to LDZ and LDZ to LDZ Measurement Installations' – Final review and approval**

TD reported that comments had been received from National Grid Distribution and that a revised draft document had been published just ahead of the meeting on the JO website. It was agreed to review these and any other changes to the document at the January meeting. All were encouraged to submit any further

comments as soon as possible so that the final review and approval could take place at the next meeting (25 January 2011).

## 5. Meter Performance Reporting

### 5.1 Publication of scheduled offtake meter validations

RCH had produced and submitted a revised spreadsheet following comments and suggestions received. BD thanked RCH for his efforts and suggested that it would be useful to indicate whether a MER or SMER was involved. TD suggested a 'volume' column might address this; BD agreed that this would also be very useful, but felt it should be in addition to the MER/SMER indicator.

AC confirmed that the other DNs intended producing a similar document. Shippers requested that this be published by the end of the year.

As previously suggested, it was acknowledged that an obligation to provide and publish this data could be added to the ME Guidelines. This would facilitate subsequent refinements, as opposed to needing a UNC Modification to be implemented before any change could be made.

## 6. Any Other Business

None raised.

## 7. Diary Planning for Workstream

The next meeting of the Offtake Arrangements Workstream is due to be held at 10:30 on 08 December 2010 at 31 Homer Road, Solihull B91 3LT, and will focus on the review of OAD Section I.

A meeting will also be arranged in January 2011 to address the following (and any other appropriate items):

- National Grid Measurement Error – Post Error Review
- Measurement Error SO001 Braishfield 'B' MTB - update
- Measurement Error SC006 Aberdeen MTA
- SGN's Six Point Plan – review in relation to the ITE's findings
- 'Measurement Error Notification Guidelines for NTS to LDZ and LDZ to LDZ Measurement Installations' – review and approval
- Meter Performance Reporting - review updated spreadsheet.

Date	Place	Time	Purpose
08 December 2010	31 Homer Road, Solihull	10:30	Review Proposal 0316: "Review of Section I of the Offtake Arrangements Document (OAD): NTS Operational Flows"

25 January 2011	31 Homer Road, Solihull	10:00 – 14:00	General meeting
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## 8. OAD Section I Review

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

This item was postponed until 08 December 2010 meeting.

**ACTION LOG – Offtake Arrangements Workstream**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
OF0902	08/09/10	2.2	National Grid to provide details of Meter Error revised quantities for each of the LDZs.	National Grid Distribution (AC)	Closed
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)	Closed
OF0904	08/09/10	3.0	Consideration to be given on the appropriate wording for pre-notifications within the Meter Error Notification Guidelines.	All	Carried forward
OF1001	08/10/10	3.1	Collate Shippers' questions relating to recent SMEs, and submit to JO for publication; DNs to respond.	British Gas (GW), JO and all DNs	Closed
OF1002	08/10/10	3.1	Arrange SGN Director visits with interested Shippers.	SGN (JM/SS)	Closed
OF1003	08/10/10	3.1	Establishment of a formal Log to capture reasons for MEs and remedies - DNs to consider in what format it might best be produced.	All DNs	Carried forward
OF1004	08/10/10	3.3	Investigate why SGN's demand forecasts, scheduling charges and correction factors failed to pick up on the Aberdeen error, and report back.	SGN (SS)	Carried forward
OF1005	08/10/10	3.3	Downstream Transporter to invite preferred nominee to take up appointment and confirm acceptance of the appointment to the JO.	SGN (JM)	Closed
OF1006	08/10/10	3.3	Publish the name of the Independent Technical Expert on the JO website when confirmation of appointment received.	JO (TD)	Closed



Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
OF1007	08/10/10	4.1	All to review the draft ME Register and comment on the key information to be included, to be reviewed at the next meeting.	ALL	Any further comments by 25/01/11
OF1008	08/10/10	6.1	Provide a link to enable access to information relating to SGS visits.	National Grid Distribution (SG)	Closed
OF1009	08/10/10	9.1	OAD Section I Review (OPNs) – Ascertain existence of set of validation rules and report back.	National Grid NTS (EK/PG)	Carried forward
OF1010	08/10/10	9.1	OAD Section I Review (Exit Reform/Risk Management Processes) - Provide illustrations of two 'difficult days', what options there might be and how it might work.	National Grid NTS (CS)	Carried forward
OF1101	02/11/10	3.0	OAD Section I Review (Exit Reform/Risk Management Processes) – Look at the 'difficult days' scenarios to understand processes	National Grid NTS (CS)	Carried forward
OF1102	08/10/10	9.1	OAD Section I Review (Exit Reform/Risk Management Processes) – Look at possible list of options for aggregation and critical areas and provide an update on 30/11/10.	National Grid NTS (CS)	Carried forward
OF1103	30/11/10	2.2	Measurement Error SC001 (Braishfield 'B' MTB): Ascertain the volume amount to be used and provide to Shippers.	Scotia Gas Networks (JM)	As soon as possible
OF1104	30/11/10	2.3	Measurement Error SC006 (Aberdeen MTA): Provide a 'one page overview' of the error.	Scotia Gas Networks (JM)	As soon as possible