

UNC Workgroup 0630R Minutes
Review of the consequential changes required in UNC as a result of
the Ofgem Switching Programme

Wednesday 06 March February 2019

at Xoserve Lansdowne Gate, 65 New Road, Solihull, B91 3DL

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Kully Jones (Secretary)	(KJ)	Joint Office
Chris Warner	(CW)	Cadent
Claire Roberts*	(CR)	Scottish Power
Dave Addison	(DA)	Xoserve
Eleanor Laurence*	(EL)	EDF Energy
Gareth Evans	(GE)	Waters Wye Ltd
Graham Wood*	(GW)	Centrica
Lindsay Biginton*	(LB)	Utilita
Mark Jones	(MJ)	SSE
Rachel Clarke*	(RC)	Gemserve
Radhika Kalra*	(RK)	E.ON
Richard Pomroy*	(RP)	Wales & West Utilities
Steve Mulinganie*	(SM)	Gazprom

**via teleconference*

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0630/060319>

The Workgroup Report is due to be presented at the UNC Modification Panel by 16 May 2019.

1. Introduction and Status Review

Bob Fletcher (BF) welcomed everyone to the meeting. He explained that two presentations had been provided for the meeting including the late submission of an updated Business Requirements Document (BRD).

1.1. Approval of Minutes (06 February 2019)

The minutes from the previous meeting were approved.

2. Central Switching Services Update

Dave Addison (DA) provided a detailed walkthrough of the presentation provided for the meeting. He explained that the key focus of the presentation would be to finalise the following topic areas building on from the discussion at the previous meeting.

- Opening meter readings
- Treatment of change of Supplier only switch requests
- Receipt of data by Shippers in advance of being the Registered User
- Treatment of large site contact details.

In addition, to this an update would be provided on MAP Id and the market domain market participant identity process migration to the UNC/UKLink.

In response to a question from BF in relation to whether Legal Text was available for discussion at the meeting, Chris Warner (CW) replied to say that the Legal Text was still being drafted. He explained that all 11 energy industry codes are required to present the Legal Text to Ofgem at the 25 March 2019 meeting. At this meeting DA and CW will provide a presentation setting out the approach to the Legal Text and this will subsequently be made available to the Workgroup.

In response to a further question from Graham Wood (GW), he confirmed that finalisation of the Legal Text is not reliant on finalisation of the BRD as the UNC does not contain the level of detail required by the BRD.

In addition, CW reminded those present that the SCR required Transporters to provide Legal Text to Ofgem for inclusion in the SCR consultation process, it would not be reviewed by this Workgroup in advance of the SCR process.

Opening Readings (Slides 10 – 17)

DA reiterated that the principle being applied is to avoid instances of negative consumptions highlighting that the existing opening reading window of D-5 to D+5 creates this risk for actual meter readings generating negative consumptions. He also reminded Workgroup that there is no impact on Class 1 and 2 sites but Class 3 and 4 sites could be impacted especially Class 4. He suggested that there will be increased commonality between opening meter reading principles for these Classes.

He also reminded Workgroup that a switch request will be subject to a 'standstill period' of 5 calendar days. Within the CSS rules a change of Shipper request is not subject to a standstill period but will require a change of Shipper settlement reading. To manage this there is a requirement for a Day 1 opening reading. Where a reading is provided prior to the read submission deadline that is valid but not for D, then the CDSP will estimate a reading for D.

In addition, he reminded Workgroup that currently the window for the incoming Shipper to obtain an opening meter reading is D-5 to D+5.

DA sought Workgroup views on when the opportunity to obtain an opening meter reading should start and whether this should be at D, D-5, or an alternative date prior to D (D-X for example). He highlighted that limiting it to D or later will probably reduce the risk of complex business rules /scenarios. He also reported that the DSC Delivery Sub-Group (DSG) have expressed a preference for limiting to D or later.

The following comments/observations were provided by Workgroup:

- a. Steve Mulinganie (SM) suggested that consideration needs to be given to accommodating the existing 'dumb' smart meter population. He also indicated that he would prefer D-5 and a solution that recognises and treats different technologies differently (smart meters, automatic meter reading). DA responded to suggest that this could add complexity to the solution.
- b. Gareth Evans (GE) agreed that 2 different system rules should be avoided and that there is an obligation on Shippers to get meter readings in on Day 1.
- c. Eleanor Laurence (EL) indicated that she would also be supportive of a D-X solution and asked what the 'X' would be.
- d. SM suggested that the principle adopted should be looking to incentivise reads on D and avoiding a solution that might potentially discriminate against some customers and he did not think there had been a valid case made for limiting the opening read window.
- e. GW raised a question about governance asking which industry group would be responsible for making the decision on amendments once baselined. DA explained that due to time constraints information is being shared with both this Workgroup and DSC DSG in parallel clarifying that the rules are defined by UNC Workgroups. He, therefore emphasised the importance of this Workgroup to provide advice and guidance to inform the solution.

