

UNC Shrinkage Forum Minutes Wednesday 16 December 2020 Via Teleconference

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Sonniya Fagan (Secretary)	(SF)	Joint Office
John Trounson	(JT)	BU UK
Julie Chou	(JC)	Wales & West Utilities
Matt Marshall	(MM)	Cadent
Simon Holden	(SH)	Lloyds Register UK (Observer)
Peter Morgan	(PM)	SGN

Apologies

Colin Wainwright	CW	SGN
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Copies of all papers are available at: <https://www.gasgovernance.co.uk/sf/161220>

Shrinkage meetings will be quorate where there all four Distribution Networks and at least two of the Gas Shippers represented.

1. Introduction and Status Review

Bob Fletcher (BF) welcomed all parties to the meeting and explained that as there were no Shippers in attendance, the meeting was not quorate.

1.1. Quoracy Status

The practicability of the forum and its attendance were discussed. The Forum shared the following opinions:

- The relevance of the forum lies in updating and engaging industry feedback. It also holds the benefit of garnering stakeholder interest. There exists equal accountability for the affected and interested parties to attend as there is for the Shrinkage Forum to disseminate information regarding meeting dates.
- Time allocated could be reduced to better reflect the pace of the meeting. E.g., Reducing the duration to one-hour in the meeting calendar.
- Review of the agenda to remove inactive items to avoid redundant updates and the possibility of misleading future attendees.
- The transition to teleconference meetings still stands as the most fitting mode to convene.
- Alignment of meeting dates to item updates could incentivise attendance. E.g., a meeting closer to the Shrinkage and Leakage Model Review. This requires substantial deliberation as the dates are not in sync with the annual Forum deadlines being introduced as part of RIIO2 where implementation is being moved from December to March. Additionally, there is a need to reconsider the soundness of holding a meeting during the peak holiday season. It was agreed that this topic be added as a new item in the next agenda.

1.2. Approval of Minutes (24 November 2020)

The minutes of the previous meeting were approved.

1.3. Approval of Late Papers

No papers to approve.

2. Shrinkage and Leakage Model Review Consultation Update

Matt Marshall (MM) shared that no new feedback or consultation response had been received, over and above the one representation which has been published. Thus the subsequent action remains to conclude the report.

The consultation outcome still stands to be provided to Ofgem by 31 December 2020.

BF suggested the inclusion of a short presentation at Distribution Workgroup of the Shrinkage Forum and Shrinkage Leakage Model as another avenue of bolstering attendance to the Forum. Peter Morgan (PM) responded that the suggestion could not be actioned until feedback and thoughts were received from each relevant Transporter regulation team.

3. INA Shrinkage Analysis Update

John Trounson (JT) confirmed that current review is underway by the DNVGL and that he would report back to the Forum when update was received, hopefully by the March 2021 meeting.

Post Meeting Update

Sonniya Fagan (SF) invited JT to the IGTAD meeting on 25 January 2021 by previous recommendation from Joint Office.

4. Theft of Gas Methodology Review

JC stated there were no new updates to present. Any updates received will be presented at the next Forum. Following this, it was agreed to remove this item from the agenda until future updates were received for review.

5. Mains Remediation on Large Diameter Iron Mains

PM stated the Modification proposal seeks to modify the model used for calculating shrinkage and consequently the methodology on the subject. PM advised that Mains remediation use techniques such as remotely camera technology to anaerobically seal joints in large diameter mains from the inside. Due to the circulation date of Ofgem determinations, the proposal presentation would be deferred to January 2021. Despite the current postponement, this item was agreed to remain within the agenda as it is likely Transporters will seek an amendment to the methodology during early 2021.

6. Review of outstanding actions

1101: DNs to consider circulating material ahead of future Shrinkage Forums and consider whether the Shrinkage Forum should continue to be held with limited or no Shipper attendance.
Update: See *item 1.1*. **Closed.**

1102: INA (JT) to provide an update on the DNVGL leakage rate report and send any communication to the Joint Office.
Update: See *item 3.0*. **Closed.**

7. Any Other Business

None.

8. Diary Planning

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

Unless requested otherwise, the next meeting will be held according to the diary planning below.

It was noted that additional meetings might be required should proposals on Mains Remediation be brought forward.

Time/Date	Venue	Programme
09:30, Wednesday 24 March 2021	Teleconference	<ul style="list-style-type: none"> • INA Shrinkage Analysis Update (JT) • Theft of Gas Methodology Update (SA) • Mains Remediate on Large Diameter Iron Mains (CW)
09:30, Wednesday 25 August 2021	Teleconference	<ul style="list-style-type: none"> • TBC
09:30, Wednesday 24 November 2021	Teleconference	<ul style="list-style-type: none"> • TBC
09:30, Wednesday 15 December 2021	Teleconference	<ul style="list-style-type: none"> • TBC

Action Table (as of 16 December 2020)					
Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1101	25/11/20	1.0	DNs to consider circulating material ahead of future Shrinkage Forums and consider whether the Shrinkage Forum should continue to be held with limited or no Shipper attendance.	All DNs	Closed
1102	25/11/20	2.0	INA (JT) to provide an update on the DNVGL leakage rate report and send any communication to the Joint Office.	INA (JT)	Closed