

**Mod 0209 Rolling AQ Business Rules (V1.0) and Validation Rules (V1.0)**

Heading	Ref	Revised Mod 0209 Business Rules for Monthly Rolling AQ Review	Relevant?	Comments
Definitions	4	<b>"AQ Effective Day"</b> is the Day on which the Notified AQ becomes effective.	Y	
	5	<b>"AQ Validation Rules"</b> is the UNC Related Document setting out the validation to be conducted by the Transporter as part of the Monthly AQ Review.	Y	
	6	<b>"Consumption Period"</b> is the period in Days between the dates of the actual two Meter Readings available for use in the Monthly AQ Review calculations.	Y	
	7	<b>"Current AQ"</b> is the Annual Quantity registered at a Supply Meter Point prior to a change in the Annual Quantity made as a result of the Monthly AQ Review.	Y	
	8	<b>"Information Close-Out Day"</b> is the last Day on which Meter Readings or other information received by the Transporters will be considered for the purposes of the Monthly AQ Review.	Y	
	9	<b>"Monthly AQ Review"</b> is the process conducted by the Transporters whereby, as a result of Meter Readings, the Annual Quantity of a Supply Meter Point is recalculated.	Y	
	10	<b>"Notification Day"</b> is the Day on which the Transporters notify the Registered Users of changes in the Annual Quantity.	Y	
	11	<b>"Notified AQ"</b> is the Annual Quantity notified by the Transporters when a change of Annual Quantity of a Supply Meter Point is notified to the Registered User as a result of the Monthly AQ Review.	Y	
	12	<b>"Validation Override Flag"</b> is the indicator set by the User to request that despite anticipating a Supply Meter Point would fail validation, the calculated Annual Quantity will become the Notified AQ.	Y	
	13	<b>"Winter Consumption"</b> is the consumption of a Supply Meter Point calculated from meter readings taken, over the period 01 December to 31 March,	Y	
	14	<b>"Winter Annual Ratio (WAR)"</b> the ratio of the Winter Consumption of a Supply Meter Point to its Annual Quantity.	Y	
Meter Readings	15	Other than the option of setting a Validation Override Flag, the current Meter Read processes will continue unchanged	N	Meter reading processes will change as per Settlement BRD
	16	All Valid Meter Readings will be considered for use in the Monthly AQ Review	?	Proposal for actual meter reads only for processes 3 & 4, estimates to be used for processes 1 & 2 sites only.
	17	The incidence of a User Suppressed Reconciliation Variance at a Supply Meter Point will not of itself prevent consideration of the associated Valid Meter Readings in the Monthly AQ Review	Y	In principle, USRV's are under discussion in Reconciliation W/G
	18	Estimated Meter Readings, including Proposing User's Estimates, will not be considered for use in the Monthly AQ Review	?	Proposal for actual meter reads only for processes 3 & 4, estimates to be used for processes 1 & 2 sites only.
Monthly Process	19	The Information Close-Out Day will be the tenth (10th) Business Day of each month.	Y	Timescal agreed at 18/07/11 meeting. BRD updated
	20	The Notification Day will be at least five (5) Business Days prior to the end of each month	Y	Timescal agreed at 18/07/11 meeting. BRD updated
	21	The Notified AQs will be effective from the first (1st) Day of the month following the Notification Day	Y	Timescal agreed at 18/07/11 meeting
Consumption Periods	22	No Annual Quantity calculation will be carried out in respect of Supply Meter Points where the smallest available Consumption Period is greater than three [3] years	Y	Agreed with principle, action to check why 3 years.
	23	No Annual Quantity calculation will be carried out in respect of Supply Meter Points where the largest available Consumption Period is less than nine [9] months [plus one 1 Day]	Y	Agreed with principle, action to check why 9 months & 1 day.

