

**UNC Shrinkage Forum Minutes  
Wednesday 17 December 2014  
Via Teleconference**

**Attendees**

Helen Cuin (Chair)	(HC)	Joint Office
Bob Fletcher (Secretary)	(BF)	Joint Office
Colette Baldwin	(CB)	E.ON UK
Dave Chalmers	(DC)	National Grid Distribution
David Simpson	(DS)	Scotia Gas Networks
Geoff Goldie	(GG)	Northern Gas Networks
Ian Dunstan	(ID)	Wales & West Utilities
Ian Marshall	(IM)	Wales & West Utilities
John Morrison	(JM)	Northern Gas Networks
Mark Jones	(MJ)	SSE
Marie Clark	(MC)	Scottish Power
Matt Marshall	(MM)	National Grid Distribution
Neil Copeland	(NC)	Ofgem
Peter Morgan	(PM)	Scotia Gas Networks
Roy Malin	(RM)	National Grid Distribution

Copies of all papers are available at: <http://www.gasgovernance.co.uk/sf/171214>

**1. Introduction and Status Review**

**1.1. Review of Minutes**

The minutes of the previous meeting were accepted.

**1.2. Review of Actions**

**SF0103:** *IFI Project Information/Report* - DNs to consider what information might be released.

**Update:** RM requested this item be carried forward. **Carried forward**

**SF0701:** *Shrinkage and Leakage* - Provide details of the equivalent statistics for Ireland.

**Update:** MJ requested this item be carried forward. **Carried forward**

**SF0901:** GDNs to analyse and quantify the time-weighted and flow-weighted CV measurement approaches and identify and assess the impacts of using different methods/models, for further consideration and agreement on the preferred option to be adopted. Report to the January meeting.

**Update:** This action is due to report at the January meeting. **Carried Forward.**

**SF0902:** GDNs to liaise with Ofgem and provide a response/view on the exact requirements for Shrinkage/Leakage Smart Metering Reporting.

**Update:** ID advised a draft paper has been circulated around DNOs for comments and should be ready for submission to Ofgem by the end of January. **Carried Forward.**

**SF0903:** WWU to produce a GDN collective view regarding smart metering data, its use, risks and limitations, for issue alongside the Shrinkage and Leakage Model Report, i.e. by end of October, for discussion/comment.

**Update:** IM advised this was covered under action 0902. **Carried Forward.**

**SF0904:** National Grid Distribution to confirm what data is being collected by GL Noble Denton for the IFI Project and advise other GDNs by end of September 2014.

**Update:** RM advised that a proforma for data collection is to be agreed with DNV GL including 3 key data items of pressure, make and type of equipment. MM confirmed that the survey is being undertaken and confirmation is being sought that the relevant data items are being recorded as required in the proforma. DS confirmed that SGN completed their surveys during the previous summer and he confirmed the same data items have been recorded. **Complete.**

## 2. Shrinkage and Leakage Smart Metering Report

IM advised that a draft Shrinkage and Leakage Smart Metering Report has been written as a discussion document and circulated around DNOs for comments. IM advised that once comments had been collated and any amendments made, the report would be submitted by the end of January.

## 3. Shrinkage Leakage Model Review

DS confirmed that the Shrinkage Model consultation paper had been published and that the consultation closed on 05 December. The aim is to provide a consolidated report by the end of December.

## 4. Ofgem Letters

NC advised that there was an error in the Shrinkage submission set out in Shrinkage consultation 4 and that a letter is to be published on Ofgem's website highlighting the consequences of the error and how this would impact allowances – they were seeking industry views on the changes.

In addition a second letter is to be published on a request from National Grid Distribution seeking an adjustment to Shrinkage allowances which should reduce prices. DC asked how this adjustment was going to be treated either a 1 year change or longer, if the later, how this would impact allowances. NC advised that they had considered a 1 year option any longer term change would require further consideration. NC confirmed notifications had been sent to the DN regulation managers on 10 November.

NC confirmed he would provide a link to the Ofgem website for inclusion in the minutes.

## 5. Any Other Business

None raised.

## 6. Diary Planning

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

Time/Date	Venue	Programme
10:30 Wednesday 28 January 2015	31 Homer Road, Solihull B91 3LT	<ul style="list-style-type: none"> <li>2015/16 Shrinkage Proposals</li> <li>Shrinkage and Leakage Smart Metering Report</li> </ul>

		• Shrinkage Leakage Model Review
March 2015	Teleconference	<i>To be confirmed</i>
June 2015	Teleconference	<i>To be confirmed</i>
September 2015	31 Homer Road, Solihull B91 3LT	<i>To be confirmed</i>

<b>Action Table</b>					
<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
<b>SF0103</b>	22/01/14	4.0	<i>IFI Project Information/Report</i> - DNs to consider what information might be released.	All DNs	<i>Due 28/01/15</i> <b>Carried forward</b>
<b>SF0701</b>	15/07/14	3.	<i>Shrinkage and Leakage</i> - Provide details of the equivalent statistics for Ireland.	SSE (MJ)	<i>Due 28/01/15</i> <b>Carried forward</b>
<b>SF0901</b>	17/09/14	1.2	GDNs to analyse and quantify the time-weighted and flow-weighted CV measurement approaches and identify and assess the impacts of using different methods/models, for further consideration and agreement on the preferred option to be adopted. Report to the January meeting.	All GDNs	<i>Due 28/01/15</i> <b>Carried forward</b>
<b>SF0902</b>	17/09/14	2.	GDNs to liaise with Ofgem and provide a response/view on the exact requirements for Shrinkage/Leakage Smart Metering Reporting.	All GDNs	<i>Due 28/01/15</i> <b>Carried forward</b>
<b>SF0903</b>	17/09/14	2.	WWU to produce a GDN collective view regarding smart metering data, its use, risks and limitations, for issue alongside the Shrinkage and Leakage Model Report, i.e. by end of October, for discussion/comment	Wales & West Utilities (ID/IM)	<i>Due 28/01/15</i> <b>Carried forward</b>

<b>Action Table</b>					
<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
<b>SF0904</b>	17/09/14	3.	National Grid Distribution to confirm what data is being collected by GL Noble Denton for the IFI Project and advise other GDNs by end of September 2014.	National Grid Distribution (DC/MM)	<b>Complete</b>