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# UNC 0451AV

## Individual Settlements For Pre- Payment & Smart Meters – 25 March 2014

**Fiona Cottam**

# Mod 0451AV Recap

- 0451AV implemented with effect from 01/02/2014
  - Seeks to address difference in usage profile between credit and prepayment meter customers – evidence of winter over-allocation/summer under-allocation
  - Introduces an “Individual SSP Reconciliation” for live MPRs with Prepayment Meters/Smart meters in Prepayment mode
- Initial discussion at February DESC – Actions:
  - DESC members to identify what PPM data they have access to
  - All parties to also consider a ‘blank’ piece of paper approach should no suitable data be available to undertake a profile based solution

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# Shipper responses to request for data

- Utilita provided updated Smart Prepayment data to Jan 2014
- No other Shipper has indicated the availability of similar daily data
  - Several negative responses received

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# Options for creation of remaining PPM Profiles

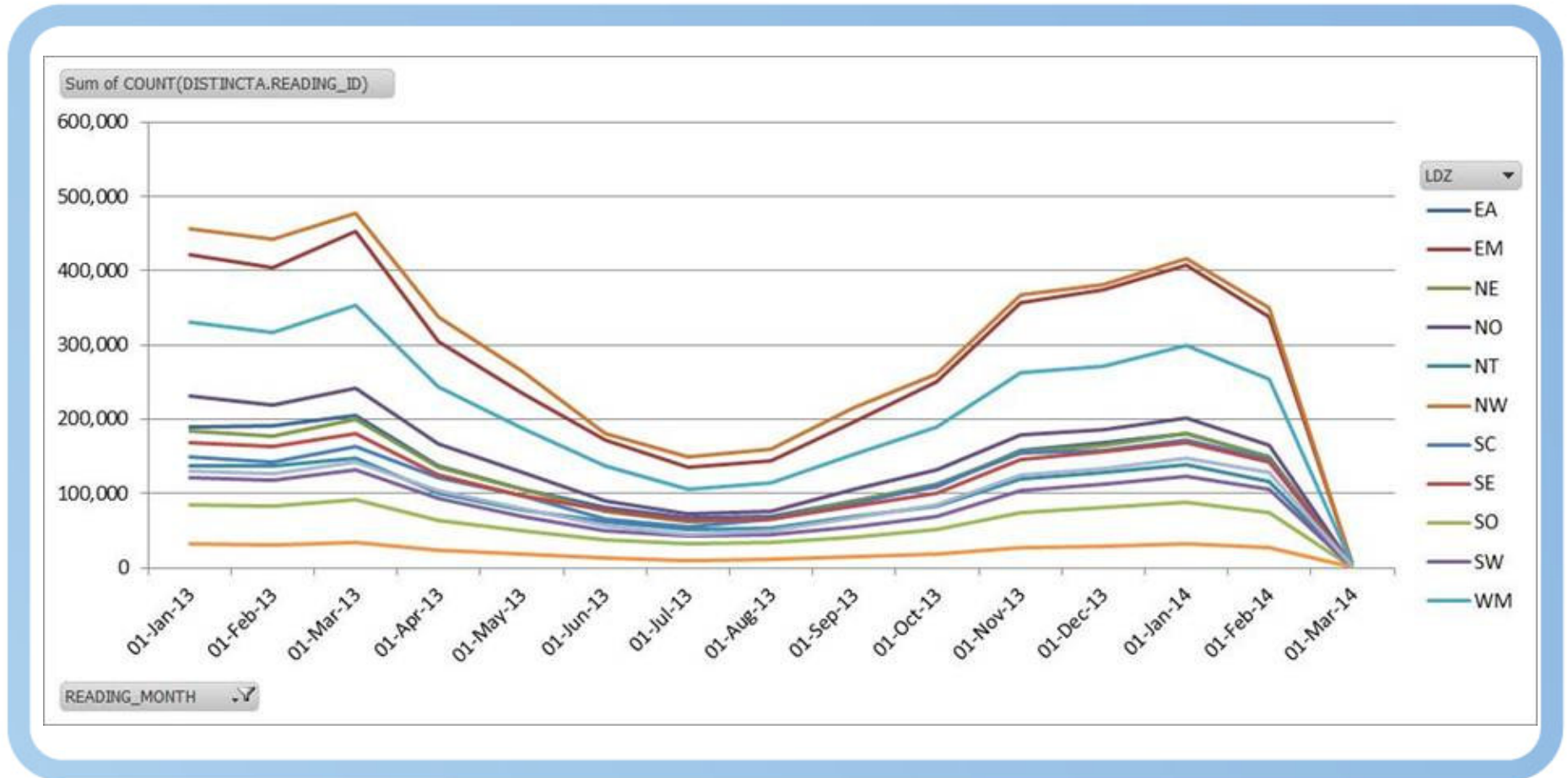
- Update proposed profile developed for SO LDZ with 2013/14 data
- In absence of additional LDZ data:
  - apply SO weather/demand relationships to all other LDZ SNCWVs
- 3 years data available for other LDZ(s)?
  - Apply validation and create profiles – if sufficient data obtained
  - Apply relationships to remaining LDZ SN CWVs if required (i.e. some LDZs with no/insufficient data)
  - Select most appropriate LDZs to use as model (e.g. NW for WN)
- Validate profile with other data sources, e.g. dumb prepayment meters

