

# Distribution Workgroup Report

## ISS 0063 - 0451AV: Individual Settlements For Pre-Payment & Smart Meters

**Date referred from Panel:** 20 February 2014

### Background

Please refer to [www.gasgovernance.co.uk/0451](http://www.gasgovernance.co.uk/0451)

Following consideration of the Authority's decision letter, the Modification Panel requested the Transporters and Transporters Agent in conjunction with the Demand Estimation Sub-committee (DESC) consider the prepayment meter profile as proposed to be developed in Modification 0451AV and:

- Identify data that can support the development of the profile;
- Conclude development of the profile;
- Provide an update to the Modification Panel;
- The profile is to apply from the implementation date but be effective from 01 October 2014.

DESC provided an interim report on the progress made to develop the prepayment meter profile and requested an extension to the reporting date to ensure analysis was concluded.

### DESC Update

DESC has completed the development of Annual Load Profiles and Daily Adjustment Factors (ALPs and DAFs) for Prepayment Meters to support the implementation of Modification 0451AV. Xoserve/DESC received periodic read data for a large sample of dumb Prepayment Meters from 2 Shippers for all LDZs and also received Smart Prepayment data from one Shipper for one LDZ (SO). All industry parties had the opportunity to provide sample data. Xoserve subjected the read data to the same validation that would be applied to the NDM Sample data that is used in developing the standard ALPs and DAFs. DESC determined that only sites with more than 50 reads in the 12-month period of assessment should be used in the analysis, to reduce the level of interpolation required between reads.

Xoserve published the draft Prepayment Meter ALPs and DAFs for all LDZs for review by DESC and subsequently invited all industry participants to review and comment on the proposed profiles. The ALP and DAF data is available to all UNC signatories on Xoserve's secure UKLink Documentation website, and the invitation to review the profiles was issued via the Joint Office's general UNC distribution list, giving a full week for comments.

In the event, only Utilita Energy responded on the draft profiles. They made a [presentation](#) to DESC on October 15 and expressed concerns that the proposed Prepayment Meter profiles were still too weather sensitive, compared to their own customers'

0451AV  
Review Report  

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03 November 2014

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Version 3.0

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Page 1 of 2

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consumption patterns, which would result in continued over-allocation, especially in winter. DESC noted that the Modification did not allow for Shipper-specific profiles, and that the profiles needed to be reasonably representative of the whole population of Prepayment and Smart Prepayment Meters. DESC did not feel that it was appropriate to apply any further adjustment to the proposed profiles, for instance to align them more closely to any particular Shipper's portfolio.

DESC voted to approve the profiles without any further amendment on 15 October 2014, for use in the reconciliations required under UNC TPD E6.9.

The agreed Prepayment Meter ALPs and DAFs for all LDZs for 2014/15 will remain available to all UNC signatories on the secure Xoserve internet site 'UK Link Documentation / Folder 18 / MOD451AV Approved Profiles' (formerly 'Draft Profiles').

The proposed profiles for 2013/14 have been deleted following the approval of UNC Modification 0507 - Changing The Effective Date of 0451AV (Individual Settlements For Pre-Payment & Smart Meters).