

**Review Group 0126 Minutes**  
**Tuesday 24 April 2007**  
**Holiday Inn, 61 Homer Road, Solihull**

**Attendees**

Julian Majdanski	JM	Joint Office
Helen Cuin	HC	Joint Office
Alan Raper	AR	National Grid Distribution
Alison Jennings	AJ	National Grid Distribution
Andy Miller	AM	xoserve
Brian Durber	BD	E.ON UK
Chris Hill	CH	RWE Npower
Claire Thorneywork	CT	National Grid NTS
Linda Whitcroft	LW	xoserve
Richard Hall	RHa	Ofgem
Richard Wilson	RW	National Grid
Rochelle Hudson	RH	Centrica
Simon Trivella	ST	WWU
Stefan Leedham	SL	EDF Energy
Karen Kennedy	KK	Scottish Power

**Apologies**

Paul Gallagher	PG	National Grid
Steve Pownall	SP	National Grid NTS

**1. Review of Minutes and Actions****1.1. Review of Minutes**

The following amendments were requested to the 04 April minutes:

RHa requested clarification for section 2.2:

It would be useful to understand the interaction between the time taken to resolve meter errors and a rolling cut-off date for reconciliation were this suite of proposals taken forward.

AM requested the following amendment for section 2.3:

AM confirmed that xoserve undertook an exercise and established that no reads were provided during April 2005 ~~that predated~~ where read two was in April 2003.

The Minutes of the previous meeting were then approved.

**1.2. Review of Action**

**Action RG126 0013:** Review Group to consider the Advantages and Disadvantages and submit these to the Joint Office by 13 April 07 for inclusion of the Review Group Report.

**Action: Complete**

**2. Review Group Process****2.1. Completion of the Review Group Report**

The Advantages and Disadvantages were summarised within the Draft Review Group Report however further information was requested for incorporation.

RHa would be interested to understand how many errors would be “timed-out” by different timescales.

RW asked why the draft Review Groups Report did not include any text to explain why a yearly “roll-forward” was chosen opposed to a monthly “roll-forward”. AM reiterated that a monthly “roll-forward” would have an impact on xoserve due to the complexities involved. SL confirmed that a simple clearly understood solution was desirable.

**Action RG126 0014:** AM to provide text explaining the rationale behind the annual vs monthly “Roll-forward” frequency for section C ii of Review Group Report

The Group revisited the decision for the preference of a 5-year model and the effect on the socialisation of costs and Shrinkage. It was agreed that further consideration was required for the 4-5 year against a 5-6 year model.

CT queried whether there were any differences in xoserve costs associated with 4-5 as opposed to 5-6 years. AM stated that he did not anticipate any increase in cost for either 4-5 or 5-6 years options. He added that he believed that beyond 9 years there would be an increase in cost, however this cost could not be quantified.

CT queried whether, following the implementation of the proposed RIBP, there would be any significant xoserve costs associated with reducing the limits further, following demonstrable improvements to meter assurance. AM stated that if the proposed limits were implemented reducing such limits further would not entail any significant cost, so long as the business rules remained the same.

RHa confirmed that evidence of costs would be useful to quantify the extent to which any Proposal would better facilitate the relevant objectives.

Representations were discussed and the ability for Shippers and Transporters to consider the costs and benefit within their individual representations. JM confirmed that parties may provide Confidential Representation to Ofgem which could include this information.

AM confirmed that xoserve costs could increase in the future but they are not able to directly associate cost benefits. If the period remains unconstrained there will be further stretching of costs. One of the major purposes of considering a shorter period was to achieve more efficient management going forwards.

ST suggested that it would be useful to have the supporting information that was used to produce the graphs provided by Paul Gallagher and to understand if the illustration covers all corrections.

A number of questions were raised regarding Paul Gallagher’s presentation relating to restricted periods. RW confirmed he would clarify the basis of the illustration for the Review Group Report.

**Action RG126 0015:** PG/RW to provide illustration text for Section 4 of Review Group Report.

### 3. AOB

### 4. Schedule of Future meetings

30 May 2007 at Holiday Inn, Solihull

**APPENDIX A.**

**ACTION LOG - Review Group 0126**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b> (original ref)	<b>Action</b>	<b>Owner*</b>	<b>Status Update</b>
RG0126 0013	04/04/07	2.3	Review Group to consider the Advantages and Disadvantages and submit these to the Joint Office by 13 April 07 for inclusion of the Review Group Report.	All	Action: Complete
RG0125 0014	24/04/07	2.1	AM to provide text explaining the rationale behind the annual vs monthly "Roll-forward" frequency for section C ii of Review Group Report.	Xoserve (AM)	Action: Complete
0015	24/04/07	2.1	PG/RW to provide illustration text for Section 4 of Review Group Report.	National Grid (PG/RW)	Action: Pending