

Notes of Review Group iGT RP009

Teleconference held 26th May 2010

Participants: David Speake (ESP) (Chair)
Gethyn Howard (IPL)
Raoul de Lange (IPL)
Sham Afonja (Npower)
Paul Leighton (Fulcrum Pipelines)
Cher Harris (SSEPL)
Lorraine Kerr (Scottish Power)
Kevin Woollard (Centrica)

Apologies were received from Ed Harris (Ofgem), Jenny Rawlinson (GTC) and Colette Baldwin (Eon).

Summary of discussion

The intention of the chair was that the discussion should do two things: firstly to update parties and provide a refresh since the last meeting; and secondly to discuss the proposal put forward by shippers for Sections D and E of iGT UNC ('the proposal').

IGTs indicated that work was progressing with the MAM contracts but that no specific date could be provided. However, a point has nearly been reached whereby each iGT will take the baseline MAM contract and decide how to proceed on a bilateral basis with suppliers. The iGT was restated that work on a network code modification could not proceed until the contracts work was further progressed.

DS summarised his understanding of the proposal (iGT UNC v4.0.doc), in that it seeks to create a clear distinction in code between meters installed under legacy charging arrangements ('bundled'), and those installed under RPC charging arrangements (unbundled). For unbundled meters, the proposal introduces an additional set of provisions relating to data flows and standards. Beyond this, however, it was unclear to iGTs what the result of such changes would be, and so iGTs were looking to understand the context of the proposal and the motivation behind specific elements of it.

It was clarified that the proposal had actually been drafted as long ago as this time last year, and so it was not certain that elements of it were still valid, or supported in full by shippers.

In addition, the group noted that two external elements need to be considered alongside the proposal; one being the review of metering announced by Ofgem on 1st April, and the other the ongoing work on MAM contracts for iGTs.

The group was unsure as to the timescale of the Ofgem review, and LK took an action to seek clarification and report back (via the Panel).

iGTs pointed out the potential complexity of arrangements where, due to the proposed bilateral (and voluntary) nature of the MAM contracts, some iGTs may continue to rely on network code to govern meters, and others may not require such code provisions for any of their metering portfolio. There are a number of intermediate scenarios in between these extremes that may need to be catered for.

The group concluded that it would be the outcome of the Ofgem review and the contracts work that would drive any drafting work on network code (and not the other way around), and as such it would be sensible to delay detailed discussion of the proposal for the time being.

Parties did however note the importance of limiting the potential time lag between contracts being in place and network code being modified to reflect new arrangements. The group agreed to be mindful that modifications will need to be worked up in good time, and that as soon as the proposed way forward is clear, this process should begin.

In the meantime, iGTs agreed to keep the group up to date on developments in the contracts work.

No date for the next meeting of this group was set.

Recommendation to Panel

The group recommends that Review Group 009 should remain live because in time there will be a requirement for output from it. The group asks the Panel to instruct further work for the group at an appropriate time to ensure that necessary modifications are raised in parallel with the contracts work, once it is clear how and when those contracts will alter the governance of iGT metering.