

**Review Group 0175 Minutes  
Tuesday 18 December 2007  
Renewal Conference Centre, Solihull**

**Attendees**

|                          |     |                                  |
|--------------------------|-----|----------------------------------|
| Julian Majdanksi (Chair) | TD  | Joint Office of Gas Transporters |
| Helen Cuin (Secretary)   | HC  | Joint Office of Gas Transporters |
| Phil Broom (Proposer)    | PB  | Gaz de France                    |
| Alex Thomason            | ATh | National Grid NTS                |
| Andrew Green             | AG  | Total Gas and Power              |
| Brian Durber             | BD  | E.ON UK                          |
| Chris Warner             | CW  | National Grid Distribution       |
| Joel Martin              | JMa | Scotia Gas Networks              |
| Linda Whitcroft          | LW  | xoserve                          |
| Phil Lucas               | PL  | National Grid Distribution       |
| Richard Street           | RS  | Statoil (UK)                     |
| Simon Trivella           | ST  | WWU                              |
| Steve Mullinganie        | SM  | ECO Eeuropean                    |
| Tim Davis                | TD  | Joint Office of Gas Transporters |

**Apologies**

|                    |       |
|--------------------|-------|
| Anna Pechlivanidou | Ofgem |
|--------------------|-------|

**1.0 Introduction and Status Review****1.1. Minutes from November Review Group Meeting**

ATh provided the following clarification for November minutes:  
2.3

~~AT questioned what would happen to the emergency arrangements if moving from a Transporter to a Shipper centric model.~~

ATh noted that a feature of all of the models is that any change in categorisation from NDM to DM customer would need to take into account the emergency procedures. Currently, NDM customers are deemed to be protected by the safety monitor, whereas DM customers are "protected by isolation". If an NDM customer moves from one category to the other, they will need to be aware of any new responsibilities

The Minutes of the previous meeting were approved.

**1.2. Review of Actions from previous meetings**

**Action 0001:** All to consider the models provided, including the advantages and disadvantages, for further discussion.

**Action Update:** Further consideration required.

**Action:** Carried Forward.

**Action 0002:** All to consider the obligations associated with each model for further discussion at next December's meeting.

**Action Update:** Further consideration required.

**Action:** Carried Forward

**Action 0003:** Transporters to consider the potential cost of each model.

**Action:** Carried Forward

## 2.0 Review Group Discussion

PB revisited the presentations provided at last months meeting.

### Model 1

PB provided confirmation that the Shipper would take ownership of the read equipment (unbundled asset only) and that all other services would remain bundled. For example: the provision of meter reads, resynchronisation and consumption adjustments. He explained that Shippers would receive a parallel flow of data to Shipper systems.

The Review Group discussed the proportion of charges associated with assets and services. SM explained the blue book charges. It was agreed that there would be benefit understanding the proportion of costs attributed to each model.

CW suggested that National Grid's Metering Service Provider attend the next meeting to assist with understanding the breakdown of charges.

### Model 2

PB provided confirmation that the Shipper takes on all the obligations associated with the read device, in terms of providing meter reads to xoserve. The obligation of read estimates would also transfer to the Shipper.

LW suggested that additional filter validations may want to be considered, with this model. RS believed that the models are simply transferring the obligations of validations. LW questioned if Shippers would want read validation service provision from xoserve.

SM explained some of the benefits that the commercial market can deliver.

### Model 3

PB provided confirmation that the Shipper would appoint a data collector. LW confirmed that one data collector per DN can have a feed into xoserve. Some debate occurred over the advantage of appointing a third party to provide data. LW questioned xoserve's involvement with consumption adjustments and query resolution. The potential costs of this service were also discussed.

CW highlighted that a significant number of system changes would be required with significant cost implications. He explained there would be a need for new system functionality depending on each model.

The Review Group discussed possible volume issues associated with the demand. ST highlighted that an increase in demand would have system impacts with associated costs.

SM suggested system ability to process larger volumes of data may be a concern.

LW explained the difference between Model 3 and the process operated by SGN.

### Model 4

PB provided confirmation that this model would use a single Transporter appointed data collector.

The Review Group having considered all four models did not want to discount any model at this stage without first understanding the potential costs associated with each of the models.

**Action 0004:** Transporters to investigate the proportion of costs attributed to each model.

CW suggested Transporters and Shippers also need to establish what system changes would be required for each model.

The Review Group revisited the potential demand for elective DM services.

CW approached the subject of payment. PB suggested that there would be little incremental change between the varying models.

BD suggested that the risks of each model also need to be considered.

ST asked for clarification from the model diagrams provided with the presentation, questioning stage/step: "Transporter Request Work".

**Action 0005:** PB to clarify what Transporter Request Work relates to within the model diagrams.

The Review Group suggested a preference for Models 2 or 3. However 1 and 4 would not be discounted immediately.

**Action 0006:** PB to expand Model 3 for January's meeting.

ATh provided a presentation on the impact of more DM loads on Transmission and the additional requirements during an Emergency Interruption.

SM suggested that Shippers would be able to provide confirmation of a site close down for DM elective sites. This was seen as a benefit to the DM elective Market as unnecessary site visits could be avoided.

SM believed that an increased DM elective market would create greater granularity.

### **3.0 Diary Planning for Review Group**

Thursday 24 January 2008, 10:00 31 Homer Road, B91 3LT

### **4.0 AOB**

None.

**APPENDIX A.****ACTION LOG - Review Group 0175**

| <b>Action Ref</b> | <b>Meeting Date</b> | <b>Minute Ref</b> | <b>Action</b>  | <b>Owner</b>       | <b>Status Update</b>    |
|-------------------|---------------------|-------------------|--|--------------------|-------------------------|
| RG0175<br>0001    | 22/11/2007          | 2.0               | All to consider the models provided, including the advantages and disadvantages, for further discussion. | All                | Action: Carried Forward |
| RG0175<br>0002    | 22/11/2007          | 2.0               | All to consider the obligations associated with each model for further discussion.                       | All                | Action: Carried Forward |
| RG0175<br>0003    | 22/11/2007          | 2.0               | Transporters to consider the potential cost of each model.   | Transporters       | Action: Carried Forward |
| RG0175<br>0004    | 18/12/2007          | 2.0               | Transporters to investigate the proportion of costs attributed to each model.                            | Transporters       | Action: Pending         |
| RG0175<br>0005    | 18/12/2007          | 2.0               | PB to clarify what Transporter Request Work relates to within the model diagrams.                        | Gaz de France (PB) | Action: Pending         |
| RG0175<br>0006    | 18/12/2007          | 2.0               | PB to expand Model 3 for January's meeting.  | Gaz de France (PB) | Action: Pending         |