- f. SM made an observation in relation to the membership of DSC DSG suggesting that members have a mix of technical and operational understanding and members with only a technical knowledge may not appreciate the commercial implications/arrangements.
- g. GW sought clarification of how differing opinions would be taken into consideration when finalising the Legal Text. CW indicated that a judgment would need to be made weighing up the views and opinions from industry participants. The ultimate aim is to achieve an optimum solution/rules.
- h. DA indicated that in his view there is no reason that D-5 should not be made available to provide readings from. The aim is to secure actual reads in the opening read windows and he welcomed the suggestion that D reads should be the target.

In summary, in response to the question from DA about whether opening meter reads should start at D-5, D or other. There were mixed views within Workgroup with some support for the opening read being set at Day 1 to reflect the secured switch status at D-1. Some Workgroup participants supported D-5 as currently set out in the UNC. There was also some support for D with different treatment for smart meters and automatic meter reads.

DA highlighted an issue in relation to ignoring subsequent Shipper readings indicating that this is likely to generate a higher volume of exceptions which may affect some parties.

Following feedback from Workgroup, DA proposed using D-5 and Workgroup provided broad agreement for this approach.

Which User (Slides 18-22)

DA explained that the responsibility for providing the opening reading rests with the incoming Shipper in the UNC. Currently where an opening read request is outstanding any reading loaded will fulfil the opening reading in UK Link.

He asked Workgroup to consider whether the CDSP should use any subsequent valid readings even if they are from the subsequent Registered User. He added that allowing readings from a subsequent Shipper will reduce the risk of negative consumptions between estimates and an actual provided by a subsequent User. In addition, he reported that DSC DSG expressed a preference for allowing subsequent Shipper readings to inform outstanding opening meter read requests. He also reminded Workgroup that previously, discussions had indicated that the preference was to not allow subsequent Shipper readings to be used.

The following comments/observations were provided by Workgroup:

- a. GE explained that there is facilitation of discussion at closure and opening between Shippers to obtain accurate meter reads. As a result, some reads provided by a new Shipper are actually from the previous Shipper because in line with the UNC operational manual it is the incoming Shipper who has power to provide the read that does. This practice is invisible to the CDSP meaning only the outcome (ie the reading) is observed.
- b. SM reiterated previous concerns about the CDSP accepting inaccurate/false/erroneous reads unknowingly and that this could have negative commercial impacts. GE agreed that there may a situation where two competing commercial parties both have the ability to change the meter read and the principles for Nexus were that the incoming Shipper is predominant.
- c. SM was also concerned about those reads where there was no independent validation by a third party.
- d. GE suggested that meter reads from smart meters could be regarded as more accurate and therefore more reliable adding that the incumbent Shipper has the ability to get the read.
- e. GW supported the position expressed by DSG for allowing subsequent Shipper readings.

No overall agreement was reached on whether subsequent meter readings should be provided only from the incoming Shipper or whether subsequent Shippers should be allowed to fulfil the outstanding read.

A brief discussion took place on the implications for the Legal Text. CW agreed to reflect on discussions and provide feedback at the next meeting.

Read submission window (Slides 19-22)

DA asked Workgroup to consider whether the read submission deadline should be brought forward from D+10. He reported that DSG feedback was why change highlighting that Shippers should be given as much opportunity as possible to get the actual read in.

Workgroup did not have any strong views on this issue, and it was agreed that the read submission window should remain as D+10.

DA then explained that the read submission window will be defined by events and asked Workgroup to consider 3 possible events:

- Receipt of reading
- Whether a subsequent Shipper can provide a reading that will inform the opening reading
- Whether this is at the confirmation effective date of a subsequent Shipper.

DA then took Workgroup through the different Business Rules (slide 20) for each of these events – explaining that the different events and business rules had been colour coded on the slide, so it was easy to see which rule related to which event.

He highlighted the scenario where the subsequent Shipper (Shipper B) sends in a read at D+5 and Shipper A does not provide a read until D+9 then the read provided by Shipper B could be the read that closes the read submission window and effectively curtails the submission window for Shipper A.

Workgroup raised concerns about the unintended consequences in relation to multiple switches to achieve better tariffs which might lead to increased bill avoidance, as viability of processing small bills may mean that Shippers write off small debts which cumulatively could be a significant cost to the industry. There is also the likelihood that this could result in an increase to the volumes of unaccounted for gas. GE felt that this might lead to more Suppliers seeking pay as you go arrangements to reduce this risk.

