

Guidelines for Sub-Deduct Arrangements (Prime and Sub-deduct Meter Points)

**To be effective from the Project Nexus
Implementation Date (PNID)**

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1. Introduction

The purpose of this document is to define a set of guidelines for all parties for prime and sub-deduct meters, particularly for carrying out a site visit on a Prime and sub-Deduct meter point, and the submission of the site visit details, including the Check Read.

2. Background

Following implementation of Modification 0432: Project Nexus – Gas Demand Estimation, Allocation, Settlement and Reconciliation reform, a set of principles were agreed at the Nexus Workgroup regarding revised processes and obligations for prime & sub-deduct meters. Following the introduction of Check Read obligations to carry out a site visit on all meter points where derivable equipment is installed at the meter point, the arrangements for carrying out the site visit requires a process to be adopted by all parties to ensure co-terminus reads are taken on all the meter points within the configuration in order to perform reconciliation on the prime meter point.

Prime and sub-deduct arrangements are described under Section TPD G1.8 of Uniform Network Code (UNC).

In summary the UNC provides for the following obligations:

- A 'Check Read' is a Valid on-site Meter Read
- Check Read is required where Remote Meter Reading Equipment provides a derived reading to detect any 'drift' between the meter and the Remote Meter Reading Equipment
- The transporter will perform the Check Read for Class 1 Supply Meter Points
- The User will perform the Check Read for Class 2, 3 & 4 Supply Meter Points
- Check Read is required every:
 - 12 months for Class 1, 2 & 3 meter points
 - 12 months for Class 4 monthly read meter points
 - 24 months for Class 4 annually read meter points
- Where a Check Read is carried out the transporter or User will ensure that the Remote Meter Reading Equipment is resynchronised with the index (and convertor where applicable) of the Supply Meter.

