

UNC Shrinkage Forum Minutes

Monday 16 December 2019

Via Teleconference

Attendees

Lorraine O'Shaughnessy (Chair)	(LO)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Colin Wainwright	(CW)	SGN
Emma Buckton	(EB)	Northern Gas Networks
Fraser Williams	(FW)	SGN
Gregory Edwards	(GE)	Centrica
Peter Morgan	(PM)	SGN

Copies of all papers are available at: <http://www.gasgovernance.co.uk/sf/161219>

1. Introduction and Status Review

Lorraine O'Shaughnessy (LO) welcomed all to the meeting, and explained that as there was only two Transporters and one Shipper in attendance, the meeting was not quorate. The attendees were all in agreement to continue with the meeting.

LO reminded attendees that within the TOR all four Distribution Networks and at least two of the Gas Shippers should be represented at all Shrinkage Forum meetings.

1.1. Approval of Minutes (29 November 2019)

The minutes of the previous meeting were approved.

2. AiGT Shrinkage Analysis Update

LO confirmed as no representation was available from AiGTs this item would be deferred.

Action 1101: All GDNs to respond to Shahin Ali/Julie Chou, WWU, confirming permission to release the 2002 National Leakage Test Report & Data, so that DNV-GL can commence work on the analysis.

Update: Peter Morgan (PM) confirmed that SGN had provided approval via email, Emma Buxton (EB) also confirmed approval had been provided for NGN. **Closed.**

3. Shrinkage and Leakage Report Consultation Update

LO reminded parties that the Shrinkage and Leakage Consultation Report, closing on Friday 20 December 2019, had been published on the Joint Office Website on 22 November at: <https://www.gasgovernance.co.uk/Shrinkage/Consultations>.

Gregory Edwards (GE) wished to provide some additional points for future Consultation Reports. He noted in the report that the GDNs highlight performance for the past year, he suggested it would be useful for this to include either a percentage or volume (GwH) performance and some additional detail on how this affects shrinkage for all factors not just for Theft of Gas.

GE also wished to add, that it appears within the report, that there has been very little progress in general compared to last year's Shrinkage Report. He therefore suggested more detail should be added to the short term and long term elements, for example the medium pressure project. He suggested an explanation or a short update would be beneficial for readers to understand the current status of all projects.

Colin Wainwright (CW) clarified some of the projects are longer term projects, where there will be little to report. However GDNs agreed to provide some more detail for future reports once these have been specified during the March 2020 meeting.

GE also wished to note, there appeared to be a focus on smaller areas of Shrinkage, and believed this focus may not be providing the best value.

EB clarified that the GDNs have obligations to cover all areas, and asked which particular elements Shippers would like covered. GE noted updates are provided on Theft of Gas and Own Use Gas but this only equated to 14% of Shrinkage and a large proportion of Shrinkage appeared not to have been addressed within the report.

PM clarified that there has been a big focus over the past 10 years on key items, and to improve the accuracy of the reporting. He explained that GDNs have looked for tangible improvements to try and drill down on the other areas. He wished to reassure Shippers that the GDNs do look at all areas.

It was agreed the GDNs would consider all the points made for the next consultation to improve the information shared. PM welcomed feedback from the Shrinkage and Leakage Model Review 2019 and urged Shippers to respond to the consultation before the close out period of 20 December 2019 as no responses had been received to date.

LO asked if the GDNs would like the Joint Office to provide a further reminder communication and requested PM to send the Joint Office an email to issue to the industry on their behalf. LO clarified the Consultation Report had been published on 22 November 19.

GE enquired if the GDNs would consider extending the Consultation timeframe as he was not aware an initial communication had been issued to alert Shippers of the publication and the need to respond. PM explained that the deadline could not be extended as the final report has to be published by 31 December 2019.

PM agreed to provide the Joint Office with an email to forward to the industry on 16 December 19.

4. Theft of Gas Methodology Review

LO noted that Julie Chou had asked for an action at the August meeting:

Action 0802: Shippers to provide comments on Theft of Gas and the three options for consideration presented in slide 5.

Update: GE believed that the options presented for estimating Theft of Gas (ToG), still need to be considered. LO confirmed the three options on Slide 5 of the presentation. These were: -

- Review current ToG factor with key stakeholders
- Remove ToG from the Shrinkage incentive
- Consider influence of large loads, particularly those connected directly to the LTS network

GE's initial thoughts was Shippers would need to better understand the merits of the three options and asked for further detail to assist providing feedback.

Action: Carried forward.

5. Review of outstanding actions

Action 0802: Shippers to provide comments on Theft of Gas and the three options for consideration presented in slide 5.

Update: See item 4.0. **Carried forward.**

Action 1101: All GDNs to respond to Shahin Ali/Julie Chou, WWU, confirming permission to release the 2002 National Leakage Test Report & Data, so that DNV-GL can commence work on the analysis.

PM and EB confirmed that they had provided their permission. No other comments received.

Update: See item 2.0. **Closed.**

6. Any Other Business

LO suggested the Terms of Reference may wish to be reviewed in March and EB agreed that this would be useful.

7. Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>:

Time/Date	Venue	Programme
09:30, Tuesday 24 March 2020	Teleconference	<ul style="list-style-type: none"> • AiGT Shrinkage Analysis Update • Shrinkage and Leakage Report Consultation update • Theft of Gas Methodology Review • Terms of Reference Review
09:30, Wednesday 26 August 2020	Teleconference	<ul style="list-style-type: none"> • TBC
09:30, Wednesday 25 November 2020	Teleconference	<ul style="list-style-type: none"> • TBC
09:30, Wednesday 16 December 2020	Teleconference	<ul style="list-style-type: none"> • TBC

Action Table (as at 16 December 2019)					
Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
SF0802	27/08/19	4.0	Shippers to provide comments on Theft of Gas and the three options for consideration presented in slide 5.	Shippers	Carried forward
SF1101	26/11/19	2.0	All GDNs to respond to Shahin Ali/Julie Chou WWU, confirming permission to release the 2002 National Leakage Test Report & Data, so that DNV-GL can commence work on the analysis.	All GDNs	Closed