

UNC Offtake Arrangements Workgroup Minutes
Monday 15 March 2021
Via Teleconference

Alan Raper (Chair)	(AR)	Joint Office
Maitrayee Bhowmick-Jewkes (Secretary)	(MBJ)	Joint Office
Ben Oldham	(BO)	Cadent
Catherine Lister	(CL)	Wales & West Utilities
Dave Mitchell	(DM)	SGN
David Ransome	(DR)	Cadent
Fiona Cottam	(FC)	Correla on behalf of Xoserve
Guv Dosanjh	(GD)	Cadent
Helen Bennett	(HB)	Joint Office
Martin Attwood	(MA)	Correla on behalf of Xoserve
Rachel Martin	(RM)	Correla on behalf of Xoserve
Samuel Dunn	(SD)	Interconnector UK
Shiv Singh	(SS)	Cadent
Zoe Thorpe	(ZT)	National Grid

Copies of all papers are available at: <http://www.gasgovernance.co.uk/oa/150321>

1. Introduction and Status Review

1.1. Approval of Late Papers

There were no late papers.

1.2. Quoracy Rules

Alan Raper (AR) welcomed all to the meeting, advising that the meeting was not quorate.

AR explained that the Offtake Arrangements Workgroup did not have its own Terms of Reference (ToR) and therefore the general Workgroup ToR applied to it, which meant that a meeting was quorate when there were two Shippers and two Transporters in attendance. AR added that when a meeting was not quorate, no decisions taken would be binding.

AR noted that whilst the Joint Office had written to all Shippers in the previous week urging them to attend, no responses had been received.

AR advised that despite the meeting not being quorate, the Joint Office was proposing the Workgroup progress as planned and any decisions taken are considered provisional, to be referred to the Uniform Network Code Committee (UNCC) for ratification. The Workgroup accepted this plan.

AR advised the Workgroup would be making a decision in relation to the appointment of the Independent Technical Expert (ITE) and the Terms of Reference for the Appointment ITE and the Workgroup's provisional decisions would be taken to the UNCC when it met on 18 March 2021 to be ratified.

2. Significant Measurement Error Report EM009 - Alrewas EM MTD

2.1. Measurement Error Guidelines/ Process Overview

AR provided an overview of the Measurement Error process, as set out in the Measurement Error Notification Guidelines.

AR explained the process to the Workgroup. Please see below for a high-level summary:

- Where the estimated error is greater than 50 GWh, an independent review of the calculations for the error is required to determine the measurement error and to decide how the unallocated gas should be redistributed over the period of the error.
- Once an ITE is appointed by voting, they will quantify the error and produce a report including the adopted methodology. The ITE would have a number of reporting requirements in place, such as providing regular updates to the Workgroup in relation to the error and notifying them of the magnitude of the error as soon as possible.
- If an error is greater than 500 GWh, then the process includes for the appointment of two ITEs and both calculations and reports would need to be reviewed and reconciled to provide an agreed quantity of energy that would need to be settled.

2.2. Error Description

AR requested Cadent, the Downstream Transporter for this error, to provide an overview of the error and their initial assessment of magnitude.

Ben Oldham (BO) presented a high-level summary, noting:

- The error is in relation to the Alrewas EM Offtake which supplies gas to the East Midlands LDZ. The metering system comprises of a standard single stream orifice plate with a maximum station flowrate of 16 million scm/day.
- On 23 February 2021, the plate was removed for inspection and was found to have been installed in the incorrect orientation. The plate was subsequently changed with the new plate being inserted with the correct orientation. Further investigation found that on 20 May 2020 the orifice plate was changed as part of an ME/2 annual validation. Apart from the orientation being incorrect the plate was properly aligned within the carrier and fully inserted into the flow stream.
- Initial studies undertaken by Cadent's metering technical consultants indicate a high likelihood the error will be greater than the 50GWh Significant Measurement Error threshold.

For further details, please refer to the published paper on the meeting page.

AR thanked BO for his presentation and confirmed to the Workgroup that as this error was more than 50GWh, and, as such, would constitute a Significant Measurement Error. Consequently, the next step would be to appoint an ITE.

2.3. Independent Technical Expert (ITE) Appointment Process

AR provided an overview of the ITE appointment process, explaining:

- Each constituency of Shippers, Distribution Network Operators (DNs) and the National Transmission System (NTS) vote using the approved list of ITEs, providing a list of their three preferred ITEs.
- The Workgroup Chair ranks the ITEs in order using a preference voting mechanism where votes may be cast for up to 3 candidates.

AR asked the DNs to have a discussion regarding the ITEs and to make their nominations.

The Workgroup broke up with only the DNs remaining on the call to discuss the ITE nominations. Guv Dosanjh (GD) noted that Cadent would nominate Dr. Reader-Harris as their first and Mr. Kirkman as their second choice.

BO advised that Dr. Reader-Harris had written a number of papers in relation to orifice plates and Cadent believed he was the foremost authority in this field. AR agreed with the rationale and asked if BO could send him some links to Dr. Reader-Harris's papers so he could submit them as supporting evidence to the UNCC..

Commented [AR1]: Think this should be BO?

AR asked Catherine Lister (CL) and Dave Mitchell (DM) whether they agreed with Cadent's choice of experts and received confirmation from CL. DM also agreed with this view but asked if the Workgroup should also consider Dr J. Krawaczynski, who in past has been favoured by Shippers.

The Workgroup considered this but decided to proceed on the basis of Dr. Reader-Harris as their nomination for ITE. AR noted, if it transpired that the error exceeded 500 GWh, shippers would get the option to nominate a second ITE.

AR confirmed the primary and secondary ITE nominations from the DNs as Dr. Reader-Harris and Mr. Kirkman, respectively.

2.4. ITE Selection Ballot

The Workgroup reconvened.

Zoe Thorpe confirmed the NTS nominees for the ITE were Dr. Reader-Harris, Mr. B Kirkman and Dr J. Krawaczynski, in that order.

AR updated the ITE Selection ballot document which showed the ITE preferred by both DNs and the NTS to be Dr. Reader-Harris.

AR also asked the Workgroup to briefly review the Generic ToR for the Appointment of ITEs and asked if the Workgroup were willing to adopt this or whether they had any questions or concerns.

GD noted that Cadent had drafted a ToR for the appointment of ITEs.

BO presented Cadent's ToR, which generally aligns with the generic ToR, with some minor changes. BO explained it had been updated to require the ITE to recognise and consider new research and standard formulas when undertaking the error assessment to help make the process more accurate, economic and efficient.

The Workgroup accepted this change and agreed to adopt Cadent's revised ToR for the appointment of the ITE.

2.5. Next Steps

AR confirmed the next steps as follows:

- AR to present the provisional result and the draft ToR for appointing ITEs to the UNCC for ratification,
- Cadent to appoint the ITE after UNCC ratification is received.

3. Any Other Business

No new business was raised.

4. Diary Planning

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

Subject to the agreement by Panel of an extension, Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
TBC	Via Microsoft Teams	TBC

Action Table (as at 15 March 2021)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			None		