

Meeting Details

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|-----------------------------|--|----------------------------|
| Meeting Description: | Shipperless and Unregistered (S&U) Sites Working Group | |
| Venue | Conference Rooms 5&6, 31 Homer Road, Solihull | |
| Meeting Date: | 2 nd July 2015 | |
| | <u>Name</u> | <u>Organisation</u> |
| <u>Attendees</u> | Thomas Brine (TB) | Xoserve |
| | Mark E. Summersmith (MES) | |
| | Katherine Towlson (KT) | |
| | Dave Turpin (DT) | |
| | Dave Ackers (DA) | |
| | Andrea Bruce (AB) | Scottish Power |
| | Andy Clasper (AC) | National Grid Gas |
| | Liz Wassall (LW) | |
| | Olga Batsari (OB) | Wales and West Utilities |
| | Debbie Watson (DW) | Gazprom |
| | David Mitchell (DM) | Scotia Gas Networks |
| | Lisa Warnock (LW) | |
| | Paul Baker (PB) | EDF Energy |
| | Debra Styles (DS) | |
| | Alex Ross Shaw (ARS) | Northern Gas Networks |
| | Carol Lincoln (CL) | EON Energy |
| | Sue Cropper (SC) | British Gas |
| | Chris Bingham (CB) | |
| Steven Coller (SCo) | | |
| Lee Wileman (LW) | | |
| <u>Apologies</u> | Anne Jackson | SSE |
| | Nigel Winnan | Wales and West Utilities |
| | Julie Wragg | EON Energy |
| | Chris Warner | National Grid |
| | Helen Armstrong | Northern Gas Networks |
| | Naomi Nathaniel | Plus Shipping Services |
| | Jessica Yeun | SSE |
| | Geof Moss | |

Archived Completed Actions

| Ref. | Description | Action | Status |
|----------------------|---|--------|--------|
| 1-164, 167, 168, 171 | These actions have been completed and archived for future reference. | | |

Outstanding actions from previous meetings

| Ref. | Date Raised | Description | Owner | Update |
|------|-------------|---|----------|-----------------|
| 165 | 17/09/2014 | Shippers to perform the fullest of checks / enquiries before submitting MNCs. Request that incorrectly created MPRN records are set to EX at the earliest opportunity. Review Internal Process Guidelines for M Number Creation procedures. Not to select 'Multi Service' if this is not correct. Update 02/07/15: Discussed at SUWG. Education continues and once new reporting gives visibility the action can be closed. | Shippers | Carried Forward |
| 166 | 17/09/2014 | Networks to influence the UIPs about the timely submission of FOM contacts. Influence UIPs to not select 'Multi Service' unless it is truly an additional service entering a property. Re-affirm the importance of 'Tagging' the meter point. Update 02/07/2015: Discussed at SUWG. MNC process change proposal should close this gap. | Networks | Carried Forward |
| 169 | 01/12/2014 | Networks to determine a process / procedure to determine responsibility for a Meter at a Shipperless site. Update 02/07/15: Update to be provided. See meeting minutes. | Networks | Carried Forward |

Actions from meeting held on 01/12/2014

| Ref. | Date Raised | Description | Owner | Status |
|------|-------------|--|---------------|-----------------|
| 170 | 09/03/2015 | Correct Governance route to be established to facilitate validation of proposed changes to MNC process tabled by National Grid. | National Grid | Carried Forward |
| 172 | 02/07/2015 | Xoserve to arrange a separate workgroup in order to review and refresh the S&U Root Cause document | Xoserve | Open |
| 173 | 02/07/2015 | Xoserve to begin provision of fortnightly reports to provide stakeholders with information regarding the number of domestic multi service MPRN's being raised by their organisation. | Xoserve | Open |

Minutes

1. Introductions

TB welcomed the group presented the agenda items. Introductions across the group were carried out as new attendees were present.

2. Actions from Previous Meetings

TB ran through all previous actions. (See updates above).

AC Queried if the responsibility for a meter at a shipperless site action had been closed

OB discussed if NG Metering can collect meters as there is a future TOG risk should the meter not be removed. There was a concern raised that the meter could be removed and illegally connected to another site. Meters should be removed safely but the end user will not want to pay for this if they have no need for the gas supply.

TB reminded the group that the query had come from Ofgem due to an end user attempting to remove their shipperless meter as they do not require a gas supply. Putting the onus on the end user or asking them to pay for the service could leave the option for the meter to be used illegally in the future if no progress is made.

OB stated that if the meter was reported as a found meter the customer would be instructed by the Supplier to get it removed by a Gas Safe Engineer. How would the DN know to go and cut off the service in this instance as there would be no updates to Xoserve and the customer may just "give up" trying.

AC agreed that the action can be reopened but feels the answer would be the same. National Grid would not just remove the meter if it was capped and hence safe.

LW noted that in a lot of these incidents the meter is not even recorded anywhere.

AC stated that this was a gap in the process.

LW stated that if it is a gap it needs plugging.

DT enquired if an action was required to revise the process

SC enquires if Xoserve could update their systems with the meter detail if this would improve things, referencing MOD 455 and enquires if a MOD is needed.

OB stated that things were happening outside of the process which leads to a lack of certain trigger events occurring. So if a meter is removed which is not on Xoserve systems a GSR trigger will not take place. Her opinion was that networks should force the matter.

DT asks whose responsible for what parts of the process, at what point would DN's step in. Work needs to be done to look at the process, build the rules and parameters and gain approval of the group. Recommendation to take away as an action for the transporters in a smaller offline group.

TB requested any other updates but there were none at the time.

