

**Review Group 0175 Minutes**  
**Thursday 24 January 2008**  
**31 Homer Road, Solihull**

**Attendees**

Julian Majdanki (Chair)	TD	Joint Office of Gas Transporters
Helen Cuin (Secretary)	HC	Joint Office of Gas Transporters
Phil Broom (Proposer)	PB	Gaz de France
Andrew Green	AG	Total Gas and Power
Anna Pechilivanidou	AP	Ofgem
Brian Durber	BD	E.ON UK
Chris Warner	CW	National Grid Distribution
David James	DJ	National Grid Metering
Joel Martin	JMa	Scotia Gas Networks
Jon Dixon	JD	Ofgem
Linda Whitcroft	LW	xoserve
Paul Clarke	PC	Scotia Gas Networks
Phil Lucas	PL	National Grid Distribution
Sean Flower	SF	National Grid Metering
Simon Trivella	ST	WWU
Steve Mullinganie	SM	ECO Eeuropean
Sue Davies	SD	WWU
Sue Sherry	SS	xoserve
Thomas Vickers	TV	Gaz de France

**Apologies**

**1.0 Introduction and Status Review**

**1.1. Minutes from the December Review Group Meeting**

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 may be required.

**Action:** Carried Forward.

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

**Action:** Complete

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

**Action:** Carried Forward

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

**Action:** Carried Forward

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

**Action:** Complete

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

**Action:** Complete

## 2.0 Review Group Discussion

CW presented slides illustrating the obligations of the Transporter, Users and Data collectors. PB asked if CW had considered the thresholds.

SM asked what constitutes the query service. LW confirmed that queries would only relate to asset data so under option 2 this service may not exist.

SF provided a presentation on NGM Daily Meter Reads. This gave an overview of the NGM Datalogger Read Collection Process, Daily Read Delivery Requirements and relevant Process Flows.

LW provided a number of process flow diagrams on the Shipper Daily Read Proposals. She confirmed that certain system functionality would have to be changed.

A debate developed around the management of meter asset data, validation and the provision of validated information. DJ expressed that it is possible to separate all areas however the provision of reads is paramount and that missing data incurs liabilities which may be difficult to understand where the information pass through failed. SS confirmed validation checks meter asset details such as the number of dials as well as the meter read.

CW explained that the daily regime relies on daily read data and highlighted that an estimation process would need to be established for the provision of an estimated read when an actual read is not available. He believed that sites would have to have a mandatory regime for meter reads. SM concurred that there would need for a safety net for estimates to be calculated and loaded if an actual read is not loaded.

SF explained that there a number of pinch points within the Daily Meter Read process and that there is an element of failure, SM believed that a commercial service would be able to match or even improve on the bundled service.

CW asked the meeting how information will be validated to ensure accuracy of data. PB concurred with SM that the existing validation rules could exist but be passed onto the appropriate service provider.

It was agreed that the Review Group needed to fully understand the current validation process. SM believed that a data collector could undertake the validation if the detail of this validation is understood.

**Action 0007:** xoserve to confirm the extent of the validation processes.

PB asked xoserve how many failures occur and what they fail for.

**Action 0008:** xoserve to investigate and confirm the type of failures and frequency of failure types.

CW believed that the Review Group also needs to understand the full extent of the asset details required.

**Action 0009:** xoserve to confirm what asset details would be required.

CW believed one of the models needs to be worked through to understand the high level principles before any costs could be understood. He suggested Model 3 could be used. SM believed that the liability and validation regime also needs to be understood to understand costs.

SF confirmed that National Grid Metering would not be able to calculate the costs.

LW highlighted that that system changes and likely volumes would also have to be considered for multiple parties to be able to submit data. PB suggested this could be up to 40,000 sites.

CW wanted to understand from the mandatory regime what could be used in the commercial world. SM didn't believe that it was difficult for a conduit to be made available for the provision of meter read information. He compared the ability to what is available for the unbundled metering service.

