

## Offtake Arrangements Workstream Minutes

Friday 12 September 2008

31 Homer Road, Solihull B91 3LT

### Attendees

John Bradley (Chair)	(JB)	Joint Office of Gas Transporters
Lorna Dupont	(LD)	Joint Office of Gas Transporters
Brian Durber	(BD)	E.ON UK
Joel Martin	(JM)	Scotia Gas Networks
Richard Wilson	(RW)	National Grid NTS
Robert Cameron-Higgs	(RCH)	Northern Gas Networks
Simon Howe	(SH)	RWE npower
Stefan Leedham	(SL)	EDF Energy
Stuart Gibbons	(SG)	National Grid Distribution

### 1. Introduction

JB welcomed attendees and explained the purpose of the meeting.

### 2. Review of Minutes and Actions from previous meeting (30 July 2008)

#### 2.1 Minutes from previous meeting

The minutes of the previous meeting were approved.

#### 2.2 Review of Actions from the meeting of 28 January 2008

**Action OF1030:** Establish the provision of information under OAD Section H2.1.1(i).

**Update:** The DNs confirmed that the process was working. **Action closed**

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

**Update:** None available. **Action carried forward**

**Action OF1037:** All to send suggestions for inclusion in the proforma by the end of the week so that National Grid NTS (RW) can produce a proforma and circulate.

**Update:** Completed. **Action closed**

**Action OF1038:** National Grid NTS (RW) to produce a proforma which the nominators can send to their nominees to establish whether all relevant technologies are covered.

**Update:** Completed. **Action closed**

**Action OF1039:** By use of the proforma, all nominators to make sure what each nominated Technical Expert can cover.

**Update:** Completed. **Action closed**

**Action OF1040:** JO to make the draft error guidelines document available on the website.

**Update:** Completed. **Action closed**

**Action OF1041:** JO to circulate the Measurement Error Report spreadsheet for asset owners to check data.

**Update:** Completed. **Action closed**

**Action OF1042:** JO to produce draft templates for Logs and circulate.

**Update:** Completed. **Action closed**

**Action OF1043:** National Grid NTS (RW) to produce draft templates for MERs and SMERs and circulate.

**Update:** Completed. **Action carried forward**

**Action OF1044:** JO and Transporters to liaise to organise a 'dry run' of the process.

**Update:** Completed. **Action closed**

### **3. Review of Modification Proposals and Topics**

#### **3.1 Modification Proposals**

There were no Modification Proposals requiring the attention of the Workstream.

#### **3.2 Topics**

The Topic Status Report for the Offtake Arrangements Workstream is located on the Joint Office website at: <http://www.gasgovernance.com/Code/Modifications/>.

##### **- Live Topics**

**001OF** NTS Exit Capacity Reform: It was agreed to maintain a watching brief.

**005OF** NTS – LDZ Operational Information for Low Demand Days: It was agreed to move this Topic to "On hold" status.

**007OF** Gas Transporters co-operation on planning and investment networks: It was agreed to close this Topic.

**008OF** Assured Offtake Pressures: No further update.

**009OF** Flow Weighted Calorific Value: No further update.

##### **- Topics On Hold**

**002OF** Distribution Interruption Reform – Consequential Impact on OAD: It was agreed to close this Topic.

#### 4. Modification 0185VV: Meter Error Notification Process – practical implementation

##### 4.1 Process “Dry Run”

JB presented and explained the documentation produced to support the practical implementation of each Section of the Measurement Error Notification process. The documents were reviewed and discussed and suggested improvements were agreed as appropriate.

##### **MEN Proforma**

The following amendments were noted:

- 1) “Offtake Transporter “ field: Update the Lookup Formula
- 2) “Stranraer” field: amend to show PTL

SH suggested that a glossary of terms to accompany the Look Up Table would be welcome, to explain references, eg MTA, MTB, MRC etc. Displaying the meter type in a separate column would also help the Workstream to determine the meter expertise required.

**Action OF1045: National Grid NTS to add column to the Look Up Table to display ‘meter type’ and populate.**

Shippers emphasised that the community would appreciate as much advance warning as possible once a SME was initially discovered. JB confirmed that as soon as information was received by the Joint Office of Gas Transporters it would be made available on the website.

