

UNC Shrinkage Forum Minutes
Monday 10 December 2012
via teleconference

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office of Gas Transporters
Helen Cuin (Secretary)	(HC)	Joint Office of Gas Transporters
Geoff Goldie	(GG)	Northern Gas Networks
Jacob Kane	(JK)	Ofgem
John Morrison	(JM)	Northern Gas Networks
Mark Askew	(MA)	Ofgem
Mark Wigham	(MW)	Northern Gas Networks
Martyn Pallant	(MP)	Wales & West Utilities
Naomi Anderson	(NA)	EDF Energy
Rochelle Harrison	(RH)	British Gas
Roy Malin	(RMa)	National Grid Distribution
Steve Armstrong	(SA)	National Grid Distribution
Steve Edwards	(SE)	Wales & West Utilities
Tom Wythall	(TW)	Wales & West Utilities
Will Guest	(WG)	Northern Gas Networks

Meeting papers can be found at: www.gasgovernance.co.uk/sf/101212

1. Introduction and Status Review

1.1. Review of Minutes

The minutes of previous Shrinkage Forum (26 September 2012) were accepted.

1.2. Review of Actions Outstanding

SF0601: Transporters to provide a breakdown of 2010 Theft of Gas upstream incidents, ie the number of cases reported, the number of proven cases, an estimate of energy and an LDZ breakdown for consideration at the next meeting.

Update: SE (WWU) agreed to circulate the most up to date information available, he asked if parties were happy if the Shipperless Sites Forum could be used to share and review the data. RH was keen to have the data at the Shrinkage Forum but had no objections for an update being provided at the Shipperless Sites Forum. **Carried Forward.**

SF0801A: Transporters to collate the approaches taken to auditing shrinkage model inputs and outputs, and consider introducing a consistent approach.

Update: RM reported that the DNs are considering the leakage process and will provide some documented information by February 2013. He confirmed the final proposals for Shrinkage are due at the end of February. **Carried Forward.**

SF0901: Above Ground Installation (AGI) Venting calculation - Ofgem to provide a view on whether the submissions provided by NGN and WWU meet the requirements for consultation.

Update: JC provided an update and refereed to an open letter Ofgem circulated during October, Ofgem had some concerns around visibility and have asked for a brief annual report to demonstrate compliance from the networks. MA confirmed Ofgem would be happy to accept a single report if a consensus was agreed. **Closed.**

SF0902: Ofgem to confirm the process for changing the Shrinkage base lines considering the modification and RIIO.

Update: MA explained the process to be taken for the modification of the G1 baseline. RM believed it would be worthwhile arranging a meeting to ensure Shipper feedback is considered on the reports provided by the networks. The Transporters believed in principal that a common process could be adopted. **Closed.**

2. Update on Proposed Leakage Model Changes

AGI Venting

RM confirmed that National Grid Distribution have encountered a number of technical problems with measuring the venting rates, which has delayed the testing. He explained more tests were required to measure operational venting and that this will require 24 hour monitoring.

At the moment National Grid Distribution need better AGI information to consider any new venting rates. They wished to look at some seasonal data through the Winter and Spring.

It was anticipated that the project would be completed by March/April.

Low Pressure Leakage Model Shrinkage Adjustment 2013/14

All DNs agreed to include the low pressure leakage model shrinkage adjustment for 2013/14

RH was keen to understand when Wales & West Utilities and Scotia Gas Networks would be able to provide a view on the impacts.

JM asked if National Grid Distribution would be providing summaries in the reports to keep them consistent with other DNOs. RM agreed to provide how National Grid Distribution would be presenting the information in the proposed leakage model change.

JM confirmed that the difference in LP Leakage between the NLRMM Version 1.3 and 1.4 models equates to 4.17 Gwh less reported leakage for Northern Gas Networks.

Post Meeting Note:

MODEL	LP LEAKAGE NORTH	LP LEAKAGE NORTH EAST
NLRMM Version 1.3	142.78	172.28
NLRMM Version 1.4	138.40	172.49
Difference	4.38	-0.21
Total = 4.17Gwh		

3. 2011/12 Shrinkage Assessment and Adjustments

No further update.

4. Any Other Business

RH requested that at the next meeting the impacts and changes to the baseline should be considered. RM confirmed that the initial Shrinkage Proposals should be available by this time.

5. Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/Diary

The next Shrinkage Forum meetings will take place:

10:00 on Tuesday 15 January 2013 via teleconference.

10:00 on Tuesday 12 Febraury 2013 at 31 Homer Road, Solihull, B91 3LT.

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
SF0601	28/06/11	1.1	WWU to provide a breakdown of 2010 Theft of Gas upstream incidents, ie the number of cases reported, the number of proven cases, an estimate of energy and an LDZ breakdown.	WWU (RCH)	Carried Forward
SF0801A	28/09/11	1.2	All Transporters to collate the approaches taken to auditing shrinkage model inputs and outputs, and consider introducing a consistent approach.	All DNOs	Carried Forward
SF0901	26/09/12	2.2	Ofgem to provide a view on whether the submissions provided by NGN and WWU meet the requirements for consultation.	Ofgem	Closed
SF0902	26/09/12	3.1	Ofgem to confirm the process for changing the Shrinkage base lines considering the modification and RIIO	Ofgem	Closed