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	24	Where a Valid Meter Reading or a Replacement Meter Reading has been received since the Information Close-Out Day of the previous Monthly AQ Review but on, or prior to, the Information Close-Out Day of the current Monthly AQ Review, the Consumption Period will be selected as follows:	Y	Agree with principle but need to check analysis carried out for 209
	24.1	If the Supply Meter is a Monthly Read Meter, the two Meter Readings selected for Annual Quantity calculation will be the most recent Valid Meter Reading and, from those available, the Valid Meter Reading that would result in a Consumption Period closest to fifty (50) weeks.	Y	Agree with principle but need to check analysis carried out for 209
	24.2	If the Supply Meter is an Annual Read Meter, the two Meter Readings selected for Annual Quantity calculation will be the most recent Valid Meter Reading and, from those available, the Valid Meter Reading that would result in a Consumption Period closest to forty two (42) weeks.	Y	Agree with principle but need to check analysis carried out for 209
	24.3	If the Supply Meter is Daily Read, the Annual Quantity will be calculated in accordance with the current rules.	N	New process developed for daily read sites. BRD updated
	25	If a Supply Meter Point has been isolated during the Consumption Period selected in accordance with paragraph 24 above:	Y	Agree with principle but need to check analysis carried out for 209
	25.1	No Annual Quantity calculation will be carried out unless there is an available Consumption Period greater or equal to nine months plus one (1) Day for which the Supply Meter Point was not isolated.	Y	Agree with principle but need to check analysis carried out for 209
	25.2	If there is an available Consumption Period that meets the criteria set-out in paragraph 25.1 above, the Notified AQ will be calculated based on this shorter Consumption Period and not on the Consumption Period selected in accordance with paragraph 24 above.	Y	Agree with principle but need to check analysis carried out for 209
Validation	26	As part of the Monthly AQ Review process, system parameter validation will be conducted on all calculated Annual Quantities by the Transporters prior to notification to the Registered Users.	Y	Validation to ensure only significant erroneous AQs are not set live. BRD updated
	27	The validation rules will be set out in the AQ Validation Rules.	Y	If required
	28	The AQ Validation Rules will be added to the list of UNC Related Documents in the Uniform Network Code Transportation Principal Document V12 and be subject to the same governance arrangements as the existing UNC Related Documents listed therein.	Y	If required
	29	Where the Registered User anticipates that a calculated Annual Quantity will fail validation, but it reasonably considers that this calculated Annual Quantity would be correct, this Registered User, by setting the Validation Override Flag, will confirm that the Annual Quantity should be calculated and notified.	N	Validation Override Flag set on the read file. If the AQ failed the validations discussed in 26 above the Shipper can amend via the 'AQ Correction' process. BRD updated.
	30	On receipt of a Validation Override the calculated Annual Quantity will be the Notified AQ and will be effective from the 1st Day of the following month.	N	Validation Override Flag set on the read file. If the AQ failed the validations discussed in 26 above the Shipper can amend via the 'AQ Correction' process. BRD updated.
	31	Where a calculated Annual Quantity fails validation, the Registered User will be notified.	Y	BRD updated
	32	This notification will include a reason code that identifies the reason for validation failure in accordance with the AQ Validation Rules.	Y	BRD updated
	33	All such notifications will be notified separately from the Notified AQs that have passed validation.	Y	BRD updated

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	34	In the event the calculated Annual Quantity, that has failed validation, represents an increase from the Current AQ:	N	Validation carried out at receipt of the meter read. BRD updated.
	34.1	Where the Registered User considers that the information from which an Annual Quantity is calculated is incorrect and it has failed validation, this Registered User by the Information Close-Out Day of the second month following failed validation, will confirm that the Annual Quantity should not be calculated.	N	Validation carried out at receipt of the meter read. BRD updated.
	34.2	In the absence of such confirmation, the calculated Annual Quantity will be the Notified AQ and will be effective from the 1st Day of the third month following the month during which the Transporters notified the User that the calculated Annual Quantity had failed validation.	N	Validation carried out at receipt of the meter read. BRD updated.
	35	In the event the calculated Annual Quantity, that has failed validation, represents an decrease from the Current AQ:	N	Validation carried out at receipt of the meter read. BRD updated.
	35.1	Where the Registered User considers that the information from which an Annual Quantity is calculated is correct but it has failed validation, this Registered User will confirm that the Annual Quantity should be calculated.	Y	Via the AQ Correction process. BRD updated.
	35.2	On receipt of such confirmation, the calculated Annual Quantity will be the Notified AQ and will become effective from the 1st Day of the month following the GT acceptance of the revised AQ from the Shipper.	Y	BRD updated
Appeals	36	The appeals process set-out in paragraph 37 to 45 below will apply to both Smaller Supply Points and Larger Supply Points.	N	Process will apply to all sites but not as per the process 37 to 45. BRD updated
	37	Notwithstanding any appeal being submitted by the Registered User, the Notified AQ will stand and apply for the month following the AQ Effective Day.	N	The current AQ not the Revised AQ. BRD updated.
