

# Business Requirements Definition

for

## Project Nexus

Submitted to

## Project Nexus Workgroup Reconciliation

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## 1. Glossary

Term / Acronym	Definition
Allocation Scaling Adjustment	Methodology for sharing out un-allocated energy to Shippers after the gas day
CV	Caloric Value
<a href="#">Drift</a>	<a href="#">Meter readings which are derived by reading equipment have the capacity for the derived read to drift from the actual reading on the meter.</a>
Estimates between Actuals	A period of estimate read(s) followed by an actual read. Reconciliation is performed by way of deriving better estimated reads once actual consumption is known.
<a href="#">Failure to Obtain Check Read</a>	<a href="#">Where a Check Read has not been submitted by the Shipper the GT will use reasonable endeavours to carry out a Check Read.</a>
Resynchronise / Resynchronisation / Resynch	Where the on-site data recording equipment is out of sync with the Meter (or Corrector), a 'Resynchronise' of the equipment is carried out to ensure it displays the same as the meter. The difference between the equipment and Meter (or Corrector) prior to resynchronisation, known as 'drift', is the value reconciled.
Reconciliation Factors	The ratio of actual energy to original energy (allocated or estimated) for a day
SAP	System Average Price

## 2. Document Purpose

The purpose of this document is to ensure that the business requirements associated with the referenced change have been accurately captured and to clearly specify these requirements to the Project Nexus Reconciliation Workgroup and Project Nexus UNC Workgroup (PN UNC). Adequate information should be provided to enable the industry to approve the documented requirements for Cost benefit Analysis at a later stage.

The contents refer to the business scope of the change and provide descriptions of the business requirements and the relevant existing and future process maps.

This version of the document contains draft business rules for the different options identified by the Reconciliation Workgroup regarding reconciliation processes. These options have been documented for further discussion and clarification at the Workgroup.

### 2.1. Intended Audience

- Xoserve
- Gas Shippers/Suppliers
- Gas Transporters
- Customer Representative

### 3. Executive Summary

#### 3.1 Introduction to the change

This document defines the processes for the reconciliation of energy and transportation commodity charges ~~for all [directly connected gas meter points]~~ for gas supply meter points..

The document has been based on presentations and discussions at the Project Nexus Reconciliation Workgroup and considering the high level principles agreed at the Reconciliation Principle Workgroup in April 2010. The options have been documented for further discussion and clarification. All areas within the document are yet to be agreed and finalised.

All square brackets: [ ] represent areas for clarification which must be resolved by the Workgroup prior to the business rules being finalised.

#### 3.2 Implementation Timescales

Implementation of the developed solution will be confirmed once all requirements are captured following the Project Nexus Requirements Definition Phase.

#### 3.3 Change Drivers and Business Goals

##### 3.3.1 Drivers

The drivers detailed below are those identified by the Reconciliation Workgroup for the reconciliation of energy and commodity charges;

- To reconcile all MPRN's using actual reads
- To remove the requirement of aggregate reconciliation for Smaller Supply Points (SSP)
- Remove the need for a 'Filter Failure' type process
- Introduce appropriate incentives on Shippers to submit quality reads
- Increase transparency
- Improve accuracy of Shipper costs

##### 3.3.2 Business Goals

To develop a robust regime for the individual reconciliation of energy and commodity for all gas Meter Points.

## 3.4 Change Background

The changes have been identified as a result of Xoserve's Project Nexus consultation for the replacement of UKLink systems and following DECC's consultation on Smart metering and Supplier licence obligation for the installation of advanced meters.

### 3.4.1 Areas Identified in the Initial Requirements Register (IRR)

- Increase scope of individual meter point reconciliation
- Improved filter failures system.
- A review of industry processes for validating invoice charges, support the proposed change to energy validation by amending the USRV filter from a TRE filter to a ZRE filter.

### 3.4.2 Business Issues Raised during the Workgroups

The following issues were raised during the reconciliation workgroups.

- RbD does not incentivise Shippers to submit reads for SSPs as the reads are not used for reconciliation purposes
- Unallocated energy is borne by the SSP market which is a risk for SSP Shippers due to the unknown volume of energy.
- RbD provides Shippers with limited flexibility
- RbD does not provide transparency
- USRVs do not necessarily incentivise Shippers to improve the quality of the read and asset information.

### 3.4.23.4.3 UNC Impacts

### 3.4.33.4.4 UNC Process Impacts

### 3.4.43.4.5 Licence Impacts

### 3.4.53.4.6 Interaction with Project Nexus High Level Principles

During the Project Nexus Principle Workgroup the following high level principles were agreed for the reconciliation of energy and transportation charges;

- Preferred option was daily settlement for all sites based on actual daily consumption with reconciliation as an exception process
  - This is still a longer term aspiration for some participants
- Alternative was for daily or periodic reconciliation
- Aspiration to reduce/remove Filter Failures
- Proposal to apply rollover tolerance to reconciliations

The requirements described in this document are aligned to the 'Alternative Approach' from the High Level Principles agreed and the workgroup and are consistent with the requirements from the Settlement Workgroup.

