

## Stage 04: Final Modification Report

At what stage is this document in the process?

# 0518S:

## Shipper Verification of meter and address details following system meter removals

01

Modification

02

Workgroup Report

03

Draft Modification Report

04

Final Modification Report

This modification seeks to implement a Shipper report identifying sites where meters have been removed 6 months previously to aid with the GS(I&U)R process and enhance metering data quality.



Panel consideration is due on 16 July 2015.










High Impact: None



Medium Impact: Shippers and Transporters



Low Impact: None

Contents		 Any questions?														
1	Summary	3														
2	Why Change?	4														
3	Solution	5														
4	Relevant Objectives	7														
5	Implementation	7														
6	Impacts	8														
7	Legal Text	8														
8	Consultation Responses	11														
9	Panel Discussions	14														
10	Recommendation	14														
About this document:		 Any questions? Contact: <b>Code Administrator</b>  <a href="mailto:enquiries@gasgovernance.co.uk">enquiries@gasgovernance.co.uk</a>  0121 288 2107 Proposer: <b>Erika Melén</b>  <a href="mailto:Erika.melen@sgn.co.uk">Erika.melen@sgn.co.uk</a>  07772 142226 Transporter: <b>Scotia Gas Networks</b> Systems Provider: <b>Xoserve</b>  <a href="mailto:commercial.enquiries@xoserve.com">commercial.enquiries@xoserve.com</a>														
<p>This Final Modification Report will be presented to the Panel on 16 July 2015. The Panel will consider the views presented and decide whether or not this self-governance change should be made.</p> <p>The Workgroup recommended the following timetable:</p> <table><tr><td>Initial consideration by Workgroup</td><td>27 November 2014</td></tr><tr><td>Amended Modification considered by Workgroup</td><td>27 March 2015</td></tr><tr><td>Workgroup Report presented to Panel</td><td>21 May 2015</td></tr><tr><td>Draft Modification Report issued for consultation</td><td>21 May 2015</td></tr><tr><td>Consultation Close-out for representations</td><td>22 June 2015</td></tr><tr><td>Final Modification Report published for Panel</td><td>23 June 2015</td></tr><tr><td>UNC Modification Panel decision</td><td>16 July 2015</td></tr></table>		Initial consideration by Workgroup	27 November 2014	Amended Modification considered by Workgroup	27 March 2015	Workgroup Report presented to Panel	21 May 2015	Draft Modification Report issued for consultation	21 May 2015	Consultation Close-out for representations	22 June 2015	Final Modification Report published for Panel	23 June 2015	UNC Modification Panel decision	16 July 2015	
Initial consideration by Workgroup	27 November 2014															
Amended Modification considered by Workgroup	27 March 2015															
Workgroup Report presented to Panel	21 May 2015															
Draft Modification Report issued for consultation	21 May 2015															
Consultation Close-out for representations	22 June 2015															
Final Modification Report published for Panel	23 June 2015															
UNC Modification Panel decision	16 July 2015															

# 1 Summary

## Is this a Self-Governance Modification?

The Modification Panel determined that this is a Self Governance modification, as it is not expected to have a material impact on competition or consumers. The Workgroup agreed with the Modification Panel's determination for Self Governance.

## Why Change?

The Gas Safety (Installation & Use) Regulations (GS(I&U)R) require services to be left in a safe condition following a meter removal, an obligation, which Transporters carry out on behalf of suppliers. As part of this Transporter process desktop checks are undertaken to ensure sites, which have already been disconnected, wish to use gas in future or which have meters on site are taken out of the process prior to site visits commencing. Through desktop checks Transporters regularly find sites with meters attached where data processing issues have occurred. By ensuring that Shippers have an opportunity to review the lists of sites prior to any Transporter activity the GS(I&U)R process can be streamlined, correct data errors earlier and minimise the customer impact.

## Solution

A report is to be issued to Shippers containing sites with meters removed 6 months previously. Shippers will interrogate the report and correct the information on the Supply Point Register in regards to registration, meter asset details or address information. Where meters are found but appropriate action to update the Supply Point Register is not taken by the relevant Shipper in a timely manner, these will enter into the process implemented by UNC Modifications 0424 and 0425 should the Transporter make site visit and identify a meter on site (asset attachment, auto-confirmation, transportation and potential site visit cost charging).

## Relevant Objectives

As this modification aims to introduce a process, which will enhance the accuracy of metering data held in central systems, this can be seen to further competition between suppliers as accurate metering data is key to the change of supplier process for customers (relevant objective d) as well as enhancing the facilitation of the Code (relevant objective f).

## Implementation

As self-governance procedures are proposed, implementation could be sixteen business days after a Modification Panel decision to implement, subject to no Appeal being raised.

## Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

No impact identified as this modification will be implemented after Nexus delivery on a date to be advised by Transporters.

