

0487VS:

Introduction of an Advanced Meter Reader (AMR) Service Provider (ASP) Identifier (ASP ID) and Advanced Meter Indicator

With the continuing rollout of Advanced Metering across the Non Domestic market and the extension till 2016 of the ability to deploy Advanced Metering it is important to be able to identify the presence of Advanced Metering at customer sites. This is particularly important during Change of Supplier (CoS) events and in particular with proposals to optimise the CoS process. Currently central systems do not hold and identify Advanced Meters and associated Advanced Meter Reading (AMR) Service Providers (ASPs). This proposal looks to introduce these details within the central system and place an obligation on Shippers to populate and maintain the relevant information.



Panel consideration is due on 20 November 2014



High Impact: -



Medium Impact: -



Low Impact: - Shippers and Transporters



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About this document:

This Final Modification Report will be presented to the Panel on 20 November 2014.

The Panel will consider the views presented and decide whether or not this self-governance change should be made.

 Any questions?

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0487VS

Modification Report

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1 Summary

Is this a Self-Governance Modification?

The Modification Panel determined that this is a self-governance modification because it is unlikely to have material effect on competition as this modification is only proposing to provide additional information at a Change of Supplier (CoS) event to the benefit of those involved.

Why Change?

Currently central systems do not identify if the in situ meter is operating in Advanced Mode and if so who the current Advanced Meter Reading Service Provider (ASP) is. This lack of information creates issue on Change of Supplier (CoS) with the new Supplier unable to easily identify if the Meter is advanced and who the relevant service provider is.

Recognising that hundreds of thousands of Advanced Meter Reading installations are already in situ it is critical that a means of tracking meters operating in advanced mode is introduced as soon as reasonably practicable. However this must be balanced against the currently scheduled switch over to Nexus and the short term nature of introducing a solution in pre Nexus Systems. Therefore this solution introduces a short term solution for the pre Nexus environment with a more enduring solution proposed for the post Nexus environment.

Prior to Nexus implementation (currently scheduled for October 2015) it is proposed to introduce an Advanced Meter Reader Service Provider (ASP) Identifier (ASP ID) within central systems.

Solution

It is proposed that an obligation is placed on Shippers, where relevant, to populate and maintain the Advanced Meter Reading Service Provider (ASP) ID and Advanced Meter Indicator.

The Shipper shall be responsible for updating the ASP ID and Advanced Meter Indicator as soon as reasonably practicable once it becomes aware of the existence of Advanced Metering and/or an ASP associated with the MPRN. Various triggers for this have been identified.

Relevant Objectives

Holding the relevant information in central systems will improve the CoS process by ensuring the new Shipper has ready access to the current AMR Service Provider Identifier. This enables the new Shipper and Supplier to efficiently make the necessary arrangements in relation to the site, and therefore further relevant objective d) by securing effective competition between relevant shippers.

Implementation

No implementation timescales are proposed. However, it would be desirable if implementation was as soon as reasonably practicable to support proposed improvements in the change of supplier (CoS) process.

Does this modification affect the Nexus delivery, if so, how?

Existing fields are intended to be used, therefore no impact is envisaged.

2 Why Change?

Currently central systems do not identify if the in situ meter is operating in Advanced Mode and, if so, who the current Advanced Meter Reading Service Provider (ASP) is. This lack of information creates issue on CoS with the new Supplier unable to easily identify if the Meter is advanced and who the relevant service provider is.

Recognising that hundreds of thousands of Advanced Meter Reading installations are already in situ it is critical that a means of tracking meters operating in advanced mode is introduced as soon as reasonably practicable. However this must be balanced against the currently scheduled switch over to Nexus and the short term nature of introducing a solution in pre Nexus Systems. Therefore this solution introduces a short term solution for the pre Nexus environment with a more enduring solution proposed for the post Nexus environment.