### 3.5 Related Documents

Document Title	Location
Reconciliation Principles Workgroup Report (19/05/2010)	Joint Office Website
<a href="#">PN UNC Reconciliation Workgroup</a>	<a href="#">Joint Office Website</a>

INITIAL DRAFT

## **4. Benefits**

These will need to be aligned with the Transporters relevant objectives.

### **4.1 Industry Benefits**

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## 5. Change Scope

### 5.1 In Scope

#### Function:

- Calculation of reconciliation energy
  - Periodic reconciliation
  - Daily reconciliation
- Methodology for adjustment/re-apportionment of un-allocated energy following reconciliation
- Transportation rates applied to the reconciliation quantity
- Calculation of reconciliation charges
- Validation of reconciliation values (Filter Failures)
- Reconciliation rollover tolerances
- Treatment of reconciliation following a re-synchronisation
- Reconciliation close-out
- [Re-reconciliation](#)

#### Market Sector:

- All directly connected supply points including Prime and Sub meters
- Daily Metered CSEPs ([iGT sites above the DM Mandatory threshold](#))
- [NTS Sites](#)
- [NDM CSEPs \[aspiration for new reconciliation rules to apply to NDM CSEPs\]](#)

### 5.2 Out of Scope

#### Function:

- Any other transportation invoice or process not included as in-scope
- For clarity the calculation of energy and the allocation methodology is out of scope as this process will be documented in the Settlement Workgroup.
- Retrospective Updates including updates to meter reads after GFD+5
- ~~Preparation, production, issue and timing of the reconciliation invoice~~
- 

#### Market Sector:

- ~~Non daily metered CSEP sites~~

# Detailed Requirements Analysis

## 6. Assumptions and Concerns

### 6.1 Assumptions

- The business rules will need to be appropriate for dumb metered sites as well as remotely read sites
- Shippers will submit validated meter readings
- Continual monitoring to take place of SMIP developments to ensure alignment with parties obligations and DCC services
- AUGE role [and or methodology](#) may require amending via a Modification following approval of these business requirements.
- The processes described in the Settlement workgroups are approved
- Reconciliation is performed at meter point level
- Reconciliation includes energy and commodity charges.
- ~~Reconciliation will not be triggered by a Shipper estimated read unless the estimate is a transfer read~~
- Only those reads that have passed the GT validations will be used for the purposes of reconciliation.
- [All estimated reads will be calculated using a standard methodology, these are described in the 'Meter Read Submission and Processing and Settlement BRD'](#).
- [These rules will also apply to NDM CSEP sites, subject to the appropriate industry governance.](#)
- [There will continue to be Prime & Sub deduct meters.](#)

### 6.2 Dependencies

- ~~—~~ The processes described within the Settlement Workgroup are unchanged
- Approval of the requirements by PN UNC
- Approval by Ofgem following the appropriate UNC Modification process

### 6.3 Risks

- Not all Shippers/Suppliers attend the Workgroups or are represented therefore there may be opposition to any potential Modifications raised.

### 6.4 Issues

-

**6.5 Constraints**



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**7. Overview of Business Processes**

**7.1 Current Processes and Process Maps**

**7.2 To-Be Processes and Process Maps**

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## 8. Business Requirements

Throughout this section reference is made to four new processes designed in the Project Nexus Settlement Workgroup for the submission and processing of meter readings and settlement arrangements. These four future state processes are summarised below;

- Process 1, 'Daily Metered Time Critical'
  - Daily reads obtained and submitted to the GT daily before 10.00 am.
  - Actual or estimated reads may be submitted by the Shipper
  - The latest read loaded will be used for allocation and energy balancing purposes.
- Process 2, 'Daily Metered Not Time Critical'
  - Daily reads obtained and submitted to the GT daily.
  - If the reads are submitted before 10.00 am they will be used for allocation purposes otherwise a read must be received before end of the GFD+1.
  - Actual or estimated reads may be submitted by the Shipper
  - The latest read loaded will be used for final allocation and energy balancing purposes.
- Process 3, 'Batched Daily Readings'
  - Daily readings are obtained for each day but are not submitted daily
  - The daily reads are received in batches to a pre-notified frequency
  - Actual or estimated reads may be submitted within the batch by the Shipper
  - Reconciliation will be carried out daily based on the reads received
  - Allocation and energy balancing is based on the estimate calculated by the GT.
- Process 4; 'Periodic Readings'
  - An actual meter reading is submitted periodically.
  - Reconciliation is carried out using the methodology determined within the Reconciliation Workgroup
  - Allocation and energy balancing is based on the estimate calculated by the GT.