## 2 Why Change?

When a gas meter is removed Regulation 16(3) of the Gas Safety (Installation & Use) Regulations 1998, (GS(I&U)R) places requirements on the person who last supplied gas through the meter to ensure that the supply is left safe if no new meter has been installed 12 months after the initial meter removal. This regulation was introduced to minimise the risk associated with live redundant gas service pipes being left in properties. The Gas Supplier has a duty to comply with these Regulations. Although Transporters do not have a direct obligation under GS(I&U)R they discharge the supplier's obligation in line with their own under the Pipeline Safety Regulations (PSR).

Transporters extract reports from Xoserve at around 9 months after the meter removal, which are processed and then site visits commence after 12 months from meter removal.

As part of the GS(I&U)R Transporter processes desk-top checks and customer communications will be carried out. This is done to eliminate sites which either have already been disconnected through alternative means, where the customer wishes to use gas in future or sites which have incorrectly been included in the reported sites e.g. where the meter is still on site but administration/process errors have lead to the meter removal on the system.

Recently UNC Modifications 0424 and 0425 have been approved which address the sites where meters are found following a Transporter GS(I&U)R visit or desk-top activity to ensure that the MPRNs are registered back to the relevant shipper who was involved in the meter found. Although this will ensure that the registrations and settlements are corrected it does still mean that unnecessary desk-top processes have to be carried out by Transporters prior to arranging site visits to identify these sites. This can also mean that a customer receives potentially unnecessary communication from the Transporter stating that their gas supply will be disconnected when they are still using gas with a supply contract in place.

The solution is proposed for the following reasons:

1. To ensure that the GS(I&U)R processes are as streamlined as possible
2. To give Shippers an opportunity to address data errors early on
3. To reduce Transporter administration around the GS(I&U)R process
4. To minimise the impact on customers.

It is proposed that an additional report direct to Shippers is created and sent around 6 months following a meter removal to allow them to take early action.

### 3 Solution

#### Business Rules:

1. A report will be sent by the Transporter to each Shipper User each calendar month showing Meter Point Reference Numbers (MPRNs) and addresses of Supply Meter Points where a Supply Meter was notified to the Transporter as being disconnected in the calendar month, 6 months previous to the date of the report and no other Supply Meter has since been connected to the Transporters network according to the Meter Information held on the Supply Point Register. This will be sent both for MPRNs still in the Shipper Users ownership and for ones where the Shipper User has withdrawn from the Supply Point (Shipperless). Note: Shippers will only receive a report pertaining to MPRNs which were in their ownership at the time of Isolation of the Supply Meter.
2. The report will indicate whether each Supply Meter Point has had any system related activity associated with it (such as a Connection & Disconnection update notification or attempted submission of Meter Information or Meter Readings) which may indicate that there is a Supply Meter on site and connected to the Transporters network<sup>1</sup>
3. Shipper Users will be obligated to scrutinise the report and where they find evidence of the same Supply Meter as identified by the Meter Serial Number, connected to the Transporters' system and capable of flowing gas or another Supply Meter in the same circumstances, they will update the Supply Point Register with the relevant details once they have re-registered the Supply Point if necessary. Shipper Users will update the Supply Point Register before 9 months has expired since the effective meter removal date within the notification to the Transporter of the meter removal.
4. Shipper Users will also update the address details on the Supply Point Register for each site where they find that the address details on the report provided in BR1 are not accurate. Address updates will be made using the current file flow processes that exist.
5. Unique Sites, NTS Directly Connected Sites and Shared Supply Points are excluded from this process.

For the avoidance of doubt, where a Supply Meter is identified as being connected to the Transporters System and capable of flowing gas but the relevant Shipper User has not taken action to update the Supply Point Register, the principles of UNC TPD Section G 3.7 (as implemented by Modifications 0424 and 0425) shall apply if a Transporter finds a meter on site. This includes Shipper User confirmation/registration, Meter Information update, Transporter auto-registration and potential back billing of relevant energy and transportation charges and site visit costs as appropriate.

---

<sup>1</sup> Shippers shall note that according to Xoserve analysis very few sites where meters are subsequently found on site actually had system activity and so this "evidence" should be regarded with caution

User Pays	
Classification of the modification as User Pays, or not, and the justification for such classification.	This modification is considered to be User Pays as it aims to produce a new report, which would be considered as a new User Pays service.
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.	100% Shipper User - apportioned by supply point share on an annual basis, excluding Unique Sites, NTS Directly Connected Sites and Shared Supply Points.
Proposed charge(s) for application of User Pays charges to Shippers.	tbc
Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Xoserve.	tbc

## 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.	Positive
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

As this modification aims to introduce a process, which will enhance the accuracy metering data held in central systems, this can be seen to further competition between Suppliers as enhanced metering data quality is key to the change of Supplier process for customers and therefore further relevant objective d) ii.