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# Graph provided by E.ON – PPM reads



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# Alternative Options/Approaches

- Ofgem decision letter – approval of Mod does not preclude cost effective improvements being made in the meantime
- Any alternative approaches to the profile or to the wider issue?
  - E.g. determine a standard amount per meter before/after billing month

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# Appendix – Background Slides from 12 February 2014 Meeting

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# Mod 0451AV Background

- Modification 0451 raised March '13 by Utilita
  - Seeks to address difference in usage profile between credit and prepayment meter customers – evidence of winter over-allocation/summer under-allocation
  - Introduces an “Individual SSP Reconciliation” for live MPRs with Prepayment Meters/Smart meters in Prepayment mode
  - *Further detail in following slides*
- Modification 0451A raised July '13 by E.On
  - As for Mod 0451 but no retrospective element
- 0451AV implemented with effect from 01/02/2014

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# Background – Why Individual Retrospective Reconciliations?

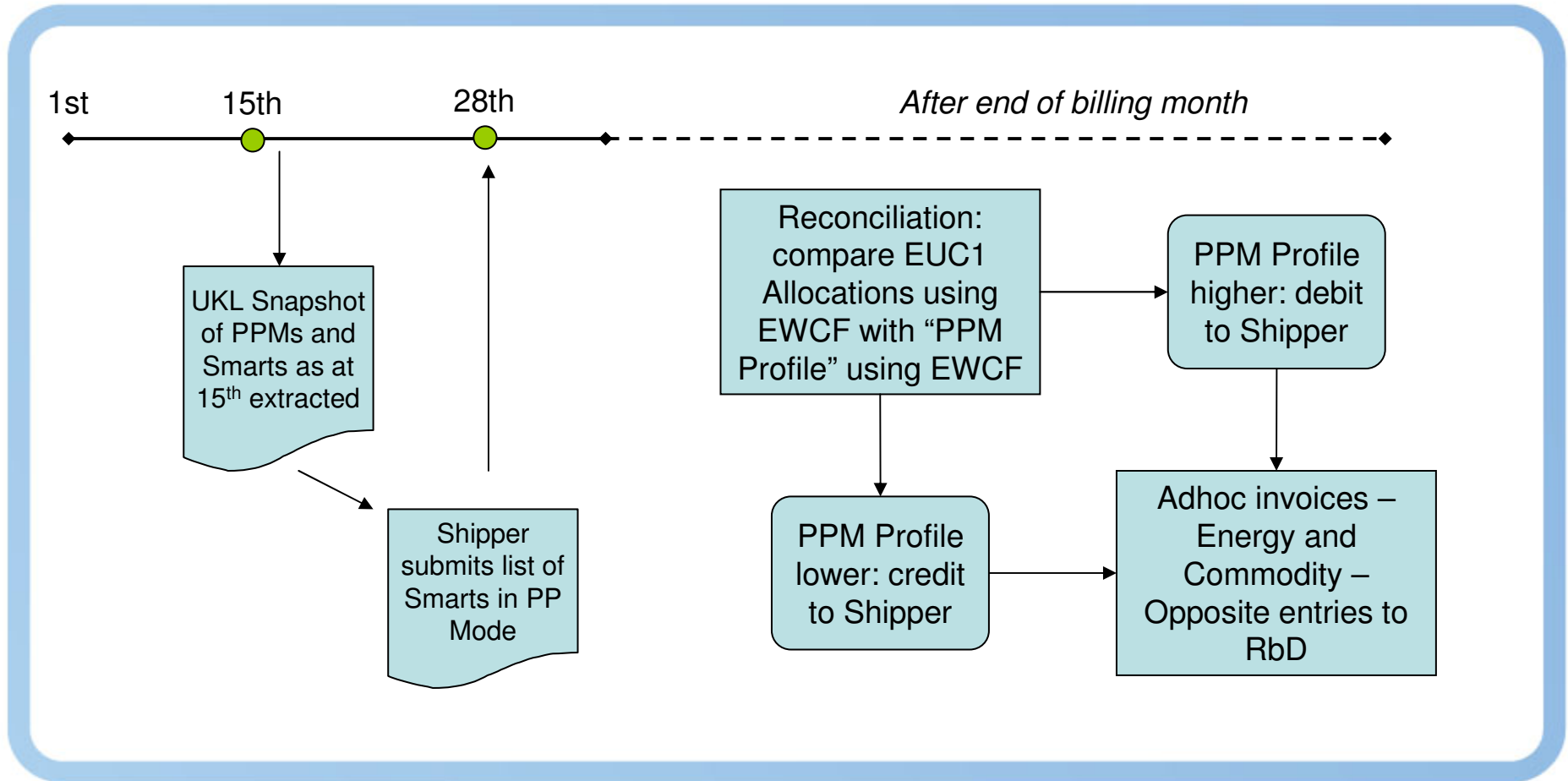
- Separate live profile for Prepayments/Smarts for daily NDM Gas Noms/Allocations not currently possible – 3 reasons:
  - Practical – not possible to fit AMR equipment to PPMs/Smarts – no pulse output ports
  - Structural – UKLink can only assign EUCs based on AQ, LDZ and Winter:Annual Consumption Ratio
  - Principal – RbD relies on concept that all EUC1 MPRs have been treated equally during initial allocation
- Project Nexus brings individual meter point reconciliation and possibility of different profiles:
  - Practical data gathering issue remains for PPM/Smart