Prior to Nexus implementation (currently scheduled for October 2015) it is proposed to introduce an Advanced Meter Reader Service Provider (ASP) Identifier (ASP ID) within central systems.

Recent developments (introduced as a Variation Request to Modification 0487S)

In developing the proposal it was determined that there was a need to consider how arrangements would be managed in both in Pre Nexus and also post Nexus. This was necessary as with the major Nexus IT programme currently being undertaken any system changes required in Pre Nexus would be finite. Based on this principle the Proposer reduced the scope of the Pre Nexus requirements to facilitating an Advanced Meter Reader (AMR) Service Provider (ASP) Identifier (ASP ID) within central systems. The approach, although not perfect, allows Shippers to infer where an AMR device is present, with a workaround designed to enable Shippers to signal the presence of an AMR device where the ASP is unknown. This approach was identified as minimum impact within the Pre Nexus system.

This then led the Proposer to effectively split the proposals into 2 modifications:

0487S – Introduction of an Advanced Meter Indicator and Advanced Meter Reader (AMR) service provider identifier in advance of Project Nexus go-live; and

0511 - Introduction of an Enduring Solution for managing Advanced Meters in central systems post Nexus.

Two complimentary change proposals have been progressing through SPAA:

CP 14/283 – A transitional (pre-Nexus) change to record the ASP ID and the presence of an AMR meter. This is proposed to be achieved by using the existing 'SMO' field to record the ASP ID using appropriate three-character organisation short codes, with a code also created to indicate where an AMR meter is present but the ASP ID is unknown. From these three-character organisation codes, it should be possible to infer whether an AMR device is present, as well as the identity of the ASP.

CP 14/284 – An enduring change to be implemented from Nexus go-live to create a bespoke 'ASP' field to record the ASP ID, and to introduce a new Asset Class Code to record the presence of an AMR device separately.

In reducing the original scope of 0487S the Proposer removed the obligation to record the presence of an Advanced Meter Indicator prior to Nexus Go Live. As described above, pre-Nexus there will be a need for Shippers to record the presence of an AMR device where the ASP is unknown. In order to be fully functional at Nexus go-live, CP 14/284 also requires an accompanying obligation in the UNC for Shippers to keep the AMR device field up to date.

It is important that this obligation is included in UNC 0487VS, to enable both SPAA CP 14/283 and SPAA CP 14/284 to be fully functional. Given its broader scope, UNC 0511 will not be deliverable for Nexus go-live, and so reliance on this to support SPAA CP14/284 would leave a gap in arrangements.

It should therefore be understood that UNC 0487VS is intended to facilitate both a pre and post-Nexus solution, via SPAA CP 14/283 and SPAA CP 14/284. UNC 0511 is intended to consider whether any further changes on top of this are required to support a fully interoperable AMR market.

For the avoidance of doubt, it is believed that the creation of the Advanced Meter Reader (AMR) Service Provider (ASP) Identifier (ASP ID) within central systems would not cease upon Nexus Go Live but would continue to be facilitated Post Nexus. AMR device presence should also be recorded as described both pre and post Nexus. UNC 0511 then, will look at whether any further changes are needed to provide a complete and enduring solution to AMR interoperability issues, including consideration of whether any further data items need to be held centrally, and how multiple AMR assets should be recorded.

3 Solution

It is proposed that an obligation is placed on Shippers, where relevant, to populate and maintain the Advanced Meter Reading Service Provider (ASP) ID and Advanced Meter Indicator.

The Shipper shall be responsible for updating the ASP ID and Advanced Meter Indicator as soon as reasonably practicable once it becomes aware of the existence of Advanced Metering and/or an ASP associated with the MPRN. The triggers that are currently identified are as follows: -

1. Following the initial appointment and any subsequent appointment by the Supplier of an Advanced Meter Reader Service Provider (ASP)
2. Where the Supplier is aware of an Advanced Meter being in-situ and that an Advanced Meter Reader Service Provider exists who is not appointed by the Supplier e.g. if the consumer has arrangements with an Advanced Meter Reader Service Provider
3. Where an Advanced Meter is identified as being in-situ

For avoidance of doubt should multiple ASP's exist then it is the ASP providing services to the Supplier that should be reported.