### 8.1 General Reconciliation Principles

8.1.1 Reconciliation charges for the difference between original (initial) daily energy measurements and actual measurements based on a meter reading.

8.1.2 Re-reconciliation charges for the difference between the latest measurements (reads) not the original.

8.1.3 Reconciliation charge can be a positive or a negative value

8.1.4 Each individual reconciliation will consist of;

- An energy charge calculated using daily CV values and daily SAP process for each day in the reconciliation period

- Transportation commodity charges calculated using the relevant price(s) for each gas day in the rec period. Transportation commodity includes NTS Exit Commodity and LDZ Commodity (and / or any new commodity charge introduced in the future).
- 8.1.5 In exceptional circumstances, for example due to unusual trends in SAP prices, a reconciliation with [a](#) positive energy quantity may have a negative energy financial value or vice versa.
- 8.1.6 Meter reads that will trigger a reconciliation are;
- Actual meter reading (including derived reads)
  - Customer reading
  - Read obtained from a 'Must Read'
  - Transfer read, either estimated or actual [or a Shipper Agreed Read \(SAR\)](#)
  - Check Read
  - [Estimated reads where stated \(see 8.1.7\)](#)
- 8.1.7 Meter reads that will not trigger a reconciliation are;
- Shipper estimated reads except an estimated transfer read or an estimated read received within a batch of reads for process 3
  - GT estimated reads except an estimated transfer reads

## 8.2 Periodic Reconciliation

Periodic reconciliation is designed for sites within Process 4: 'Periodic Readings' where an actual meter reading is submitted periodically to the GT for the purposes of reconciliation.

Periodic reconciliation will use the same principles and methodology as the existing NDM LSP Reconciliation principles (TPD Section E6.2) which is summarised below.

- 8.2.1 On receipt of a valid reading the GT will perform reconciliation for each gas day ~~from~~since the [date of the preceding reconciliation reading](#)~~last read date~~ [or the transfer reading where applicable](#) up to and including the date of the current ~~reading~~reading.
- 8.2.2 Reconciliation process compares the energy offtaken using the actual meter reads to the estimated energy allocated by the GT.
- 8.2.3 The reconciled energy is apportioned using the same 'profile' as the allocation model (see Figure 1 & 2)
- 8.2.4 Reconciliation quantities will be calculated as follows;

- Calculate a Reconciliation Factor (RF) for the period as Actual Volume/ Allocated Volume.
- Calculate daily actual volume as RF x Allocated Volume.
- Daily Reconciliation volume = daily actual – daily allocated volume.

8.2.5 Reconciliation is performed at meter point level, not aggregated.

### 8.3 Daily Reconciliation

Daily reconciliation is designed for Processes 1 & 2 where daily reads are submitted to the GT before close out (GFD+5) and process 3 sites to apportion energy across missing days. The trigger and treatment of reconciliation is different for Process 3 sites: 'Batched Daily Readings' where a batch of daily reads are submitted, this is described in Section 8.4. This section will describe the process for reconciliation of energy for the following scenarios where reconciliation involves the apportionment of energy across days;

- Receipt of a Shipper meter reading following a GT estimated reading (Processes 1 & 2) after GFD+5
- Estimated reads between actual reads after GDF+5
- For missing read days (either a read has not been submitted for a day or the read has been rejected) following receipt of a batch of reads (Process 3 only).

8.3.1 On receipt of a valid reading the GT will perform reconciliation for each gas day since the last read date up to and including the date of the current reading

8.3.2 Reconciliation process compares the energy offtaken using the actual meter reads to the estimated energy allocated.

8.3.3 The reconciled energy is apportioned using the same 'profile' as the allocation model (see Figure 2).

8.3.4 Reconciliation quantities will be calculated as follows;

- Calculate daily actual volume as RF x Allocated Volume.
- Daily Reconciliation volume = daily actual – daily allocated volume.

### 8.4 Daily Reconciliation for Process 3: Batched Daily Readings

Process 3 sites are allocated energy daily by the GT. The Shipper will submit a batch of daily reads, actual or estimated, to the GT for reconciliation purposes.

This section describes the treatment of the reconciliation of energy using the daily reads received and reconciling to the daily energy allocated by the GT.