	38	The Registered User may appeal where it reasonably considers that the Transporters' calculation of the Notified AQ is derived from:	Y	New process for changing AQ; 'AQ Correction 'process. BRD updated.
	38.1	Meter Readings that are erroneously submitted by the Registered User or Gas Transporter;	N	Validation carried out at receipt of the meter read. BRD updated.
	38.2	Materially incorrect details of the Supply Meter Installation for the relevant Supply Meter Point; or	N	Validation carried out at receipt of the meter read. BRD updated.
	39	The Registered User may also appeal if it considers that a change in the Consumer's Plant has resulted in a change to the basis on which gas is consumed. In this event using the existing appeals process:	Y	Via the AQ Correction process. BRD updated.
	39.1	The Registered User will submit a reasonable estimate of the Annual Quantity and have available for inspection by the Transporters supporting evidence of consumption.	Y	Details to be agreed what info will be sent on the AQ Correction communication
	39.2	If the Transporters accept this submission the User's estimate will be the Notified AQ and, where applicable, the End User Category will be revised to reflect this Notified AQ.	Y	Details to be agreed
	40	The Registered User will warrant that in appealing against the Notified AQ it has applied a methodology that:	Y	Details to be agreed
	40.1	Is consistent to all Supply Points for which it is the Registered User;	Y	Details to be agreed
	40.2	Does not materially differentiate in its treatment of Supply Points where the Notified AQ is greater than the Current AQ and Supply Points where the Notified AQ is less than the Current AQ; and	Y	Details to be agreed
	40.3	Does not withhold any Supply Points from appeal that qualify for appeal under its methodology.	Y	Details to be agreed
	41	For any appeal to be considered the Registered User will, as early as reasonably practicable, but not later than five (5) Business Days prior to the Information Close-Out Day of the following month, provide in respect of all such Supply Meter Points:	Y	Details to be agreed
	41.1	The Supply Meter Point Reference Number; and one or more of the following;	Y	Details to be agreed

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	41.2	A pair of Meter Readings that meet the criteria set-out in paragraphs 22, 23, and 24 above and which it reasonably considers to be more accurate than those on which the Notified AQ was based;	Y	Details to be agreed
	41.3	Details of all readings associated with meter exchanges that are relevant to the appeal; and/or	Y	Details to be agreed
	41.4	The correct details of the Supply Meter Installation for the relevant Supply Meter Point and the current details of the Supply Meter Installation that it considers were materially incorrect.	Y	Details to be agreed
	42	The Transporters on receiving an appeal from a User will seek to calculate the Annual Quantity from the information provided by the Registered User under paragraph 41 above and, provided this calculated Annual Quantity does not fail validation, it will be the Notified AQ, providing that:	Y	Details to be agreed
	42.1	If the Transporters cannot establish the Notified AQ prior to the Notification Day, the Annual Quantity that existed prior to the appeal will be reinstated; or	Y	Details to be agreed
	42.2	If the Transporters have received further Meter Reading(s) that better meet the criteria set-out in paragraphs 22, 23, and 24 above than those submitted by the Registered User, and which it reasonably considers do not reflect the errors that gave rise to the appeal, the Notified AQ will be calculated from these Meter Readings.	Y	Details to be agreed
	43	Where the Transporters receive either or both of the Meter Readings, to replace those erroneous Meter Reading(s) on which the original Annual Quantity calculation was based, these erroneous Meter Reading(s) will not be used in any subsequent Annual Quantity calculation.	Y	Details to be agreed
	44	Where the Transporters cannot establish the Notified AQ under paragraph 42.1 above or do not accept that either or both the Meter Readings were in error, both the Registered User and the Transporters will use reasonable endeavours to resolve the issue as soon as practicable.	Y	Details to be agreed
	45	Users making appeals will record evidence in support of that appeal and will make that evidence available to the Transporters when reasonably requested.	Y	Details to be agreed
Thresholds	46	Where the Notified AQ of a Supply Point Component is greater than 58,600,000 kWh for 3 consecutive calculations of the AQ or 6 months, but that Supply Meter Point is not already classified as a DM Supply Meter Point, the Daily Read Requirement will apply with effect from [6] months after the Effective Day when the AQ first reached the DM Mandatory threshold.	Y	for review. BRD updated.