3. Scope

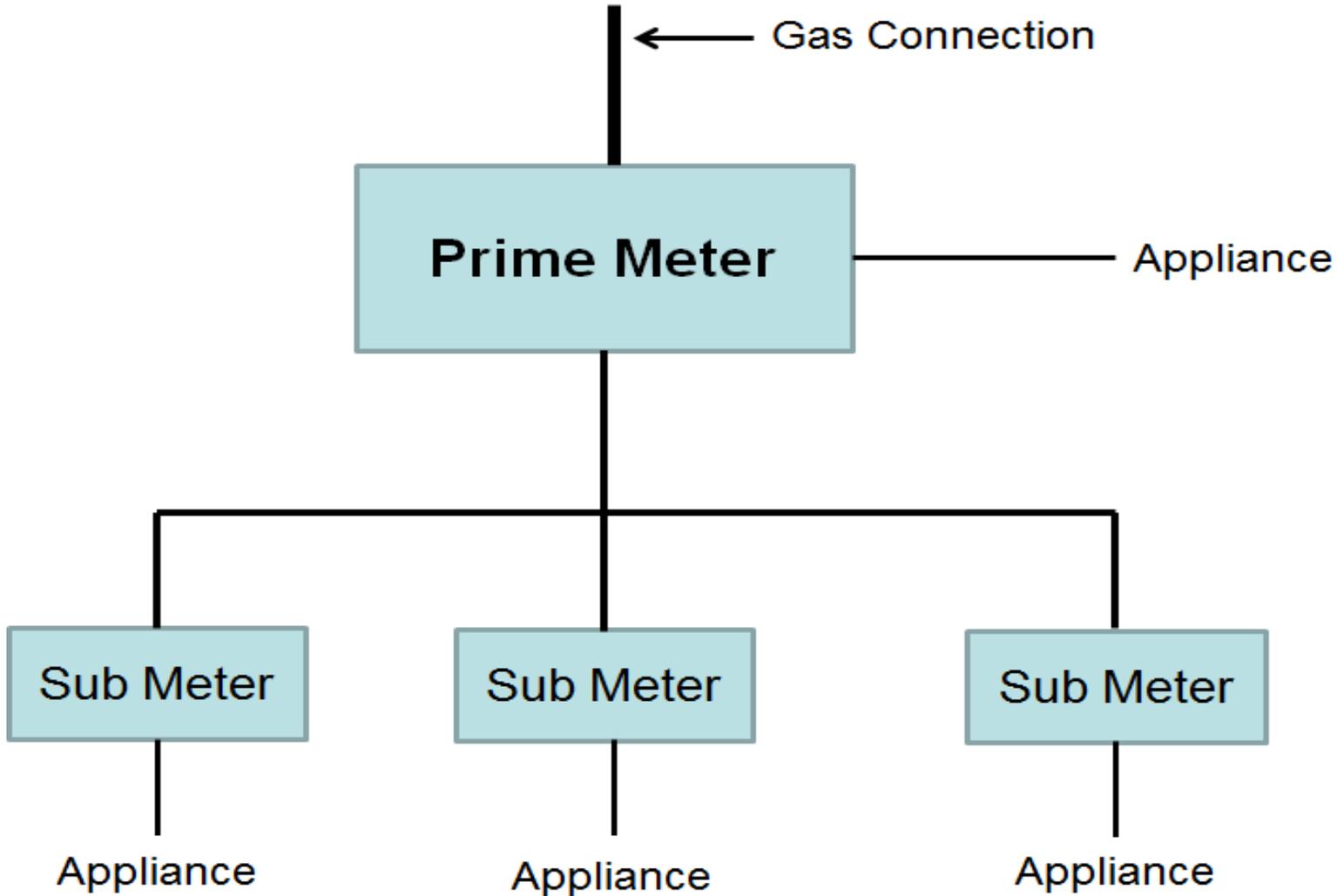
3.1 In Scope

- Prime and sub-deduct meter points

3.2 Out of Scope

- Any meter point that does not meet the criteria for a prime or sub-deduct configuration

3.3 Prime and sub-deduct Configuration Example



4. Principles

4.1 Supply Point Administration Activities

- Users are able to elect a prime or sub-deduct meter point that does not meet the Class 1 criteria (UNC Section G) into Class 2, 3 or 4.
- Supply Meter Point updates will be received via Supply Point Administration (SPA) file flows.
- Any configurations changes will be submitted via Contact Management System (CMS)
- All prime and sub-deduct meter points in the same configuration managed under Class 4 must have the same meter read frequency, i.e. monthly read or annually read.

4.2 Meter Read Activities

- The Daily Metered Service Provider (DMSP) will continue to provide daily reads for Class 1 meter points
- Users will have the obligation to procure and submit validated meter reads based on the election of the Class of the meter point
 - Class 2: daily reads
 - Class 3: daily reads in batches
 - Class 4: periodic read according to the meter read frequency
- Xoserve, on behalf of the GT, will request a read for Class 4 meter points for the purpose of reconciliation of the prime meter point in order to net off the prime meter.
- Meter reads received for prime or sub-deduct meter points will be subject to read validation including the read tolerance checks.
- Reads accepted for sub-deduct meter points will be processed and used for;
 - Class 2: Allocation processes
 - Class 3 & 4: Reconciliation
- Opening read is the responsibility of the Incoming User to obtain and submit
- Must Reads will be applicable to Class 2, 3 & 4 meter points

4.3 Site Visit / Check Reads

- For meter points in Class 2, 3 or 4;
 - Users have an obligation to carry out a site visit on meter points where derivable read equipment is installed e.g. AMR

- The DMSP will continue to carry out site visit and Check Reads for Class 1 meter points, whether this is the prime or sub-deduct.
- The frequency and submission timescales of the site visit and Check Read obligation is dependent on the Class and, for Class 4 meter points, meter read frequency, this is detailed in UNC Section M5.12

Note: See section 6 for the procedure of obtaining co-terminus reads where derivable equipment is installed.

4.4 Asset Updates

- All asset updates will be submitted via RGMA flows
- Where derivable equipment is installed or work is carried out on the asset it will be assumed that the meter and the AMR/DRE will have been re-synchronised.