- 8.4.1 For each valid read (actual or estimate) submitted to the GT within a batch of reads, the energy will be compared to the energy estimated by the GT for the day (GFD).
- 8.4.2 The difference, positive or negative, will be used to calculate the reconciliation value for each day.
- 8.4.3 Reconciliation quantities will be calculated as follows;
  - ~~Calculate daily actual volume as RF x Allocated Volume.~~
  - Daily Reconciliation volume = daily actual – daily allocated volume

## 8.5 Reconciliation following a Re-synch

As a result of a Check Read where equipment is fitted to the meter that derives the reads via pulses from the meter, there will be a requirement for a periodic resynchronisation to be carried out to align the read on the equipment with the read on the meter. Any variance in the reads is known as 'drift'. This section describes the methodology to attribute the drift to the relevant period of the drift, that is between the last re-synch read (or when the equipment was installed) to the ~~current~~<sup>latest</sup> re-synch read. A re-synch can be carried out at any time.

8.5.1 The drift is apportioned using the same 'profile' as the allocation model; ~~(see Figure 1 & 2).~~the energy is apportioned in line with the original (or latest reconciled) value of recorded energy. (see Figure 1 & 2).

8.5.2 This methodology will be applied to all sites where drift has been identified following a re-synchronisation.

8.5.3 Where there has been a change of Shipper during the re-synch period the energy from the drift will be attributed to the Incoming Shipper from the transfer date as per existing UNC rules (see Figure 3). Existing processes between Shippers outside of UNC will continue to apply to agree any energy and charges owing pre transfer of ownership.

~~8.5.18.5.4~~ 8.5.4 Reconciliation quantities will be calculated as follows;

- Calculate a Reconciliation Factor (RF) for the period as Actual Volume/ Allocated Volume.
- Calculate daily actual volume as RF x Allocated Volume.
- Daily Reconciliation volume = daily actual – daily allocated volume.

8.5.5 Where the reconciliation volume is equal to or less than – possible options:

- [1] kWh or less per day.
- [1%] per day
- 100,000 kWh in total (as per UNC M4.7.4)



- Less than a kWh value based on the Meter Point AQ, as per the table below (UNC M4.7.4):

Meter Point AQ band (kWh)	Reconciliation Volume (kWh)
0 – 732,000	N/A
732,001 – 2,196,000	10,000
2,196,001 – 5,860,000	20,000
5,860,001 – 14,650,000	40,000
14,650,001 – 29,300,000	60,000
29,300,001 – 58,600,000	80,000
>58,600,000	N/A

The energy will be – possible options:

- Energy is discarded and not invoiced. The read will still be flagged as a Check Read and notification issued to the Shipper of the reconciliation value.
- The energy is added onto the next days reading. The read will be flagged as a Check Read. The energy is billed for the re-synch day using that day's SAP and transportation rates.
- The energy will be held and rolled over onto the next Reconciliation. The read will be flagged as a Check Read.

8.5.6 Where a Check Read is received from the GT following a 'Failure to Obtain Check Read' scenario the treatment of the drift will be as per this section 8.5. Note: the obligations and timing of this will be covered under the 'Settlement Workgroup' and documented in the Settlement BRD.