This modification should have a positive impact on the accuracy of meter details held in the Supply Point Register by removing erroneous information and therefore better facilitate relevant objective f) Promotion of efficiency in the implementation and administration of the Code.

## 5 Implementation

As self-governance procedures are proposed, implementation could be sixteen business days after a Modification Panel decision to implement, subject to no Appeal being raised.

However, it is anticipated that the implementation date would be notified in advance to the Uniform Network Code Committee to allow Shipper Users to put processes in place and that this date will be after the Project Nexus Implementation Date.

## 6 Impacts

**Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?**

No

### Pre Nexus Implementation

No issues identified, as implementation will be after the Project Nexus Implementation Date.

### Nexus Implementation

No issues identified, as implementation will be after the Project Nexus Implementation Date.

### Post Nexus Implementation

It is proposed to implement this modification after the Project Nexus Implementation Date although there will be no impacts on systems.

## 7 Legal Text

### Text Commentary

#### TPD Section G

##### 3.9.1

Transporters will send a report monthly to each Shipper

- a) The report will list MPRNs which are in the Shippers ownership and those where the shipper has withdrawn from the site but was the registered shipper when the meter was removed.
- b) The report will also contain addresses where the meter was notified as being disconnected six months prior to the date of the report and is show as not being on the Supply Point Register.

##### 3.9.2

The report that is submitted to the Shippers shall indicate if there has been any activity at the site and will indicate if there is a Supply Meter connected to the Transporters network.

##### 3.9.3

The Shippers will investigate the report that they are given.

##### 3.9.4

If the Shipper determines that a Meter is connected to the Transporters System and is capable of passing gas the they will confirm the and register the Supply Point and update the meter details on the Supply Point Register.

##### 3.9.5



If the Shipper determines that the address details on the Supply Point Register are not accurate then they will update the address details using the current file flow process that exists.

#### 3.9.6

Updates that need to be made to the Supply Point Register by the Shippers will be made within 9 months of the meter disconnection at the site.

#### 3.9.7

Unique Sites, NTS Directly Connected Sites and Shared Supply Points are not included in the reports that are submitted to the Shippers.

### Text

The following Text has been prepared by Scotia Gas Networks, and no issues were raised by the Workgroup regarding its content.

## **SECTION G – SUPPLY POINTS<sup>2</sup>**

### **To be inserted as a new paragraph 3.9**

#### **3**

#### **3.9 Shipper User verification of Meter removals**

3.9.1 Transporters shall send a report (**Supply Meter Removal Report**) to each Shipper User each calendar month showing:

- (a) Supply Meter Point Reference Numbers which are in the Shipper User's ownership and those where the Shipper User has withdrawn from the Supply Point but were in the Shipper Users' ownership at the date of Supply Meter Point removal; and
- (b) Addresses of Supply Meter Points where a Supply Meter was notified to the Transporter as being removed in the calendar month, six months prior to the date of the report and no other Supply Meter has since been installed according to the Meter Information held on the Supply Point Register.

3.9.2 The Supply Meter Disconnection Report shall indicate whether each Supply Meter Point has had any activity on the Supply Point Register associated with it which may indicate that there is a Supply Meter installed.

3.9.3 Shipper Users shall scrutinise the Supply Meter Disconnection Report ("**Scrutineering**").

3.9.4 If, following Scrutineering, the Shipper User determines that a Supply Meter is installed and capable of flowing gas and has been installed by one of their contracted parties: the Shipper User shall:

- (a) register the Supply Point; and
- (b) update the Meter Information on the Supply Point Register.

3.9.5 If following Scrutineering the Shipper User determines that address details on the Supply Meter Disconnection Report are not accurate, they shall update the address details on the Supply Point Register for each Supply Meter Point Reference Number which is recorded inaccurately.

---

<sup>2</sup> Implementation of modifications 0477 effective 06:00hrs on 07/11/2014, will amend this document in whole or in part & Implementation of modifications 0432 and 0434 effective 05:00hrs on 01/10/2015 and Implementation of modification 0440 effective 05:00hrs on 01/10/2015 will amend this document in whole or in part.

- 3.9.6 Any updates made under paragraphs 3.9.4 and 3.9.5 shall be made within 9 months of the date of the removal of the Supply Meter.
- 3.9.7 NTS Exit Points and Shared Supply Meter Points are excluded from the process set out in this paragraph 3.9.

## 8 Consultation Responses

Of the 6 representations received implementation was unanimously supported.