4.5 AQ process

- AQ will be calculated for sub-deduct meter points where a valid read has been accepted.
- The AQ for the prime meter point will be calculated, where a valid read has been accepted, based on the netted of value from the sub-deduct meter points

4.6 Gas Allocations

- For a prime meter point in in Class 1 or 2, daily energy from the sub-deduct meter points will be deducted for allocation processes
 - Where the sub-deduct are in Class 1 or 2 this will be the daily energy, actual or estimated
 - Where the sub-deduct are in Class 3 or 4, this will be the energy derived from the AQ and demand estimation methodology
- For a prime in Class 3 or 4, the daily energy will be calculated based on the AQ and using the demand estimation methodology.

4.7 Reconciliation

- As daily reads will be available for meter points in Class 1, 2 or 3, Xoserve, on behalf of the GT, will only request a read for Class 4

meter points in order to carry out reconciliation on the prime meter point.

- In order to reconcile the prime meter point, co-terminus reads are required from all meter points in the same configuration.
- Where derivable equipment is installed on one or more of the meter points in a prime and sub-deduct configuration, co-terminus Check Reads will be required and a read from meter points where derivable equipment is not fitted.

4.7.1 Primary Meter Point Reconciliation

- Prime reconciliation requires all meters within the configuration to have co-terminus readings taken within 5 days either side of the prime meter point.
- Where co-terminus reads are received, the sub-deducts are reconciled and the reconciliation variance is netted off the prime to produce the prime net variance.
- Where co-terminus reads are not received, reconciliation will be not processed

