

UNC Shrinkage Forum Minutes

Tuesday 23 June 2015

via teleconference

Attendees

| | | |
|----------------------------|------|----------------------------|
| Helen Cuin (Chair) | (HC) | Joint Office |
| Karen Visgarda (Secretary) | (KV) | Joint Office |
| Craig Neilson | (CN) | National Grid Distribution |
| David Simpson | (DS) | Scotia Gas Networks |
| Geoff Goldie | (GG) | Northern Gas Networks |
| Gregory Edwards | (GE) | British Gas |
| Mark Jones | (MJ) | SSE |
| Matt Marshall | (MM) | National Grid Distribution |
| Peter Morgan | (PM) | Scotia Gas Networks |

Copies of all papers are available at: <http://www.gasgovernance.co.uk/sf/230615>

1. Introduction and Status Review

1.1. Review of Minutes

The minutes of the previous meeting (20 March 2015) were approved.

1.2. Review of Actions

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.

Update: Participants believed that this action had been superseded by Actions SF0301 and SF0302. It was therefore agreed to close this action. **Closed.**

SF0301: *Time-weighted and Flow-weighted CV measurement* - WWU (IM) to liaise with the System Operations team to understand what CVs are being submitted.

Update: CN believed there had been some enquiries about retrospective amendments. DS reported a 0.2% difference however he believed WWU might have had a bigger difference. The item was deferred for an update from WWU at the next meeting. **Carried forward.**

SF0302: *Time-weighted and Flow-weighted CV measurement* - National Grid (DC) to investigate why CV amendments are being made and what the basis of the amendments are.

Update: CN confirmed following an investigation it was found that retrospective changes had been driven by a notification of a loss of records. MM had undertaken further analysis and found retrospective declarations. It was recognised this was process driven with very a small impact. As this was an accepted element to the process it was agreed to close the action. **Closed.**

2. Revised Proposals - Interference Damage and AGI Venting

Interference Damage

HC understood that National Grid intended to raise a modification to the Shrinkage Leakage Model (SLM) to mitigate windfall gains or losses, in respect of Interference Damage.

CN confirmed a document had been circulated to the DNs providing narrative on the data. It had been noted that the modification did not reflect the changes from v0.3 to V0.4 for baseline volumes and there were some presentational inconsistencies identified on some

of the data tables for interference damage. CN confirmed these had been amended and sent to DNs for comment.

CN was keen to gain final sign off for the document to proceed with a formal submission to Ofgem. The DNs had no issues with the document and hoped to provide final sign off by the end of June/mid July.

It was noted that the DNs needed to allow 28 days for the consultation. It was agreed obtain final sign off by the 10th July, with the aim to providing a document for consultation by the end of July. This would allow the Modification to be submitted to Ofgem by the end of August.

MM thanked all parties for their participation.

AGI Venting

CN confirmed that Stage 1 of the process had been undertaken. However Stage 2, taking an inventory of equipment, had been delayed due to the lack of visibility of the findings across the networks. National Grid were awaiting a draft report from GL Noble Denton. The initial report had been expected in September, however this had been deferred to April.

CN reassured parties, although the project had drifted, he was raising this with the internal steering group who would be examining what action needed to be undertaken to drive this piece of work forward.

A further update will be provided at the August meeting.

3. Shrinkage and Leakage Model Review

DS confirmed that the DNs need to start preparing the Joint GDN Shrinkage and Leakage Model Review 2015/16 Consultation Report. He confirmed that the report will need to be consulted upon before submission to Ofgem in December.

DS asked parties for their input to the report and if Shippers had any comment on what they would like to see within the report.

It was agreed to publish the 2014/15 Consultation Report along side the Shrinkage Minutes for consideration and comment ahead of the August meeting.

The DNs invited comments on the previous report which will be considered at the August meeting.

Action SF0601: Parties to consider the Joint GDN Shrinkage and Leakage Model Review 2014/15 Consultation Report and provide comments/feedback on inputs to the 2015/16 report.

The DNs agreed to hold a post meeting to develop the report, once comments had been considered.

4. Any Other Business

4.1. National Grid Staff Changes (Roy Malin)

CG wished to thank Roy Malin for his contributions to the Shrinkage Forum and the gas industry. He advised Roy will shortly be leaving National Grid. All the DNs also wished to thank Roy.

5. Diary Planning

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

| Time/Date | Venue | Programme |
|-------------------------------|------------------------------------|------------------------------------|
| 10:30, Wednesday 19 August | 31 Homer Road, Solihull B91 3LT | Shrinkage and Leakage Model Review |

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|-----------------------------------|----------------|------------------------------------|
| | | Interference Damage AGI Venting |
| 09:30, Tuesday 27 October 2015 | Teleconference | Shrinkage and Leakage Model Review |

| Action Table (23 June 2015) | | | | | |
|------------------------------------|---------------------|-------------------|--|---------------------------------|------------------------|
| Action Ref | Meeting Date | Minute Ref | Action | Owner | Status Update |
| SF0901 | 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. | All GDNs | Closed |
| SF0301 | 19/03/15 | 1.2 | <i>Time-weighted and Flow-weighted CV measurement</i> - WWU to liaise with the System Operations team to understand what CVs are being submitted. | Wales & West Utilities (IM) | Carried forward |
| SF0302 | 19/03/15 | 1.2 | <i>Time-weighted and Flow-weighted CV measurement</i> - National Grid to investigate why CV amendments are being made and what the basis of the amendments are. | National Grid Distribution (CN) | Closed |
| SF0601 | 23/06/15 | 3.0 | Paties to consider the Joint GDN Shrinkage and Leakage Model Review 2014/15 Consultation Report and provide comments/feedback on inputs to the 2015/16 report. | All | Pending |