Figure 1

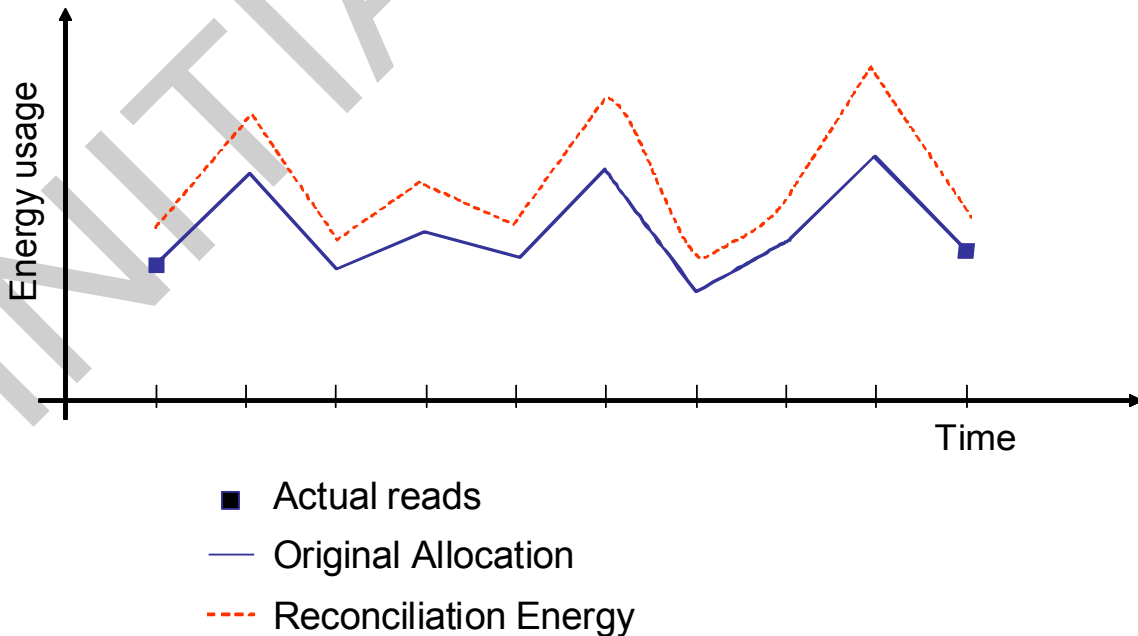


Figure 2

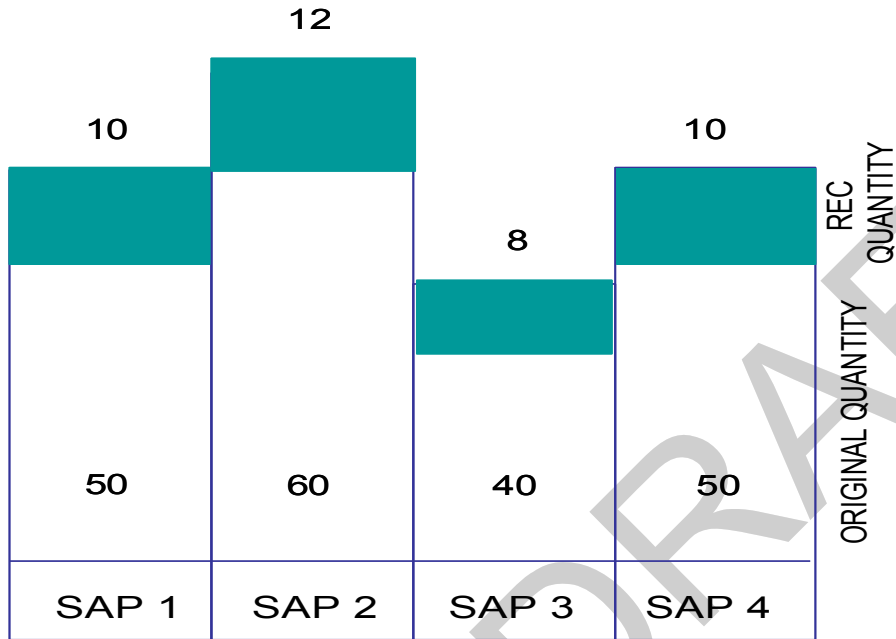
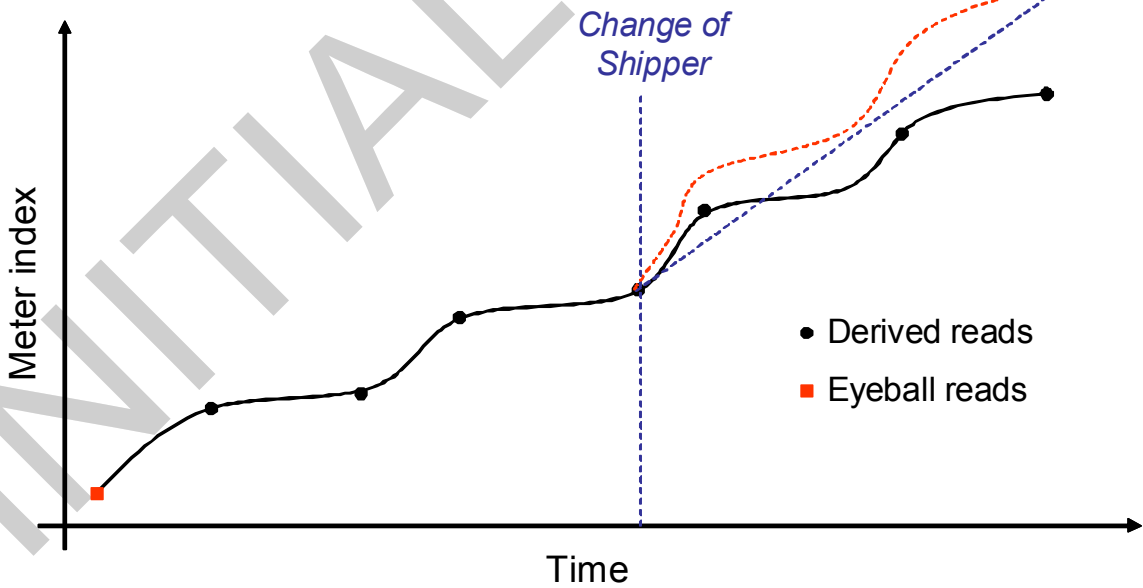


Figure 3



### 8.6 Re-Reconciliation

A re-reconciliation would be triggered following receipt of a read(s) after a previous read has already been processed for the same day/period and reconciled.