In response to a question from GE, DA confirmed that the Business Rules work for multiple Shippers/Suppliers providing reads.

DA informed Workgroup that Ofgem would like to move to position where the 'standstill period' is reduced from D+5 to D+1.

In relation to the read submission window potentially being curtailed for Shipper A by the submission of a read from a subsequent Shipper, GE asked whether it was possible to operate a 'holding pen' for reads prior to them being loaded particularly in the case of domestic reads.

Workgroup were of the view that allowing a subsequent Shipper to provide a reading that will inform the opening reading will give the greatest opportunity to get a reading in those circumstances where there are multiple transfers.

Treatment of Change of Supplier Only Switch Requests (Slide 24)

DA explained the different registration variants before describing a scenario where there is a switch request that changes the Supplier only (and the Shipper remains the same). Workgroup agreed that with the current assumption that this will result in a new confirmation.

Receipt of Data by Shipper Users in advance of being the Registered User – release of data (Slides 26-32)

DA explained that proposal is that the release of data will be a mixture of file traffic and also application programable interfaces (APIs) in line with a proposed set of logical groupings. He briefly took Workgroup through the categories of 'logical' data groupings. The principle to be applied will be that the release of data will be on receipt of a validated switch from CSS (equivalent to a confirmation request event).

He sought views on the following:

- a. Identity of previous supplier - Workgroup agreed to leave the rule as it is currently is.
- b. Notification of record where priority services have been previously been recorded against a customer site – Workgroup confirmed that this information should be made available to the subsequent Shipper within the data protection rules. DA confirmed that the personal data is not transferred from one Shipper to another it is just a notification that priority services were in place and it is for the incoming Shipper to follow up with the customer.
- c. Meter Information - DA explained that within the enquiry file meter serial number, the number of dials/digits and meter mechanism is provided but not converter information. He added that all metering information could be made available including for pre-payment meters. Workgroup raised no concerns in relation to this.
- d. Agent details – DA explained that in response to an enquiry details of the meter asset manager (MAM), gas act owner or meter read details are not provided. Workgroup agreed with this approach.

Large site contact details (Slide 34)

DA reminded Workgroup that currently, confirmations for large sites are not accepted without contact details being provided. Following feedback from the last meeting, contact details will be retained for large sites with controls in place so information is not released to any Supplier/Shipper who did not provide it. He added that in relation to the priority services register the data would be deleted. Workgroup did not raise any questions or concerns about this.

MAP Id Update (Slide 36-37)

DA explained that it is expected that the first population will be provided by MAP themselves. For the enduring solution, CDSP has a responsibility in REC to provide the MAP Id to CSS.

A separate UNC Modification will be raised to provide MAPs with API service.

Market participant identity process (Slide 41)

DA stated that a separate UNC Modification is planned for discussion at the 21 March 2019 Panel meeting.

Business Requirements Document

DA informed Workgroup that the BRD provided for information will be updated following this meeting taking into consideration the feedback on outstanding topic areas. It will then be issued for comments as part of a formal review cycle.

Following a brief discussion on where the BRD should be located and whether it should be on the Joint Office website or whether it is owned by DSC, Workgroup agreed that it should be published in both locations.

SM asked if industry can be notified when version 0.7 of the BRD is published.

New Action 0301: Xoserve/Joint Office to notify Workgroup participants when version 0.7 of the Business Requirements Document has been published.

3. Legal Text Update

This was discussed as part of agenda item 2.0.

4. Review of Outstanding Actions

Action 0201: Joint Office (BF) to seek a 2-month extension for the Workgroup Report to report to the May Modification Panel.

Update: BF confirmed this was actioned. **Closed**

5. Next Steps

It was agreed that the next meeting would need to focus on an update on the Legal Text.

6. Any Other Business

None.

7. Diary Planning

Further details of planned meetings are available at:

<https://www.gasgovernance.co.uk/events-calendar/month>

Time / Date	Venue	Workgroup Programme
TBC	TBC	<ul style="list-style-type: none"> Consideration of Legal Text

Action Table (as at 06 March 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0201	06/02/19	4.0	Joint Office (BF) to seek a 2-month extension for the Workgroup Report to report to the May Modification Panel.	Joint Office (BF)	Closed
0301	06/03/19	2.0	Xoserve/Joint Office to notify Workgroup participants when version 0.7 of the Business Requirements Document has been published.	Xoserve (DA)/Joint Office (BF)	Pending