

UNC Shrinkage Forum Minutes Wednesday 27 March 2019 Teleconference

Attendees

Chris Shanley (Chair)	(CS)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Colin Wainwright	(CW)	SGN
Fraser Williams	(FW)	SGN
Gregory Edwards	(GE)	Centrica
Ian Bagworth	(IB)	Ofgem
Mark Jones	(MJ)	SSE
Nicholas Pollard	(NP)	Northern Gas Networks
Shahin Ali	(SA)	Wales & West Utilities
Stuart Williams	(SW)	AiGT

Apologies

Kirsty Dudley	(KD)	E.ON
Peter Morgan	(PM)	SGN

Copies of all papers are available at: <http://www.gasgovernance.co.uk/sf/270319>

1. Introduction and Status Review

Chris Shanley (CS) welcomed all to the meeting and noted that there was no Cadent representative.

1.1. Approval of Minutes (14 December 2018)

The minutes of the previous meeting were approved.

2. AiGT Shrinkage Analysis Update

Stuart Williams (SW) explained that he had now taken over from Andy Finch in representing the AiGT and that he was still familiarising himself with the Shrinkage areas. He said that he had been investigating the Shrinkage Report that had been produced in 2007 by the Transporters regarding leakage and that this suggested for IGTs leakage was negligible. SW said that he had also investigated the National Leakage Report from 2003 and that he was arranging for a consultant to conduct some further analysis on the leakage rates in the IGT systems that had grown since 2007. He added that he had been having ongoing conversations with Shahin Ali (SA) regarding the specific data requirements in relation to the leakage rates from the IGT networks.

3. Shrinkage and Leakage Report Consultation Update

SA said that the Shrinkage and Leakage Report was no longer relevant as the documentation from the consultation had been published in December 2018 and that he had nothing else to add on this subject. Gregory Edwards (GE) said that he wanted more information following the REPEX meetings in relation to GDPR2 and GDNs agreed to provide further details at the next meeting. CS said that GDPR2 would be added to the August agenda and GDNs agreed to provide an update on this matter.

New Action 0301: GDNs to provide an update on the status of the GDPR2 REPEX discussions for the August meeting.

4. Theft of Gas Methodology Review

SA said that he wanted to have a discussion regarding the way the GDN's reported and used the Theft of Gas Methodology and that the shrinkage rate for theft was presently 0.02% of the throughput rate of gas. He said that over recent years there had been an increase in issues caused the introduction of single large demands (power stations and other large users). He said that he was looking for suggestions on what the Theft of Gas Methodology Model should look like and that his initial thoughts were to keep the methodology as is, but to remove the incentive on GDNs with regards to theft of gas.

CS said that it would be helpful to have some documentation explaining the current methodology and the proposed approach before the next meeting and SA agreed to produce an overview for future discussion.

CS said that he also chaired the AUG Sub-Committee and that he knew discussions were taking place in relation to the potential UIG benefits of the GDNs producing a daily shrinkage factor and SA said he was not aware of this, but that he would now investigate this linked area further. CS said that he had also had some conversations with the Pricing Managers at the DN Charging Methodology Forum (DNCMF) regarding potential enhancements to the way the shrinkage factor is applied over the year, recognising that mains replacement is an ongoing activity and Mark Jones (MJ) added that the theft of gas rate of 0.02% seemed very low.

New Action 0302: Wales & West Utilities (SA) to produce an overview document regarding potential changes to the Theft of Gas Methodology for discussion at the August meeting.

5. Review of outstanding actions

1101: GDNs to provide an update on the interference Damage consultation at the December meeting.

Update: CS explained that this action had been previously been passed to Matt Marshall, Cadent, as he would be best placed to provide an update, however he was once again absent. Colin Wainwright (CW) said that he was not aware of any update and that he would contact Matt Marshall to discuss this matter and to see if an email update could be provided at the next meeting, CS said that as this topic is no longer urgent as the update was required to inform the Shippers responses to the Shrinkage and Leakage Report consultation that had now concluded. This action was then carried forward. **Carried Forward**

6. Any Other Business

None

7. Diary Planning

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

Post meeting update: Some future dates have been adjusted as shown below:

Time/Date	Venue	Programme
10:00, Tuesday 27 August 2019	Teleconference	Agenda to be confirmed
10:00, Friday 29 November 2019	Teleconference	Agenda to be confirmed
09:30, Wednesday 16 December 2019	Teleconference	Agenda to be confirmed

Action Table (as at 27 March 2019)					
Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
SF1101	21/11/18	6.1	GDNs to provide an update on the interference Damage consultation at the December meeting.	GDNs	Carried Forward
SF0301	27/03/19	3.0	GDNs to provide an update on the status of the GDPR2 REPEX discussions for the August meeting.	GDNs	Pending
SF0302	27/03/19	4.0	Wales & West Utilities (SA) to produce an overview document regarding potential changes to the Theft of Gas Methodology for discussion at the August meeting.	Wales & West Utilities	Pending