##### **Section 6**

No amendments were required to documentation produced to support this section.

##### **Section 7**

There was a short discussion to clarify the voting process. It was agreed that votes cast at the Workstream would remain confidential and any Independent Technical Expert (ITE) who was present would be asked to leave the meeting while the voting was completed. It was agreed that the name/identity of the chosen ITE would not be made public until after the ITE had accepted the offered appointment.

It was suggested that the description of the actions (Measurement Error Notification Guidelines, page 14) that the Downstream Party needs to take in respect of the voting sequence needs further clarity (and needs replicating for Users and the Upstream Party).

**Action OF1046: Joint Office of Gas Transporters to amend wording on page 14 of the Measurement Error Notification Guidelines to clarify the actions of the various Parties in respect of the voting sequence.**

##### **Section 8**

The letter of invitation to the chosen ITE would be compiled by the DN and would include the agreed Terms of Reference, costs, and a process for declaring any conflict of interest.

##### **Section 9**

The List of Independent Technical Experts was reviewed.

##### **Section 10**

No comments.

##### **Section 11**

The Technical Measurement Issues Framework and Log were reviewed.

It was suggested that all the issues should be put onto the one spreadsheet.

**Action OF1047: National Grid NTS to amend capability to capture all issues onto the one spreadsheet.**

#### **Section 12**

SH suggested adding a comments field to clarify reasons for acceptance as well as rejection.

#### **Section 13**

It was suggested that the wording on page 32 of the Measurement Error Notification Guidelines be amended to capture the inclusion of reasons for acceptance as well as rejection.

**Action OF1048: Joint Office of Gas Transporters to amend wording on page 32 of the Measurement Error Notification Guidelines to capture the inclusion of reasons for acceptance as well as rejection.**

#### **Section 14**

No comments.

#### **Section 15**

RW confirmed that all related ones are put into a central spreadsheet.

### **4.2 List of Independent Technical Experts – Recommendation to Offtake Committee**

BD questioned the apparent requirement for Chartered status and thought that the breadth of choice of experts for the future may be limited if this was made a firm requirement. JB responded that this was not intended to disqualify or exclude recognised experts. BD also questioned whether there should be some form of rotation in operation so that work was more evenly spread and experts were ‘encouraged’ to remain on the List of ITEs.

It was pointed out that the areas of expertise provisionally noted for each listed expert should be reconfirmed as the original information provided by some nominees was extremely brief. More detailed CVs would also be welcome in order to facilitate the making of informed decisions in respect of which nominee to support when voting took place.

**Action OF1049: Joint Office to contact all listed nominees to reconfirm areas of expertise and request provision of more detailed CVs.**

It was unanimously agreed to recommend the List of Independent Technical Experts to the Offtake Committee for approval.

### **4.3 “Dry Run” Meeting Exercise**

The following steps were followed which replicated, as closely as possible the process to be followed by the Offtake Arrangements Workstream in the event of a Measurement Error.

- The Chairman asked the Users present, the Downstream Transporter and the Upstream Transporter for confirmation that they are authorised to act for their organisations. This confirmation was given.
- At the request of the Upstream Transporter and Users, SG reported a fault at an Offtake where National Grid Distribution was the Downstream Transporter. In

accordance with Section 7 of the Measurement Error Notification Guidelines, his verbal report set out the background, cause and estimated impact of the Measurement Error. As this was 40 GWh, it did not automatically qualify for appointment of an Independent Technical Error.