	47	Where the Notified AQ of a Supply Meter Point Component is greater than 732,000 kWh, but that Supply Meter Point does not have a convertor installed in accordance with the Gas (Calculation of Thermal Energy) Regulations 1996, a convertor will be installed if the Notified AQ is greater than 732,000 kWh for three successive Annual Quantity notifications.	N	Covered under relevant regulations
	48	Where the Notified AQ of a Supply Meter Point Component is less than 732,000 kWh, but that Supply Meter Point has a convertor installed in accordance with the Gas (Calculation of Thermal Energy) Regulations 1996, that convertor will not be removed but the requirement to have a convertor installed will lapse if it develops a fault that would otherwise require replacement.	N	Covered under relevant regulations
SOQ's	49	When an Annual Quantity for NDMs is revised the SOQ will also be revised.	?	for review
	50	When the Annual Quantity is revised the SOQ will use the applicable load factor.	?	for review
Annual Parameter Changes	51	The EUC and WARs will be updated in line with the AQ	N	Applicable EUC & WAR updated when the AQ is revised. BRD updated.
	52	Annual Quantities and SOQs will reflect any Supply Meter Point cross-over in WAR bands at the first Notification Day following the update in WAR.	N	WAR updated in line with AQ
	53	Following a revision to the Seasonal Normal Composite Weather Variables, the Annual Quantities and SOQs will be revised at the first Notification Day following the update in Weighted Average Annual Load Profile.	Y	BRD updated

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Publication of Information	54	For the first twelve months following implementation for the Smaller Supply Points and thereafter subject to change by decision of the Uniform Network Code Committee.	?	
	55	In respect of each month, the Transporters will publish the following data aggregated across all Users but separately for Smaller Supply Points and Larger Supply Points:	?	
	55.1	The number of Supply Points that have recalculated Annual Quantities	?	
	55.2	The number of Supply Points that failed validation.	?	
	55.3	The number of Supply Points that have Validation Flags set.	?	
	55.4	The total movement of Annual Quantity.	?	
	56	The Transporters will publish by 1st November each year in respect of each month, a report for the previous Gas Year containing the following information in respect of each User (on a non attributable basis):	?	
	56.1	In aggregate across all End User Categories:	?	
	56.1.1	The number of appeals made by the User for an increase in the Notified AQ and the number for a decrease in the Notified AQ.	?	
	56.1.2	The number of such successful appeals made by the User that resulted in an increase in the Notified AQ and the number for a decrease in the Notified AQ.	?	
	56.1.3	The number of Supply Points that have recalculated Annual Quantities	?	
	56.1.4	The number of Supply Points that failed validation.	?	
	56.1.5	The number of Supply Points that have Validation Flags set.	?	
	56.1.6	The total movement of Annual Quantity.	?	
	56.2	By each End User Category:	?	
	56.2.1	The number of Supply Meter Points where the Notified AQ has increased or decreased as a result of the successful appeals, referred to in paragraph 56.1.2 above, shown as a percentage of the total number of Supply Meter Points in that End User Category;	?	
	56.2.2	The change to the Notified AQ in aggregate (expressed in kWh) that has occurred due to the increases or decreases as a result of the successful appeals referred to in paragraph 56.1.2 above.	?	
	56.2.3	The number of Supply Points that have moved from one End User Category to another End User Category as result of the successful applications referred to in paragraph 56.1.2 above.	?	
	56.2.4	By each LDZ, the number of such successful appeals made by the User that resulted in the Notified AQ shown by the resulting increase and decrease in comparison to the previously Notified AQ.	?	
	56.2.5	The number of Supply Points that have recalculated Annual Quantities	?	
	56.2.6	The number of Supply Points that failed validation.	?	
	56.2.7	The number of Supply Points that have Validation Flags set.	?	
	56.2.8	The total movement of Annual Quantity.	?	
	<b>Ref</b>	<b>Mod 0209 Validation Rule</b>	<b>Relevant?</b>	<b>Comments</b>
Definitions		<b>“End Meter Reading”</b> is the later Meter Reading, that is not more recent than the Information Close-Out Day, which determines the end of the Consumption Period.	Y	
		<b>“Start Meter Reading”</b> the earlier Meter Reading that determines the start of the Consumption Period.	Y	
The Rules	2	There are two general categories of validation failures: (a) Data Missing or Inconsistent (b) Calculated AQ out of tolerance	N	
Data Missing or Inconsistent - General	3	For Non Daily Metered Supply Points, the Annual Quantity will only be calculated in the event of the following		

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		(a) A more recent End Meter Reading is available than that used previously to successfully to determine the Notified AQ;	Y	For review
		(b) From the Meter Readings available, a Consumption Period of less than or equal to three (3) years can be established;	Y	Timescale to be agreed
		(c) From the Meter Readings available, a Consumption Period of greater than nine (9) months can be established;	Y	Timescale to be agreed
		(d) The Supply Meter Point does not belong to the Transporters; and	N	Rule not applicable as read would not be loaded
		(e) The Supply Meter Point has a Registered User.	?	Read would be rejected?