8.6.1 The methodology applied would be the same as the process applied for the original reconciliation except;

8.6.2 The process would use the previously reconciled read to carry out the re-reconciliation not the original read.

8.6.3 The reconciliation period could be for a longer period than the original reconciliation.

~~8.6.2~~—The circumstances of when a re-reconciliation will occur will be covered under the Retrospective Updates Workgroup and documented in the Retrospective Updates BRD.

8.6.4

**8.7 ~~Reconciliation Neutrality~~ ('Reconciliation Scaling Adjustment'?) (Smear)**

The 'Allocation Scaling Adjustment' shares out unallocated energy each day to Shippers based on their portfolio and in proportion to the initial allocations. Reconciliation changes the amount of unallocated energy, either increase or de-creases the value therefore a further sharing out of the energy following a reconciliation must take place in order to balance to the total LDZ energy offtaken. The Reconciliation Scaling Adjustment therefore amends the share of unallocated energy to Shippers.

8.7.1 Following a reconciliation calculation and its inclusion on an invoice, the value of un-allocated energy is re-calculated and shared between Shippers.

8.7.2 The value can be a positive or a negative value.

8.7.3 The recalculation of unallocated energy is calculated as – possible options;

- monthly and will be based on the latest measurements at the time of the calculation (see Figure 3)

Or

- The recalculation of unallocated energy is calculated monthly and will be based on the initial measurements (see Figure 4)

8.7.4 The ~~adjustment share~~ is billed - possible options;

- at LDZ and Shipper level and applies to all sites within the LDZ

Or

- ~~The share is billed~~ at Shipper level and based on their market share at the time of calculation

~~8.7.38.7.5~~ The transportation charges applied will be be – possible (options);

- use industry average rate of transportation or
- calculate a Shipper specific rate based on their portfolio or

- only charge for energy
- Total net of all the reconciliation's for the month, divide it by the average sum of all the LDZ UDQOs for the month and re-charge it out to each shipper as p / kWh of UDQO based on the shippers average monthly UDQO-

Figure 3

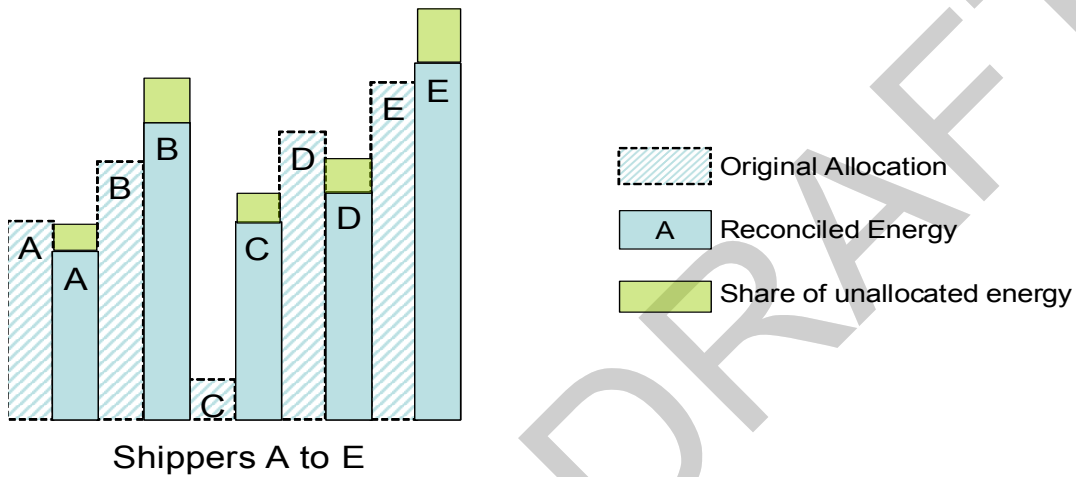
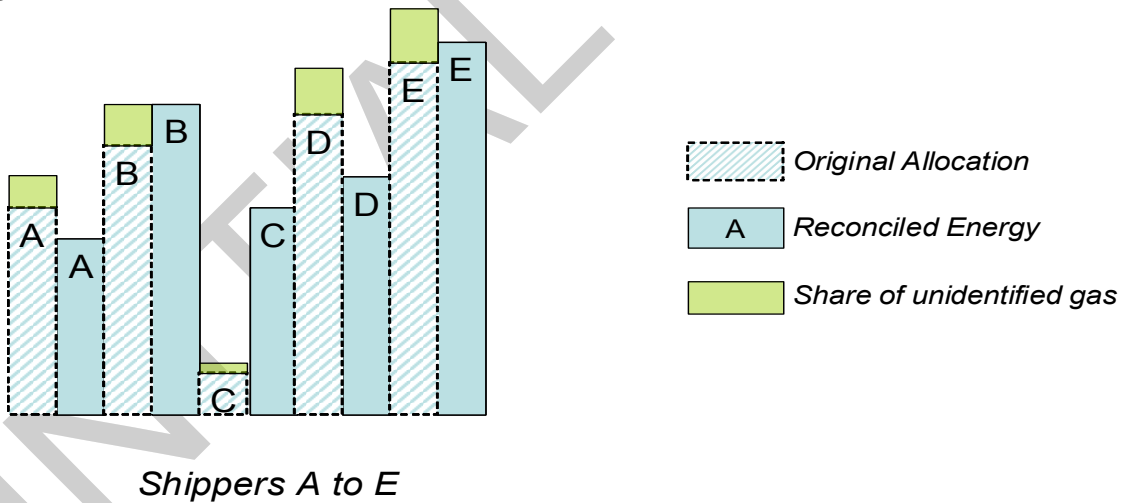