- The Users and the Upstream Transporter asked a number of questions about the performance of the differential pressure transmitter on the Orifice Meter that was malfunctioning at the Offtake concerned. This included historical incidents of similar faults previously identified and the certainty with which the duration and extent of the fault could be established. The Downstream Transporter confirmed that there were uncertainties associated with analysis of a fault of this nature.
- After discussion, the Users, Upstream Transporter and Downstream Transporter were invited to indicate whether an Independent Technical Expert should be appointed. All three parties or groups of parties indicated that an Independent Technical Expert be appointed to prepare a Significant Measurement Error Report.
- There was no prospective Independent Technical Expert present so there was no requirement to exclude any person from the discussions that followed.
- The Chairman outlined the Independent Technical Experts qualified to investigate and quantify an error with an Orifice Plate Meter. The Users, Upstream Transporter and Downstream Transporter each prepared and submitted three nominations on their respective nomination forms.
- The Chairman consolidated the list which because of duplicates was refined to seven names, and invited each group to indicate its preferences on a ballot form explaining that the first preference would be awarded seven votes, the second preference six votes and so on. The opportunity was given at this stage for each group to withdraw and confer.
- The parties submitted their ballot papers; the votes were entered and totalled. The Chairman then announced that there was a clearly preferred nominee who would be the first person invited by the Downstream Transporter to take up the appointment. The Chairman indicated the possibility of the Offtake Committee being required to adjudicate between nominees where votes were tied if the two highest scoring nominees were unable to take up the appointment.
- It was agreed that details of the voting would remain confidential but be retained by the Joint Office. The Joint Office would publish the name of the Independent Technical Expert on its website when he/she accepts the appointment.

The process appeared to work satisfactorily for all parties involved.

#### **4.4 Other implementation issues**

No other issues were identified.

#### **5. Any Other Business**

None raised

## **6. Diary Planning for Workstream**

It was agreed that there was no requirement to arrange a further Offtake Arrangements Workstream meeting in the near future.

Members will be notified when a request to reconvene is received.

**ACTION LOG – UNC Offtake Arrangements Workstream 12 September 2008**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
OF1030	16/05/07	3.2 Topic 007OF	Establish the provision of information under OAD Section H2.1.1(i).	NG NTS (SP/RH/CT)	See 2.2 above. <b>Closed</b>
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/PS)	See 2.2 above. <b>Carried forward</b>
OF1037	30/07/08	3.1	Send suggestions for inclusion in the proforma by the end of the week so that National Grid NTS (RW) can produce a proforma and circulate	All attendees	See 2.2 above. <b>Closed</b>
OF1038	30/07/08	3.1	Produce a proforma which the nominators can send to their nominees to establish whether all relevant technologies are covered.	National Grid NTS (RW)	See 2.2 above. <b>Closed</b>
OF1039	30/07/08	3.1	By use of the proforma make sure what each nominated Technical Expert can cover	All Nominators	See 2.2 above. <b>Closed</b>
OF1040	30/07/08	3.1	Make the draft error guidelines document available on the website.	JO (JB/LD)	See 2.2 above. <b>Closed</b>
OF1041	30/07/08	3.2	Circulate the Measurement Error Report spreadsheet for asset owners to check data	JO (JB)	See 2.2 above. <b>Closed</b>
OF1042	30/07/08	3.3	Produce draft templates for Logs and circulate.	JO (JB)	See 2.2 above. <b>Closed</b>
OF1043	30/07/08	3.3	Produce draft templates for MERs and SMERs and circulate.	National Grid NTS (RW)	
OF1044	30/07/08	3.3	Liaise to organise a 'dry run' of the process.	JO (JB) and Transporters	See 2.2 above. <b>Closed</b>

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
OF1045	12/09/08	4.1	National Grid NTS to add column to the Look Up Table to display 'meter type' and populate.	National Grid NTS (RW)	
OF1046	12/09/08	4.1	Joint Office of Gas Transporters to amend wording on page 14 of the Measurement Error Notification Guidelines to clarify the actions of the various Parties in respect of the voting sequence.	Joint Office of Gas Transporters (LD)	
OF1047	12/09/08	4.1	National Grid NTS to amend capability to capture all issues onto the one spreadsheet.	National Grid NTS (RW)	
OF1048	12/09/08	4.1	Joint Office of Gas Transporters to amend wording on page 32 of the Measurement Error Notification Guidelines to capture the inclusion of reasons for acceptance as well as rejection.	Joint Office of Gas Transporters (LD)	
OF 1049	12/09/08	4.2	Joint Office of Gas Transporters to contact all listed nominees to reconfirm areas of expertise and request provision of more detailed CVs.	Joint Office of Gas Transporters (JB)	