Representations were received from the following parties:

Organisation	Response	Relevant Objectives	Key Points
British Gas Trading	Support	d) - none f) - positive	<ul style="list-style-type: none"> <li>• Anticipates that the report will act as an early warning mechanism for shippers in the event that a meter removal notification is found to be incorrect.</li> <li>• See this as ensuring industry data is updated in a timely manner to the benefit of all industry parties whilst potentially reducing costs.</li> <li>• Has the potential to reduce unnecessary Transporter gas safety visits, when the meter remains in situ.</li> <li>• Support self-governance status.</li> <li>• Satisfied that the legal text is fit for purpose.</li> </ul>
EDF Energy	Support	d) - positive f) - positive	<ul style="list-style-type: none"> <li>• Agrees that enhanced metering data quality is key to the change of Supplier process for customers.</li> <li>• Believes that the modification will provide Shipper Users with a greater opportunity to improve the accuracy of meter information held within the Supply Point Register.</li> <li>• Potential for minimising the number of erroneous transfers of shipperless sites.</li> <li>• Support self-governance status.</li> <li>• It is appropriate that the implementation date is agreed and communicated following discussions at the UNCC, once the revised Project Nexus Implementation Date has been agreed</li> <li>• Satisfied that the legal text delivers the intent of the modification solution.</li> </ul>
National Grid Distribution	Support	d) - positive f) - positive	<ul style="list-style-type: none"> <li>• Believes that the modification potentially addresses process inefficiencies whereby Transporters carry out site visits to properties to satisfy the previous Gas Suppliers GS(I&amp;U)R requirements simply as a result of an erroneous Supply Meter Point Isolation file flow, or where a Shipper User has carried out an incomplete meter exchange notification.</li> <li>• Believes that the modification provides Shipper Users with an opportunity to scrutinise their respective list of</li> </ul>

			<p>meter removals and validate the presence of a Supply Meter on site.</p> <ul style="list-style-type: none"> <li>• Believes that the modification mitigates the likelihood of unnecessary Transporter site visits, thereby avoiding inconvenience for gas customers and parties incurring avoidable costs.</li> <li>• Support self-governance status.</li> <li>• Supports the proposed implementation date.</li> <li>• Supports the impacts and funding statement within the Draft Modification Report.</li> <li>• Is concerned that there are a number of erroneous terms used within the legal text, which should be amended before the text is inserted into Code.</li> </ul>
RWE npower	Support	d) - positive f) - positive	<ul style="list-style-type: none"> <li>• Believes that provision of the report will allow Shippers to review a summary of meter points that have been removed and correct any false notifications that the report might contain.</li> <li>• Considers that this will provide a mechanism that allows Shippers an opportunity to carry out internal data checks to ensure they are content with the information held, and where appropriate, resolve any discrepancies.</li> <li>• Agrees that implementation would help to improve industry wide data quality, which in turn should reduce industry costs.</li> <li>• Support self-governance status.</li> <li>• Believe that the modification should be implemented once the Xoserve system changes needed to generate the report have been completed.</li> <li>• Are satisfied with the legal text.</li> </ul>
Scotia Gas Networks	Support	d) - positive f) - positive	<ul style="list-style-type: none"> <li>• Believes that the new report will provide Shippers with visibility of a meter removal that would then allow them to check their own systems in advance of the Transporter carrying out a site visit that could result in them incurring site visit charges.</li> <li>• Believes the modification should help to eliminate unnecessary site visits and associated industry costs whilst also improving industry data.</li> <li>• Support self-governance status on the grounds that the modification has no impact on customers or competition.</li> <li>• Believes that the modification should be implemented as soon as possible after the Xoserve system changes</li> </ul>

			<p>needed to generate the report have been completed.</p> <ul style="list-style-type: none"> <li>• Are satisfied with the legal text.</li> </ul>
Wales & West Utilities	Support	f) - positive	<ul style="list-style-type: none"> <li>• Supports the modification on the grounds that it will help to cleanse the data before downloading the GSR extract from the Xoserve system which is typically 9 months after the meter has been recorded as being removed, which potentially reduces Transporter's manual workload and associated costs.</li> <li>• Recognises that implementation of the modification would introduce a report that Shippers would receive 6 months after notification that a meter had been removed has been recorded in the Xoserve system, which should work towards reducing unnecessary work for Transporters whilst giving Shippers and opportunity to avoid costs incurred under UNC TPD Section G3.7 provisions.</li> <li>• Support self-governance status on the grounds that the modification has no impact on customers or competition.</li> <li>• Believe that the modification should be implemented as soon as possible after the Xoserve system changes needed to generate the report have been completed, but also note that this will be after the Project Nexus Implementation Date.</li> <li>• Highlights a typographical error within the legal text.</li> </ul>

Representations are published alongside the Final Modification Report.

## 9 Panel Discussions

## 10 Recommendation

### Panel Recommendation

Having considered the Modification Report, the Panel determined:

- that proposed self-governance Modification 0518S should/should not be made.