		In the event of the following, the Annual Quantity will not be calculated and the Registered User will be notified of the reason		
		(a) Meter Point is not a part of Live Confirmation;	Y	Read would be rejected?
		(b) Application of backstop date ie last Seasonal Normal Demand Review (SND) date	Y	check
		(c) Reconnection does not exist;	Y	check
		(d) Reconnection Effective date is in the relevant metered period ie between Start and End Meter Reading dates;	?	for review
		(e) Supply Meter Point not DM for whole of DM Annual Quantity calculation period;	?	Need process for changes in regime
		(f) Gas nomination type does (eg DM, NDM) not exist;	N/A	Rule not applicable as read would not be loaded
		(g) Meter Reading Frequency does not exist;	N/A	Rule not applicable as read would not be loaded
		(h) Meter read request does not exist;	N/A	Rule not applicable as read would not be loaded
		(i) Consumption starts before earliest possible Start Meter Reading date;	?	check
		(j) Consumption overlap;	?	
		(k) Absence of reads since competition effective date;	?	
		(l) Consumptions for Meter Point are not contiguous;	?	
		(m) Negative consumption during metered period;	?	
		(n) LDZ Calorific Value does not exist;	N/A	Rule not applicable as read would not be loaded
		(o) Insufficient consumption data to calculate Annual Quantity (eg new Supply Meter Point);	?	
		(p) Consumption gap;	?	
		(q) Consumption start date not equal to Start Meter Reading date;	?	
		(r) Supply Point history not contiguous over whole of relevant metered period; or	?	
		(s) Supply Meter Point configuration not found.	?	
Data Missing or Inconsistent - Threshold Crossing	4	The Current AQ will continue to apply if the Calculated AQ indicates that an existing Smaller Supply Point should be a Larger Supply Point:	N	
		(a) The address information associated with the Supply Point indicates it to be a flat (though it should be recognised that current systems will not identify all examples of flats using this criteria);	N	
		(b) An Electronic Token Meter is installed at that Supply Meter Point; or the current Meter Reading flag is the same for ETM and AMR and a new flag would therefore be needed to distinguish between the two; (Note: this rule should be reviewed nearer to implementation once existing system limitations are understood).	N	

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		The Current AQ will continue to apply if the Calculated AQ indicates that an existing Larger Supply Point should be a Smaller Supply Point:	N	
		(a) Two (2) or more meter exchanges have taken place between the Start Meter Reading date and the End Meter Reading date;	N	
		(b) The Supply Meter Point has a different number of digits for the Start Meter Reading and the End Meter Reading.	N	Read would be rejected?
Calculated AQ out of Tolerance	5	The Current AQ will continue to apply if the Calculated AQ is equal to or less than one (1) kWh.	N	All AQs calculated?
		If the Registered User has, in anticipation of a validation rejection, pre-notified the validity of the meter reading data from which the Annual Quantity is calculated no further validation will be conducted.	N	Carried out at read receipt not when the AQ is calculated.
		The Current AQ will continue to apply if the Calculated AQ lies outside the limits of the AQ tolerance table:	?	See presentation for Mod 209 AQ validation tolerances based on EUC band
Notification of Retention of Current AQ	6	The Registered User will be notified where the Current AQ is retained due to the Calculated AQ lying outside the above limits. The following rules will then apply.	N	
		Once notified the Registered User will respond to the Transporter by the Information Close-Out Day of the second month following failed validation, will confirm that the Annual Quantity should not be calculated.	N	
		In the event of an increase in Annual Quantity, if the Registered User notifies the Transporters that the Calculated AQ is in error, then the Current AQ will be retained until a new End Meter Reading is obtained. If the Registered User does not submit such a notification, the Calculated AQ will be the Notified AQ from the 1st Day of the third month following the month during which the Transporters notified the User that the calculated Annual Quantity had failed validation.	N	
		In the event of a decrease in Annual Quantity, if the Registered User notifies the Transporters that the Calculated AQ is correct, then the Calculated AQ will be the Notified AQ from the following month. If the Registered User does not submit such a notification, the Current AQ will be retained until a new End Meter Reading is obtained.	N	