Figure 4



### 8.8 Validation of Reconciliation Values (Filter Failures)

This process **suppresses / rejects** values which fail a tolerance in order to ensure potentially erroneous reconciliation charges, debit or credit, are not invoiced. This protects both the individual Shipper from large erroneous values and the industry from the opposite impacts of the erroneous value through the 'Reconciliation Scaling Adjustment'.

8.8.1 At read receipt ~~validations will be a tolerance check is~~ carried out by the GT on the read. The details of the validations on the read are covered under the Settlement BRD.

~~8.8.2A further check is performed following calculation of the reconciliation charge prior to invoice submission. The tolerance is based on the reconciliation energy calculated from the read~~

~~8.8.38.2 Only applies to reads received which would create a reconciliation.~~

~~8.8.48.3 The check is based on a tolerance by a AQ band as detailed in the table below; The tolerances are detailed below;~~

Lower AQ band	Upper AQ band	Tolerance
0	73,200	Rec energy + or - XY% x AQ / read period
73,201	732,000	Rec energy + or - XY% x AQ / read period
732,001	5,860,000	Rec energy + or - XY% x AQ / read period
5,860,001	29,300,000	Rec energy + or - XY% x AQ / read period
29,300,001	and above	Rec energy + or - XY% x AQ / read period

~~8.8.5A further check performed following calculation of the reconciliation charge prior to invoice submission.~~

~~8.8.6The check is based on the monetary value of the charge.~~

## 8.9 Rollover Tolerances

Where low value reconciliation values are calculated these are not invoiced but rolled over until the total balance exceeds a tolerance.

8.9.1 All reconciliation charges are invoiced, none are rolled over.

Or

8.9.2 The tolerance is applied to an energy value / charge value

8.9.3 The parameter is set by the value / AQ band

8.9.4 After [12 months/last reconciliation invoice for the financial year] all charges accrued are invoiced no matter what the net value is.

## 8.10 Reconciliation ‘Line in the Sand’

A reconciliation period will not go back further than ~~[3] years from the date of the reconciliation reading~~ the current ‘Line in the Sand’ principles as per UNC.

## 8.11 Reconciliation Communication

The read communication will include, but is not limited to, the following data items; [The following data has been taken from the current reconciliation file formats;](#)

### 8.11.1 Primary Reconciliation Record (i.e. first instance in file)

- [Meter Point Reference](#)
- [Confirmation Number](#)
- [Shipper provided reference number \(if applicable\)](#)
- [Meter Serial Number](#)
- [Meter details:](#)
  - [Meter model](#)
  - [Number of dials](#)
  - [Correction factor](#)
  - [Read factor](#)
- [Converter details](#)
  - [Where applicable, same details as for meter](#)
- [Start meter read: date, reason and reading](#)
- [End meter read: date, reason, type and reading](#)
- [End meter read reference \(system generated\)](#)
- [Converter start and end reads](#)
- [Volume consumed \(m<sup>3</sup>\)](#)
- [Variance period start date](#)
- [Variance period end date and reason](#)
- [Allocated volume – m<sup>3</sup> \(for variance period\)](#)
- [Allocated energy – kWh \(for variance period\)](#)
- [Actual energy – kWh \(for variance period\)](#)
- [Reconciliation quantity \(kWh\)](#)
- [Through the zeros count \(“round the clock indicator”\)](#)
- [LDZ](#)
- [Meter point AQ, SOQ, EUC \(for variance period\)](#)
- [Charge type](#)
- [Amount \(£\)](#)
- [Invoice number](#)
- [Charge status](#)
- [Current month indicator](#)
- [Original read reference, previous invoice number and amount \(re-recs and adjustments only\)](#)

