

Shrinkage Forum Minutes
Wednesday 28 March 2018
At St Johns Hotel, 651, Warwick Road, Solihull, B91 1AT

Attendees

Chris Shanley (Chair)	(CS)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Adam Pearce*	(AP)	ESP
Dean Pearson	(DP)	Northern Gas Networks
Hilary Chapman	(HC)	SGN
Kirsty Dudley*	(KD)	E.ON
Kirsty Steel	(KS)	SGN
Peter Morgan	(PM)	SGN
Shahin Ali	(SA)	Wales & West Utilities

*via teleconference

Copies of all papers are available at: <https://www.gasgovernance.co.uk/SF/280318>

1. Introduction and Status Review**Approval of Minutes (19 December 2017)**

The minutes of the previous meeting were approved.

2. AiGT Shrinkage Analysis Update

AP apologised that he was unable to provide the analysis that had previously been requested, explaining that this was due to the methodology the iGT's to be used to calculate shrinkage had to recognise the differences for their networks. He added that SA had been very helpful in providing an understanding of the DN shrinkage model. AP said there were 2 options to be discussed;

Option 1: For the iGT's to provide data to Wales and West Utilities and for them to run the figures through the DN shrinkage model to provide the estimate.

Option 2: For the iGT's to continue to work with Wales and West Utilities to run the figures using their own assumptions.

AP said he had hoped to have been able to run with the first option, but unfortunately there had been little traction with the other iGTs, due to concerns surrounding the sharing of data and the assumptions in the GDN model were not the same for iGTs. AP said that further work was now being undertaken with SA to investigate the methodology and what the assumptions should be. He added that more information on the Shrinkage estimate would be supplied at the August meeting, to allow for a general discussion and comparisons.

DP asked whether AP thought the assumptions and model could over estimate or under estimate the Shrinkage value? AP said the majority of the differences were regarding the key joints and flex on the electro fuse joints and he said that he understood the iGT's joining techniques on the network were more efficient than the ones used on the GDN's network. AP said that regardless of the methodology employed the shrinkage estimate would still be negligible.

3. Terms of Reference Review

(Please see update regarding Action SF1103, Terms of Reference, in the Review of Actions section below.)

4. Review of Actions

SF1101: DNs to produce a compressed and aggregated Shrinkage Model on LDZ basis for Shippers to consider.

Update: SA explained that the Shrinkage Model had been published on the Joint Office Website. He added that the GDN's were keen to know how the Shippers wanted to use the model and what was the information they were specifically interested in. CS said the model had been published on the website and was protected via a password, which was not the normal procedure for any items published on the Joint Office Website. It was agreed that any Shippers interested in looking at the model should contact their local GDN to request the password.

It was further agreed that Shippers should provide feedback on the Shrinkage Model and for them to provide any specific questions for the GDN's. KS wanted to highlight the importance of the feedback that was requested from the Shippers and for them to explain the benefit of making the model available.

HC agreed with KS's comments and added that if no feedback was forthcoming, then it would raise the question why all this work had been undertaken at all. KS reiterated the fact the Shrinkage Model had taken a considerable amount of time to collate all the data and so the IGT's wanted constructive feedback. She added that the present sign off process for the Shrinkage Returns was extremely rigorous and accuracy was of paramount importance, and so it further raised the question of what more information the Shippers wanted to see and for what purpose. It was then mutually agreed this action could then be closed. **Closed.**

SF1102: DNs to produce a briefing pack of materials in relation to Shrinkage that could be published on the JO website.

Update: CS said the Shrinkage Briefing Pack had been published on the Joint Office website under today's meeting. PM then provided a high-level overview of the Shrinkage Briefing Pack, entitled; '*High Level Illustration of the process and assurances undertaken to facilitate the accurate calculation of Shrinkage*' document and its contents.

CS agreed to publish the Shrinkage Briefing Pack and the Shrinkage Model together on the main Shrinkage Website page to enable the Shippers to read the two documents in unison to provide greater understanding and clarity of both documents. It was then agreed that this action could then be closed.

New Action SF0301: ALL Shippers to provide feedback on the Shrinkage Briefing Pack, the Shrinkage Model and provide any specific questions on these documents to the GDN's.

SF1103: Shrinkage Forum members to review the Terms of Reference.

Update: SA said he wanted to know what the Shippers thoughts were on the Terms of Reference, following on from the comments raised in the last meeting in December, regarding attendance and the content of the Terms of Reference. KD reiterated her comments of the last meeting that requiring a minimum shipper representation at face to face meetings maybe difficult given the amount of industry developments at the moment. She said that as she was the only Shipper member on the call she could not speak for other Shippers and again said that attendance of Shippers was at times, difficult due to other Industry meetings. It was agreed as no comments had been received, that this action could be closed. **Closed.**

SF1201: SGN (PM) to discuss the proposal of a formal Committee status with defined members via the UNCC with the Network Operators and the Shippers and supply feedback at the 28 March 2018 meeting.