For clarity, it is anticipated that the Advanced Meter Indicator will only be available for population from Nexus Go live.

Pre Nexus go-live, where the ASP ID is not known and no customer appointed ASP is thought to be in place, but an AMR device is known to be at site, the Shipper shall be responsible for recording this through use of the appropriate ASP ID code. This should be done as soon as reasonably practicable once the Shipper becomes aware of the relevant arrangements at site. This obligation should fall away at Nexus go-live.

From Nexus Go Live, Shippers will be obliged, where relevant, to populate and maintain the Advanced Meter Indicator, which identifies that the in situ meter is advanced.

The Shipper shall be responsible for updating the Advanced Meter Indicator as soon as reasonably practicable once it becomes aware of the existence of an Advanced Meter being present at the MPRN.

For avoidance of doubt, post NEXUS the ASP ID will continue to be required to be populated as well as the AMR device field.

User Pays
Classification of the modification as User Pays, or not, and the justification for such classification.
This is a User Pays modification as it proposes to change or amend central systems.
Identification of Users of the service, the proposed split of the recovery between Gas Transporters and Users for User Pays costs and the justification for such view.
The recovery of costs would be 100% from Users. It is proposed that charging would utilise the Market Sector Flag to determine the allocation of costs. Those MPRNs populated with an "I" representing non domestic sites would be used to determine the proportion of the Shipper's relevant market share as at 1 st October 2014. <i>For the avoidance of doubt this excludes CSEPs, Unique Sites and DM Supply Meter Points.</i>
Proposed charge(s) for application of User Pays charges to Shippers.
The High Level Cost (HLC) estimate provided identified Option A, circa £20k - £100k.
Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Xoserve.
To be confirmed

4 Relevant Objectives

Impact of the modification on the Relevant Objectives :	
Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	None
b) Coordinated, efficient and economic operation of (i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters.	None
c) Efficient discharge of the licensee's obligations.	None
d) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.	Positive
e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers.	None
f) Promotion of efficiency in the implementation and administration of the Code.	None
g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

Centralising the relevant information will improve the CoS process by ensuring the new Shipper and Supplier has ready access to the ASP ID. This enables the new Shipper and Supplier to efficiently make the necessary arrangements in relation to the site and will therefore further relevant object d) securing of effective competition.

5 Implementation

No implementation timescales are proposed. However, it would be desirable if this modification were implemented as soon as reasonably practicable to allow as much time as possible for the benefits to be gained prior to the implementation of Project Nexus.

6 Legal Text

Revised Text

The following Text for 0487VS, has been prepared by Northern Gas Networks.

Legal Commentary

The stand-alone obligation has been translated into this particular section where there are other obligations about provision of special meter information, as it seems an appropriate place to put incorporate the obligation. Information with regards to the Meter reader and meter asset has been referenced. Consistent with the UNC approach generally and on the basis that the UK Link systems are the central systems referred to it is assumed that the UK Link Manual is the appropriate document to define the specific information fields to be completed by a User. As part of the review of the UK Link manual for the post-Nexus position the information fields can be revised as part of that process in accordance with the intentions of the mod. Additionally no specific definition of Advanced Meter was provided and the text is drafted on the assumption that the only comparable term is as per the one set out in the Supplier Licence.

Text

TRANSPORTATION PRINCIPAL DOCUMENT SECTION M – SUPPLY POINT METERING

Add new paragraph M.2.1.14

M.2.1.14 Where the User appoints a person to be the provider of an Advanced Meter at a Supply Meter Point or becomes aware of the existence of the provider of an Advanced Meter at a Supply Meter Point that it has not appointed or becomes aware of the existence of an Advanced Meter device at the Supply Meter Point then the User shall as soon as reasonably practicable provide and update the relevant information in accordance with the requirements of the UK Link Manual. In this paragraph Advanced Meter shall have the same construction as that set out in Standard Condition 12.22 of the Gas Suppliers Licence published by Ofgem.

