

PN UNC 12 April 2016

Estimation Options for Missing NDM Reads to support Mod 0576

Background

- Additional Reads are required for transition to new UKLink (SAP) for the following situations:
 - Historic re-confirmations with the same Shipper
 - Line in the Sand 1 April 2013
- Modification 0576: 'Generation of an estimated Meter Reading at the Code Cut Off Date in the absence of an actual Meter Reading' has been raised to permit Transporter to estimate reads
- A number of options are available for read estimation......



Options for Read Estimation 1 of 3

- Current NDM Read Estimation (UNC H2.2.2)
 - Daily demand = (AQ/365) x ALP
 - Takes no account of actual weather
 - Works forwards from previous read
 - Takes no account of next meter read
 - Risk that next read generates negative consumption
- Future NDM Read Estimation from Project Nexus Implementation Date (revised UNC H2.2.1)
 - Uses NDM Demand Estimation formula: = (AQ/365) x ALP x (1+(DAF x WCF))
 - Takes account of actual weather
 - Works forwards from previous read
 - Takes no account of next meter read
 - Risk that next read generates negative consumption



Options for Read Estimation 2 of 3

- Alternative approach 1:
 - Where available use next UKLink read and apportion difference between reads using Weather Adjusted Annual Load Profiles – mirrors Demand Estimation
 - Takes account of actual weather
 - Uses reads either side of target date
 - No risk that next read generates negative consumption
 - Not available in all scenarios

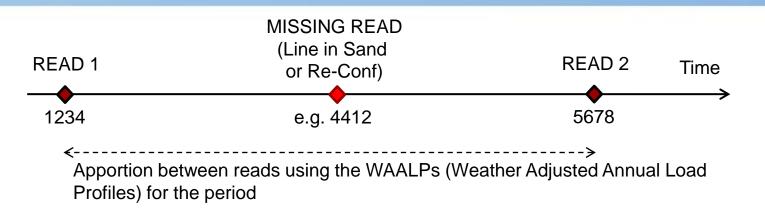


Options for Read Estimation 3 of 3

- Alternative approach 2:
 - Where no later read visible in UKLink, check for later Shipper reads submitted in AQ amendment window
 - Use next available AQ Review read and apportion difference in reads using Weather Adjusted Annual Load Profiles – as previous
 - Takes account of actual weather
 - Uses reads either side of target date
 - No risk that next read generates negative consumption
 - Not available in all scenarios



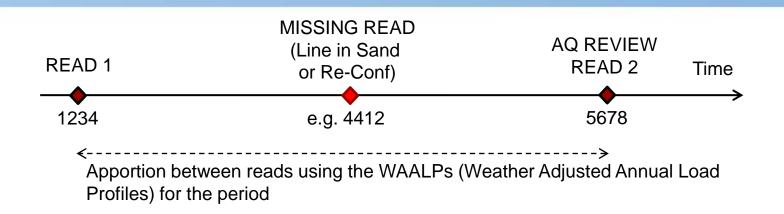
Scenario 1 – Earlier and Later Reads Available



- Where read 1 is higher than read 2, estimated read will be between the 2
- Uses reads to estimate, not prevailing consumption, ignores consumption adjustments
- Uses WAALPs based on EUC at end of read period
- Does not need to reference AQ or full meter asset details



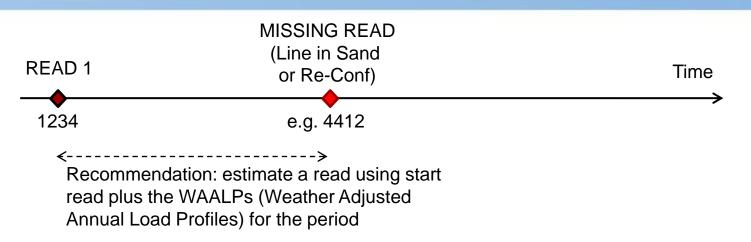
Scenario 2 – Later AQ Review Read Available



- Either read 1 or read 2 (or both) could be AQ Amendment reads
- Estimates a read from 2 reads either side
- Does not use prevailing consumption, ignores consumption adjustments
- Uses WAALPs based on EUC at end of read period
- Does not need to reference AQ or full meter asset details.



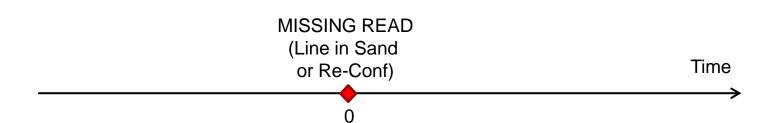
Scenario 3 – No Later Reads Available



- Estimates forward from a previous read
- Recommend using WAALPs rather than ALPs for better accuracy for most sites
- Needs to reference AQ and full meter asset details for the relevant period
- Next actual read could create a negative consumption



Scenario 4 – No Read History



- No read history no meter installation read
- No AQ Amendment reads
- Recommend loading a 0 read no better information available can be replaced by Shipper at a later date



Summary Recommendations

- Where reads need to be estimated, apply the following hierarchy of estimation approaches:
 - 1. Approach 1 estimate between two UKLink Reads, if available
 - Otherwise Approach 2 estimate using UKLink Reads plus AQ amendment reads as start/end/both, if available
 - 3. Otherwise estimate forwards from last available UKLink read using post-Nexus estimation rules (using Weather Adjustment)
 - Otherwise where no read history is present at all, insert zero read