Update: A general discussion took place regarding the suggestion that the Shrinkage Forum should be made into a formal committee under the UNCC umbrella. PM said he did not think this was the correct way forward. He said it was more to do with the actual attendance and engagement of the Shippers to attend the Shrinkage Forum. KD said it was mainly due to the number of Industry meetings that were taking place, which in turn, impacted on the Shippers availability for the Shrinkage Forum.

It was agreed that the Shrinkage Forum attendance should be placed on the Distribution Workgroup Any Other Business (AOB) Section and for the iGT's to produce a slide to promote it. CS said this could also be flagged within the Joint Office Monthly Newsletter too and suggested it could be highlighted to the AUG meeting attendees as well. HC said that she did not think at this stage, to flag this to the AUG meeting was appropriate at this time, as these two areas were now being kept completely separate.

New Action SF0302: SGN (PM) to produce a slide to be added to the Distribution Workgroup Agenda under Any Other Business (AOB) promoting the Shrinkage Forum.

SA added that it was perhaps even more fundamental than simply the issue of attendance, he said it would be valuable to know from the Shippers if they found the actual Shrinkage Forum content useful and of interest. It was subsequently agreed that the meetings moving forward, would be via Teleconferences and not face to face. PM said that a face to face meeting could be arranged for specific issues, as and when required. All were in agreement and PM agreed to amend the Terms of Reference accordingly and all agreed this action could now be closed.
Closed.

New Action SF0303: SGN (PM) to amend the Terms of Reference regarding forthcoming Shrinkage Forum Meetings to be Teleconference moving forward, with Face to Face meetings by exception.

5. Any Other Business

DP raised a query in relation to the SMART Meter Reports and if there was any further information regarding future rollout numbers or historical deployment data that was published in the public arena or could it be obtained by the GT's. KD said that from E.ON's perspective that both installed and obligated data was included in their SMART meter data reporting. CS added that the Government Reports on SMART data were different to the SPAA data and he believed the Transporters also had access to this. KD said from a data quality perspective there was no one report that gave a comprehensive overview of the data in its entirety. DP then suggested perhaps it would be a worthwhile exercise to send a communication to all the Shrinkage Forum attendees to ask the question about the reporting. Both PM and KS said that a complete overview snap shot was not possible, but that the latest forecast was used in this regard. The GT's agreed to discuss this matter internally to ensure no reports were missing or not being taken into consideration.

6. Diary Planning

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

Time/Date	Venue	Programme
10:30, Wednesday 29 August 2018	Teleconference	<ul style="list-style-type: none"> • AiGT Shrinkage Analysis Update • Shipper feedback on Shrinkage Model and Briefing Pack

		<ul style="list-style-type: none">• Terms of Reference Update• Update on Promotion of Shrinkage Forum
10:30, Wednesday 21 November 2018	Teleconference	Agenda to be confirmed
10:30, Tuesday 18 December 2018	Teleconference	Agenda to be confirmed

Action Table (as at 28 March 2018)					
Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
SF1101	13/11/17	3.0	DNs to produce a compressed and aggregated Shrinkage Model on LDZ basis for Shippers to consider.	DNs	Closed
SF1102	13/11/17	4.0	DNs to produce a briefing pack of materials in relation to Shrinkage that could be published on the JO website.	DNs	Closed
SF1103	13/11/17	6.0	Shrinkage Forum members to review the Terms of Reference.	All	Closed
SF1201	19/12/17	3.0	SGN (PM) to discuss the proposal of a formal Committee status with defined members via the UNCC with the Network Operators and the Shippers and supply feedback at the 28 March 2018 meeting.	SGN (PM)	Closed
SF0301	28/03/18	4.0	ALL Shippers to provide feedback on the Shrinkage Briefing Pack, the Shrinkage Model and provide any specific questions on these documents to the GDN's.	ALL Shippers	Pending
SF0302	28/03/18	4.0	SGN (PM) to produce a slide to be added to the Distribution Workgroup Agenda under Any Other Business (AOB) promoting the Shrinkage Forum.	SGN (PM)	Pending
SF0303	28/03/18	4.0	SGN (PM) to amend the Terms of Reference regarding forthcoming Shrinkage Forum Meetings to be Teleconference moving forward, with Face to Face meetings by exception.	SGN (PM)	Pending