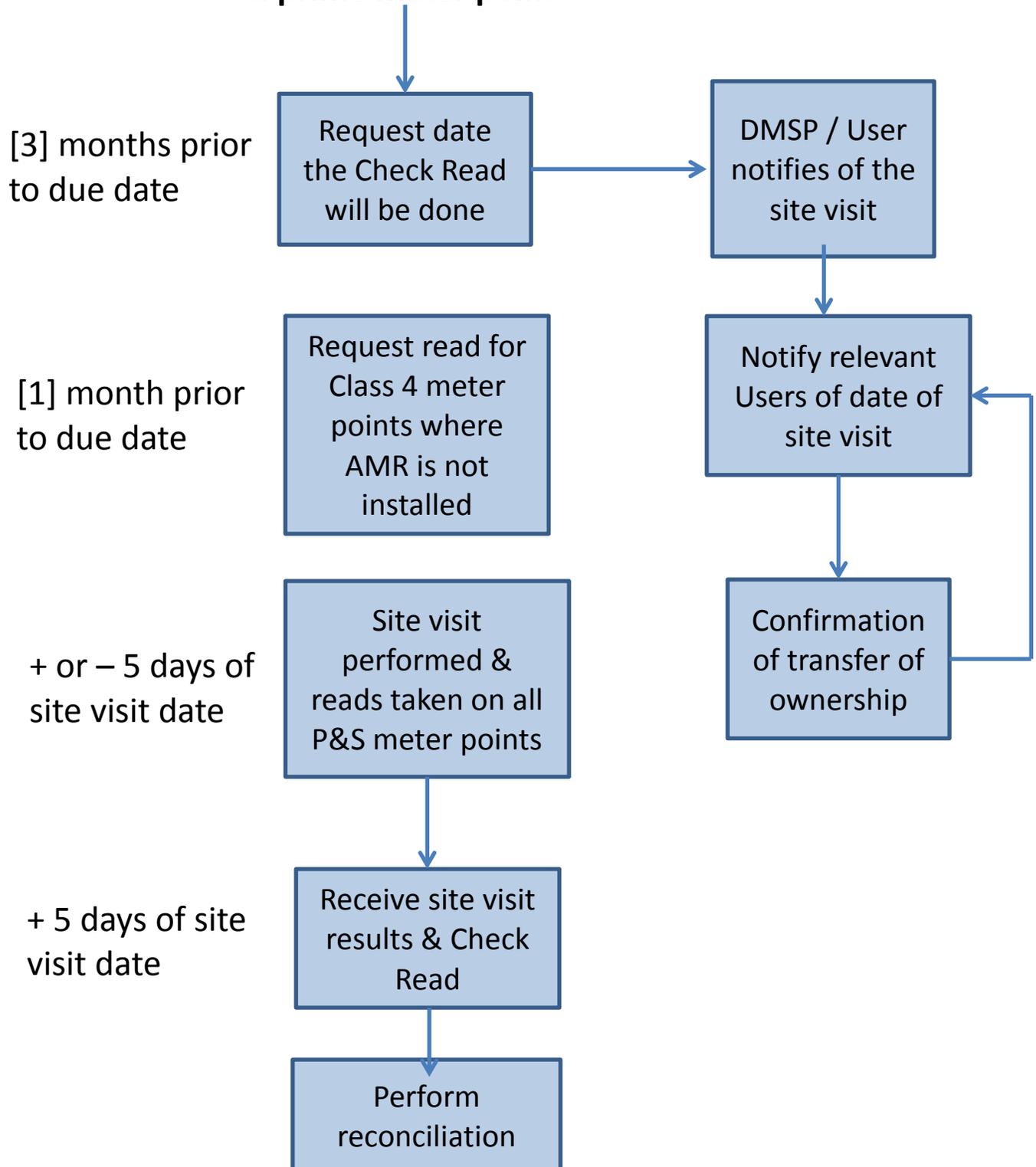
4.7.2 Sub-Deduct Reconciliation

- For reconciliation processes the sub-deduct meter is treated as a 'freestanding' meter and reconciliation is processed where a valid meter reading is received.

Note: See Section 7 for examples of reconciliation on a prime and sub-deduct configuration.

5. Process Flow for Site Visit / Check Read

Trigger: Check Read due on a prime meter point



6. Procedure for Site Visit / Check Read

6.1 Prime Meter Point is managed under Class 1

Process	Communication From	Communication To	Timescale	Communication Method
Request the date the Check Read will be carried out.	Xoserve	DMSP	[3] months before due date	Email
Confirm date DMSP will carry out the Check Read	DMSP	Xoserve	[3] months before due date	Email
Notify relevant Users of relevant sub-deduct meter points of the date of the Check Read	Xoserve	Users	[3] months before due date	Email
Monitor any transfer of ownership of sub-deduct meter points			Upto D-5 of the due date	
Where a transfer of ownership is confirmed, notify Incoming User of Check Read due date	Xoserve	User	Date of Confirmation acceptance	Email
Request read for any Class 4 meter points where AMR is not installed	Xoserve	DN's Meter Reading Agent (MRA)	[1] month before due date	File
Carry out site visit			+ or – 5 days of the Check Read for the prime	
Provide results of the site visit and Check Read.	Users / MRA / DMSP	UKLink	D+5 of the site visit	File