7 Consultation Responses

This consultation was aimed at establishing if the content/effect of the variation caused parties to change a view that had previously been expressed, or to provide a view not previously considered.

Any representation received in respect of Modification 0487S has been carried forward where parties had not changed or withdrawn their original representation. All representations for Modification 0487VS and 0487S are published alongside the Final Modification Report.

In respect of Modification 0487S; 8 representations were received; 5 supported implementation, 2 provided comments and 1 was not in support.

In respect of Modification 0487VS; 7 representations were received; 6 supported implementation, and 1 was not in support.

0487VS Representations were received from the following parties:

Organisation	Response	Relevant Objectives	Key Points
Corona Energy	Support	d – positive	<ul style="list-style-type: none"> Offers a practical solution to the Change of Supplier (CoS) process where the new supplier is unable to categorise the meter as a) Advanced, or b) to quickly identify who the current Advanced Meter Reader service provider is for that meter. There will be a small one-off cost but this cost will be mitigated by the benefits this modification brings.
EDF Energy	Oppose	d - neutral f - negative	<ul style="list-style-type: none"> Continue to believe that implementation does not further the relevant objectives. Suppliers will be spending time and money trying to comply with the “quick fix” of using the SMSO field and then changing systems and processes again to migrate the data to the post Nexus enduring solution. Having the changes in place for a short period involves shippers/suppliers making two sets of changes to support the same process. This will incur extra cost and tie up resources. Estimate that it will cost c.£20k to comply with the first/ original part of this modification which over 10 suppliers could amount to £200k. Adding on the costs of complying with the enduring solution and the effort to move any SMSO ASP values to proper ASP values as part of nexus would more than double this. Rolling this cost assessment out across all suppliers could create £500k of implementation costs. Support the principle underlying the modification however believe the focus should be on developing a robust enduring solution which was originally taken from UNC 0511. Implementing this modification could create a compliance risk for suppliers who may not be aware they have an AMR meter in place for the reasons stated. It is not effective to introduce obligations and risks which suppliers cannot manage Believe the impact of this modification is not immaterial and therefore should not be subject to self-governance. Expected system implementation lead time: 6 months The changes required in the UK Link manual have not been documented. Highlight that there is no mention of the impact on or the solution for iGTs whose sites may have AMRs fitted.

Gazprom	Support	d – positive	<ul style="list-style-type: none"> Centralising the relevant information will improve the CoS process by ensuring the new Shipper and Supplier has ready access to the Advanced Meter Reader (AMR) Service Provider (ASP) Identifier (ASP ID) and Advanced Meter Indicator. This enables the new Shipper and Supplier to efficiently make the necessary arrangements in relation to the site and will reduce abortive visit costs. Will incur minor costs in developing systems and processes pre Nexus. The post Nexus solution will be supported as part of our wider Nexus project. Recognising concerns raised over the timeline for implementation and any reduction in the benefits case from a delayed implementation Gazprom believe it is important when determining the “cost benefit” of the proposal in relation to pre Nexus delivery to understand that the benefit is not equal for each month from implementation. The visibility of the ASP ID will be of principle benefit during annual contract renewals and in the majority of relevant sites in the non-domestic market that come up for renewal around the start of the Gas Year.
Scotia Gas Networks	Support	d – positive	<ul style="list-style-type: none"> Modification would place obligations on Shippers to provide and maintain the relevant information relating to Advanced Meters when they become aware of it. Will identify better information relating Advanced Meter Reading equipment and the associated Service Provider. Will ensure industry data is maintained, following a change of supplier. The provision of accurate information relating to market participants will facilitate more efficient processes when there is a change of supplier at a site. SGN is mindful that this proposal would enhance the customer experience and we therefore welcome improvements in this area.
Total Gas & Power	Support	d – positive	<ul style="list-style-type: none"> This modification would provide helpful information to a new supplier about whether AMR is installed on a meter following the customer's decision to change supply. This modification would be of benefit to end consumers and ensure that the benefits of advanced meters are maintained.