CW summarised that Option 2 would need a brand new interface for reads to be submitted direct to xoserve. Option 3 would also need a common interface

ST believed that to the Transporter Option 2 and 3 would appear no different. LW highlighted that for xoserve there would be a difference dependent on the number of IDs used.

SF summarised how the costs could be estimated by Shippers by establishing the cost of elements, such as the cost of the meter asset, the provision of a meter reading service and xoserve understanding the demand and system capabilities to process reads.

PC questioned if file formats would need to be used. SS confirmed that new file formats would need to be developed for the provision of estimates.

CW briefly highlighted the need for gas nominations on an aggregated basis. He also suggested that system functionally may not be impacted by volume.

AG asked if the current system is operating to full capacity and if so, what would be the cost of increasing capacity.

**Action 0010:** xoserve to identify the cost of increasing the system capacity for submission of daily meter reads.

PB provided a presentation in relation to Actions 0005 and 0006. PB clarified what the Transporter Request Work relates to within the model diagrams.

LW questioned how threshold crossers would be managed. SM suggested the existing rules would exist.

SF suggested that xoserve and National Grid Metering are keen to enter into commercial arrangements but would need to understand the potential volumes. It was agreed to look at costs on volumes of 50,000 and 100,000 on top of the current DM market using current regime costing. JMa suggested that this may not be beneficial as the costs would need to reflect the model for xoserve.

SF asked from the Daily Read Delivery Requirements Steps 1 to 11 which steps would be required. AG and BD suggested the minimum would be step 1.

**Action 0011:** National Grid Metering and National Grid Distribution to examine Step 1 of the Daily Read Delivery Requirement for a capacity costing of a commercial arrangement base on 50,000 10,0000, 150,000 and 200,000 reads.

JD believed that the costs associated with possible extremes also need to be understood as system development may be required if all I&C sites decided they wanted to utilise Daily Meter Reading, irrespective of the changes being considered by the Review Group. JD also expressed the need for cost analysis and Ofgem's preference of avoiding the production of a Final Modification Report without any relevant cost information.

CW suggested possible involvement with the Gas Forum.

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

10:00 Tuesday 04 March 2008, Renewal Conference Centre, Solihull.

### **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 0001	22/11/2007	2.0	All consider models provided, including the advantages and disadvantages.	All	Action: Carried Forward
RG0175 0002	22/11/2007	2.0	All to consider the obligations associated with each model.	All	Action: Complete
RG0175 0003	22/11/2007	2.0	Transporters to consider the potential cost of each model.	Transporters	Action: Carried Forward
RG0175 0004	18/12/2007	2.0	Transporters to investigate the proportion of costs attributed to each model.	Transporters	Action: Carried Forward
RG0175 0005	18/12/2007	2.0	PB to clarify what Transporter Request Work relates to within the model diagrams.	Gaz de France (PB)	Action: Complete
RG0175 0006	18/12/2007	2.0	PB to expand Model 3 for January's meeting.	Gaz de France (PB)	Action: Complete
RG0175 0007	24/01/2008	2.0	xoserve to confirm the extent of the validation processes.	xoserve (LW)	Action: Pending
RG0175 0008	24/01/2008	2.0	xoserve to investigate and confirm the type of failures and frequency of failure types.	xoserve (LW)	Action: Pending
RG0175 0009	24/01/2008	2.0	xoserve to confirm what asset details would be required.	xoserve (LW)	Action: Pending
RG0175 0010	24/01/2008	2.0	xoserve to identify the cost of increasing system capacity for daily meter reads submission.	xoserve (LW)	Action: Pending

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RG0175 0011	24/01/2008	2.0	National Grid Metering and National Grid Distribution to examine Step 1 of the Daily Read Delivery Requirement for a capacity costing of a commercial arrangement base on 50,000 100,000, 150,000 and 200,000 reads.	NGM and NGD (SF and CW)	Action: Pending