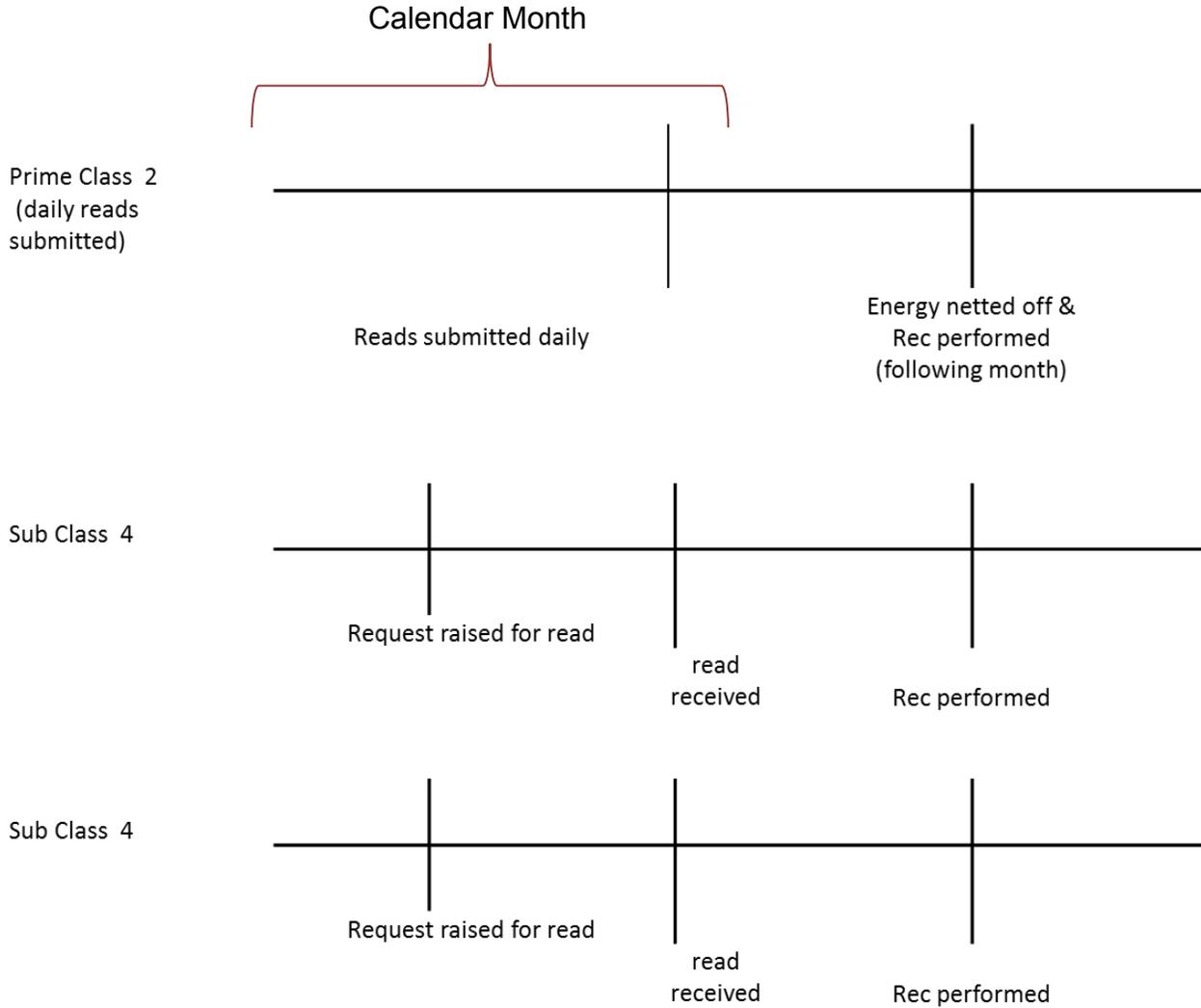
6.2 Prime Meter Point is managed under Class 2, 3 or 4

Process	Communication From	Communication To	Timescale	Communication Method
Request the date the Check Read will be carried out.	Xoserve	User	[3] months before due date	Email
Confirm date DMSP will carry out the Check Read	User	Xoserve	[3] months before due date	Email