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# Mod 0451AV - Timelines



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# Background – Calculation of Current Proposed “Prepayment Profile”

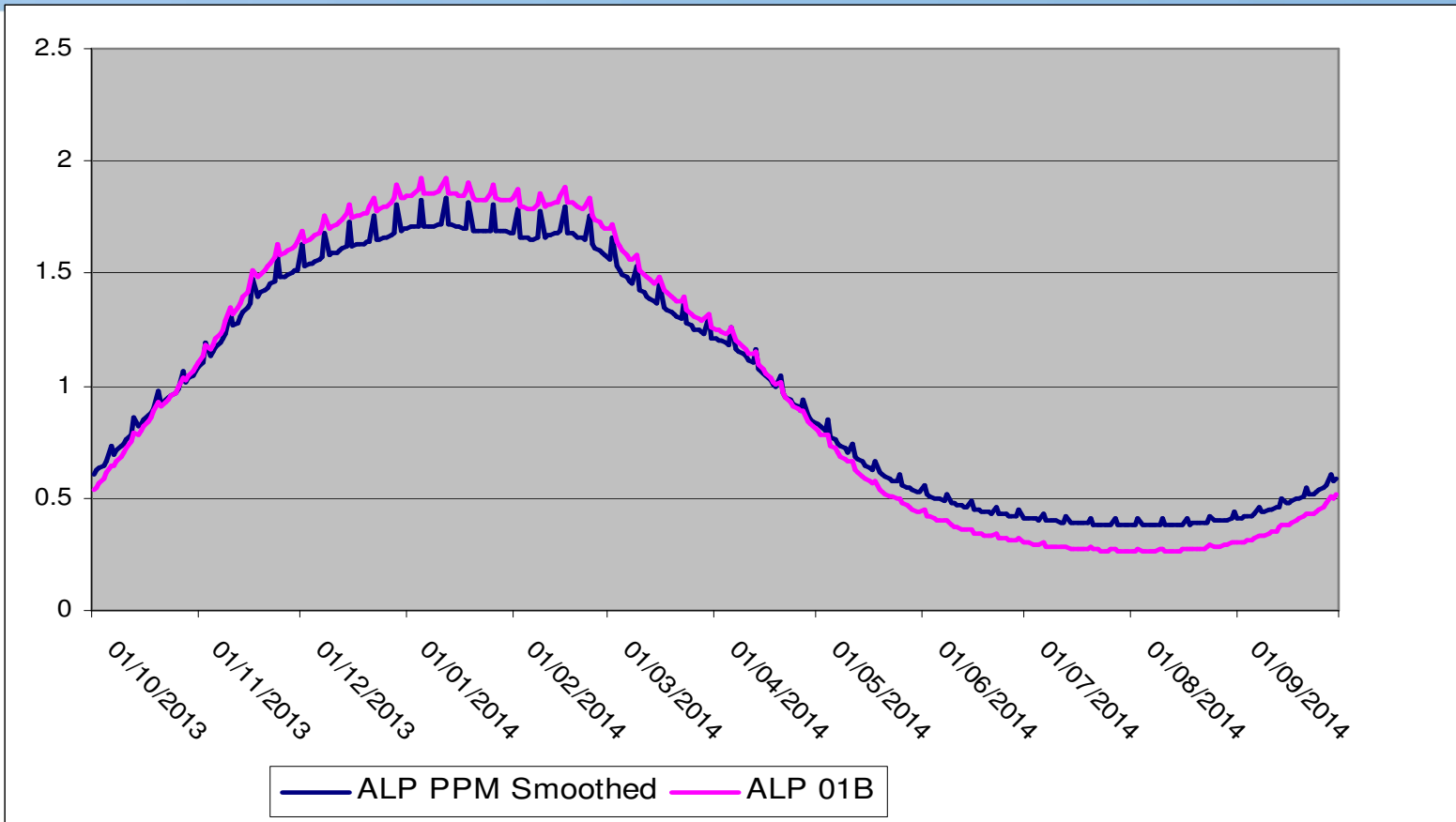
- Data used:
  - Actual daily consumption data for anonymised sample of Smart customers in Prepayment (PP) mode in SO LDZ provided by Utilita
  - c. 3.5 yrs data to Jan '13 where available
  - Count of validated data points
    - 2009/10 – 71
    - 2010/11 – 415
    - 2011/12 – 332
  - Smoothed model created using same principles as Spring Modelling
  - Originally created for illustrative purposes only

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# Comparison of 2013/14 PP and EUC1 Profiles



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