3. S&U Stats

MS presented statistical information to the group up to June 2015. (See Meeting Slides). Data has remained relatively static with the biggest increase in the "No Activity" and "Orphaned" pots.

5. S&U Reporting Overview

MS went over a high level summary of the S&U reporting pots detailing the contents of each pot reported (See Slides)

MS then discussed that there had been changes in the industry since the reports were first structured referencing new MOD's as a large driver of this.

Suggested changes included

1. Splitting the “Shipper Activity” pot into two pots, “Meter Activity (410a Applicable)” and “Other Shipper Activity”
2. Labelling “Shipperless Sites (PTS)” as MOD 424 Applicable.
3. Removing the GSS figure from “Shipperless Sites (PTS)”
4. Labelling “Shipperless Sites (SSP)” as MOD 425 Applicable
5. Removing Legitimately Shipperless supplies from the Legitimately Unregistered Pot.

Industry agreement for the recommendations were as follows;

1. Recommendation agreed in full
2. Recommendation agreed in full
3. Recommendation rejected
4. Recommendation agreed in full
5. Recommendation agreed on condition that Legitimately Shipperless is reported as its own pot in order that visibility is not lost.

SC made a further request to see the numbers in and out of each pot each month. Currently the reporting only gives visibility of the total difference making it impossible to see if initiatives are having any effect. TB took the action to investigate this and look at the possibility of building it into the reports.

6. S&U report data content review

MS runs through the benefits to changing data content in the reports (See slides). Asks the group if they wish to revisit the report contents in order to streamline them and ensure only relevant data being provided. Consensus from the group is that this would be a worthwhile task.

The 65 data items across the pots are presented to the group and two groups look through the data discussing each data item and if it is needed by the different stakeholders and for what purpose.

After going through the findings the two groups thoughts are compared and found to be in the main along a similar pattern of thought. There are many items of duplicated data and some items of data which are of no use to any stakeholders.

TB confirms that the data items will be sent out this week to each attendee to provide to people in their business if required and a deadline of a fortnight set in order to get back any further comments on what is or is not needed. Once this is collated Xoserve will send out a communication confirming the data items the industry require and then begin to structure new reports using only this data and accommodating the changes previously discussed.

7. S&U Ring-fenced Project final update

MS presented the final update on the ring fenced S&U project (See slides) March 2015's position was compared with the most up to date data from May 2015. This saw an increase from 47.7 to 52.7 The room agreed that they were happy that progress was still being made.

8. MNC and FOM data

KT went through the 12 month rolling MNC and FOM contacts up to June 2015. No reduction could be seen and the pattern was remaining relatively stable.

KT then went through the stats in regard to MNC and FOM contacts being raised with multiservice indicator selected as yes for domestic properties. This revealed that there had been no reduction in the amount raised with just under a third of the total M Number creations for domestic properties being marked as multi service.

TB asked the room if they thought this was correct, are one third of domestic properties multiservice sites?

The consensus was that this was not the case.

TB re-affirmed that for every m number set as multi service there was a possibility of another request for an m number being accepted for the property. This leads to unregistered and shipperless sites due to the property only needing one m number. It is important the industry gets on top of this issue.

KT discussed the new functionality for Xoserve to produce a fortnightly report for each stakeholder which would give them visibility of how many domestic sites they had requested a muliti service m number for and the user who had requested it. The group agreed that this would be a good piece of information to send out

in order for each company to ensure targeted education and training for its staff where potential incorrect forms were being submitted.

9. MNC Process change proposal update

AC gave a summary of the issues that NGrid were experiencing in regard to illegal connections especially in the London area where large houses are being converted into blocks of flats. The supplies are illegally fitted and so not technically safe. The end user is then contacting the suppliers to get registered and an m number is being created without any validation of the supply. This has a number of ramifications on the industry.

AC is proposing a new MNC validation process with an addition of a validation request being sent to the relevant transporter. A briefing document is to be sent to industry to advise of new validation criteria. This check would lead to a delay in m number creation from point of request.

There will be certain additional information that a Shipper will need to provide along with the current mandatory information. The network will then do a risk assessment of the request. Low risk will result in a quick turnaround, high risk may result in a rejection along with the reason why. This would then trigger a visit to the property by the network to assess the connection.

DW stated that if the data was mandatory instead of additional it makes it an easier sell to their customers.

DA stated that in support Xoserve would need to change its processes. He explained the current process through the Contact Management System and stated that a template would need to be developed in order to obtain the extra details. An offline e-mail based process would then be set with information forwarded back and forth between the shipper and network stakeholders.

DA stated that CMS can not be modified at this point in time which is why the process will need to be offline. This would make the process more “clunky” than the current one.

AC stated that the intention is to get the process up and running by the end of the year around October time.

10. S&U Root Cause document

TB discussed the S&U root cause document which was last updated in 2011. It was discussed that the industry needed to review the document and ascertain which root causes were still relevant and which had been dealt with. Were there any new root causes which had been discovered since. The plan would be to then refresh the document in order to set a new structure for industry to approach the problem of S&U sites.

This document would also be provided to Ofgem in order to make visible where progress had been made and show where effort was now to be concentrated.

The group agreed that this was a large task and that a workshop dedicated to reviewing the document should be set up. TB agreed that Xoserve would arrange for this workgroup to take place.

11. AOB

The meeting was adjourned early and no other business was raised.

TB Thanked everyone for their attendance and wished everyone a safe journey home.

Next Meeting – Late September/Early October TBC

Current Proposed Agenda:

Review actions from last meeting
S&U Statistics
MNC process change progress
New S&U reports presentation
AOB