Wales & West Utilities (WWU)	Support	d - positive	<ul style="list-style-type: none"> • 0487VS extends the scope of 0487S to be enduring beyond NEXUS go live. • Noting the benefits to suppliers of storing the proposed information in central systems WWU are still concerned about the lack of data validation and the requirement to populate the information when Users become aware of it which effectively makes this optional. They recognise that Suppliers are keen to support the population of this information and that proposals are being put forward under SPAA to require this information to be recorded, nevertheless they are concerned that data quality in central systems that is provided by Shippers may not be as good as intended regardless of obligations placed on Suppliers by other governance arrangements. • Support relevant objective d with the caveat that they believe that more robust requirements around data quality would enhance the impact. • Believe the modification is unclear what happens when a supplier appoints an ASP and there is another ASP's equipment in place. They believe different Suppliers and Shippers may take different approaches and this could lead to inconsistencies in how data is recorded. • In view of the earlier representation by EDF, consider that this could now have a material impact on shippers and believe that the modification is no longer self-governance. Request that the UNC Panel should reconsider the status.
Wingas	Support	d - positive	<ul style="list-style-type: none"> • In support of the modification as it decreases the disruption to AMR services already in place. • Facilitates identifying dumb or advanced meters, which will assist in compliance with rolling out advance meter installations. • Improves the customer experience and reduces the chances of unnecessary duplicate AMR installations • Dependent on solution utilised the costs may be disproportionate to the benefits achieved • Expected system implementation lead-time: 6 months. • Appreciating that the issue of primacy has been addressed, ideally would have liked to have seen a future improvement where any ASP that has a device installed at a given site could be visible in industry data.

0487S Representations were received from the following parties and not replaced or withdrawn:

Organisation	Response	Relevant Objectives	Key Points
British Gas	Support	d - positive	<ul style="list-style-type: none"> This change will ensure industry data is appropriately maintained, reducing the need for abortive site visit costs for new shipper parties. This will reduce costs and lead to a more efficient and competitive industry. Small system changes are required to facilitate this change. The respective costs have not been identified at this stage, although they are not expected to be significant. Expected system implementation lead time: late March/early April
Northern Gas Networks	Comments	d - positive	<ul style="list-style-type: none"> NGN are supportive of the intent of the modification to identify better information relating to the presence of Advanced Meter Reading equipment and the associated Service Provider. This modification places specific UNC obligations on Shippers to provide relevant information when they become aware of it. The provision of accurate information relating to market participants will facilitate more efficient processes on change of shipper.
Opus Energy	Support	d - positive	<ul style="list-style-type: none"> In support of the modification as it aids the CoS process, data integrity and customer experience as a result of correct agents being appointed to support the specific meters and accurate Change of Supplier reads. Requested clarity on whether dumb meters with dataloggers attached were included in the scope of the modification. Expected system implementation lead time: 6 months Opus Energy required clarity on the scope of the modification and whether dumb meters with data loggers attached were included. If not, they wished to understand how these meter set-ups could be identified to take advantage of the same solution. They believe it is important to identify between AMR in situ and dumb meters with a data logger attached in situ because some Suppliers may wish to replace a data logger with AMR.
RWE npower	Support	d - positive	<ul style="list-style-type: none"> This modification supports improvements to the customer journey during a change of supply event. Will incur some system development costs to implement. Expected system implementation lead time: 6 months

8 Panel Discussions

9 Recommendation

Panel Recommendation

Having considered the Modification Report, the Panel determined:

- that proposed self-governance Modification 0487VS [should/should not] be made.