### 8.11.2 Subsidiary Reconciliation Records (second and subsequent records)

- [Meter Point Reference](#)
- [Confirmation Number](#)
- [Shipper provided reference number \(if applicable\)](#)
- [Meter Serial Number](#)

- End meter read reference (system generated)
- Variance period start date
- Variance period end date and reason
- LDZ
- Charge type
- Amount (£)
- Invoice number
- Charge status
- Current month indicator

#### 8.11.3 DM Reconciliation Records

- Meter Point Reference
- Confirmation Number
- Charge date
- Original quantity (kWh)
- New quantity (kWh)
- Reconciliation quantity (kWh)
- LDZ
- Charge rate
- Charge type
- Amount (£)
- Invoice number
- Charge status

#### 8.11.4 Reconciliation Neutrality Charges (based on RbD records)

- Charge month
- LDZ
- Reconciliation source/sector (if applicable)
- Charge type
- Quantity (kWh)
- Amount (£)
- Total LDZ [UDQOs]
- Shipper LDZ [UDQOs]
- Shipper % share
- Reconciliation neutrality quantity (kWh)
- Reconciliation neutrality amount (£) – for each charge type if applicable

## **9. Transitional Rules**

Transitional rules are required to deal with the period immediately before and after the implementation of these rules.

### **9.1 Meter Point reconciliation for Smaller Supply Points**

- 9.1.1 After the implementation date, Smaller Supply Points will be subject to meter point reconciliation.
- 9.1.2 The first reconciliation will be treated consistently with existing UNC rules which apply when an SSP moves to LSP and becomes subject to Meter Point rec.
- 9.1.3 The first meter read submitted after the implementation date will trigger a reconciliation back to the previous valid (billable) meter reading.
- 9.1.4 Only the portion relating to days on and after the implementation date will be issued on a reconciliation invoice.
- 9.1.5 The reconciliation will be divided into two variances and the first variance will be treated as being subject to RbD.

### **9.2 Reconciliation by Difference**

- 9.2.1 After the implementation date, Smaller Supply Points will be subject to meter point reconciliation and not RbD. However, for days prior to the implementation date, RbD will still apply.
- 9.2.2 LSP reconciliations for days prior to the Implementation date will be calculated as normal and the opposite energy amount processed via RbD.
- 9.2.3 It will therefore take a further 12 billing months for the last RbD charges to be processed. Therefore for a transitional period, both meter point reconciliation and RbD charges will be issued for Smaller Supply Points on Reconciliation invoices.

### **9.3 Transitional Resynchronisation Rules**

#### **9.3.1 Process 1-3 sites**

- After the implementation date, sites in Processes 1-3 will supply daily reads (either within or after D+5). Where the reads are derived from the meter reading equipment rather than taken directly from the index of the meter, there will be an opportunity for drift to arise. Transitional rules are required to ensure that differences arising on the first resynchronisation are treated equitably.



- Sites which were previously daily metered – at the first resynchronisation after the implementation date, treat the resynch energy (if significant) as arising over the period back to the last DM resynch or last Shipper transfer if later.
- Sites which were previously NDM – can only be converted to process 1, 2 or 3 after the implementation date. An eyeball read is required prior to a request to convert to any process other than process 4. Any resynch energy arising from this eyeball read is treated as reconciliation energy in the latest rec period. Subsequent resynchs can be calculated back to this eyeball read (or last Shipper transfer read, if later).

### 9.3.2 Process 4 sites

- After the implementation date, sites which were previously NDM which are now in Process 4 will have a resynchronisation process. Where the energy amount is significant [amount to be determined] the resynch energy will be re-apportioned across the previous reconciliations (which used derived reads) back to the last resynch reading.
- Transitional rules are required for process 4 sites for any significant resynch energy identified at the first resynch.
- Recommended approach: apply any significant drift at the first resynch back to the last read before implementation or the last Shipper transfer read, if later. If there are no billable reads prior to implementation but post-line-in-the-sand, apply the drift to the current (latest) reconciliation period.

**9.10. Non-Functional Business Requirements**

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## 44.12. Document Control

### Version History

Version	Status	Date	Author(s)	Summary of Changes
0.1	Draft	20/05/2011	Xoserve	First draft
<a href="#">0.2</a>	<a href="#">Draft</a>	<a href="#">21/06/2011</a>	<a href="#">Xoserve</a>	<a href="#">Updated following the PN UNC Workgroup on the 21<sup>st</sup> June 2011.</a>

### Reviewers

Name	Version	Date
Workgroup attendees		

### Approval

Name	Role	Date
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