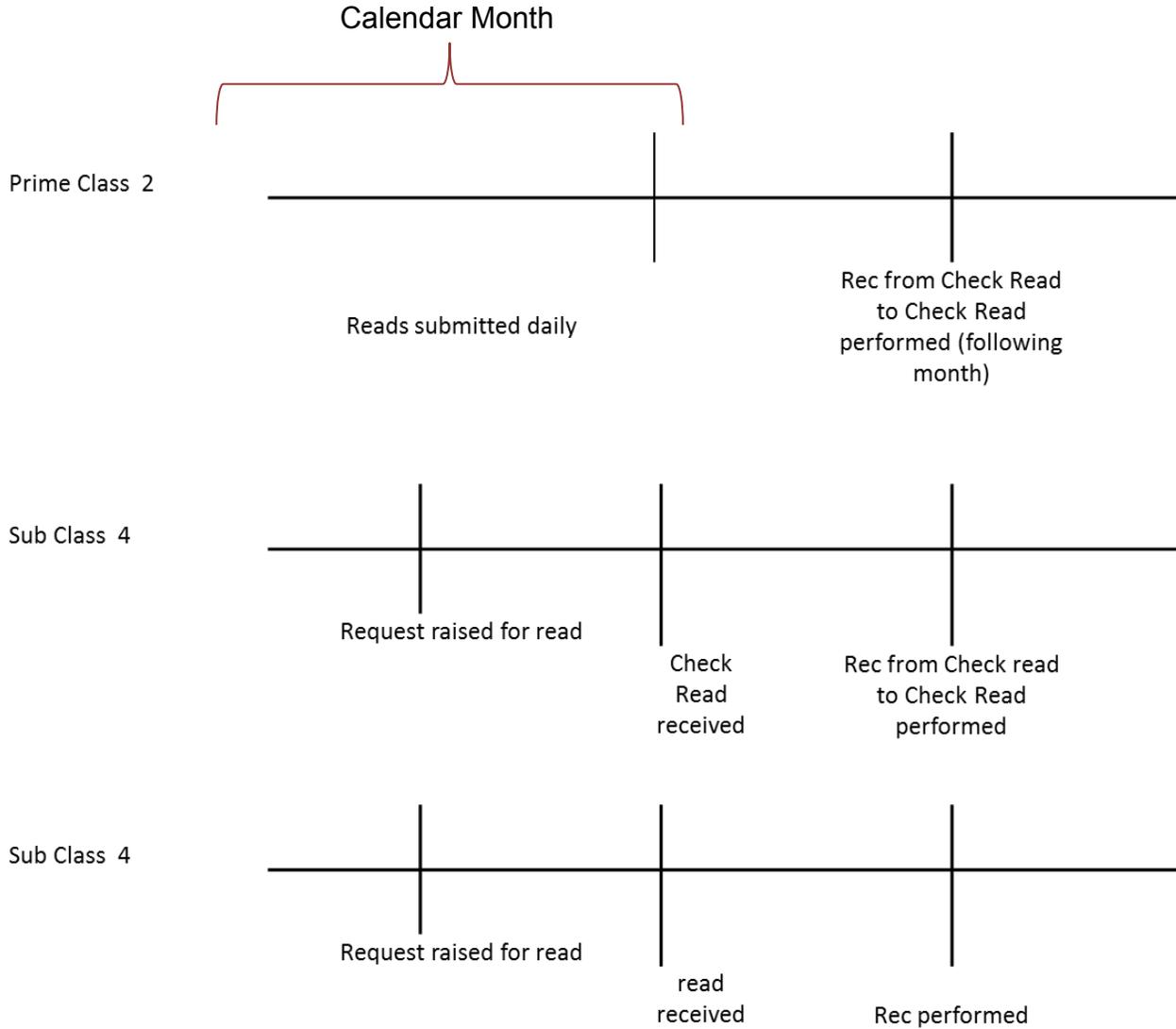
Notify relevant Users of relevant sub-deduct meter points of the date of the Check Read	Xoserve	Users	[3] months before due date	Email
Monitor any transfer of ownership of sub-deduct meter points			Upto D-5 of the due date	
Where a transfer of ownership is confirmed, notify Incoming User of Check Read due date	Xoserve	User	Date of Confirmation acceptance	Email
Request read for any Class 4 meter points where AMR is not installed	UKLink	MRA	[1] month before due date	File
Carry out site visit			+ or – 5 days of the Check Read for the prime	
Provide results of the site visit and Check Read.	Users / MRA / DMSP	UKLink	D+5 of the site visit	File

7. Appendices

71. Reconciliation Example (without derived read equipment)



7.2 Reconciliation Example where a Check Read is Received



8. Document Control

Version	Status	Date	Author	Summary of changes
0.1	Draft	01/10/2015	Xoserve	Initial draft for review at October 2015 Project Nexus Workgroup
0.1	For Approval	08/01/2016	Xoserve	Approved at 08/12/2015 PN UNC