

Project Nexus UNC Retrospective Updates Principles Workgroup

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11th June 2010

Scope of Retrospective Updates Principle discussions

- Review current retrospective update principles
- Identify any issues with the current arrangements
- Review consultation responses
- Review outcome of the Allocation, Reconciliation and AQ Principles Workgroups in relation to Retrospective Updates
- Discuss alternatives/options
- Agree preferred option to address identified issues
- Agree benefits with preferred option
- Consider transitional arrangements
- Agree high level principles
- ... all to be completed in this meeting

Step 1

Review of existing processes

What are Retrospective Updates?

- Correction of
 - standing data or
 - transactional data or
 - absence of standing or transactional data
- Standing data could be
 - Meter asset
 - Site-related
 - Ownership of site
- Nature of error
 - Could be incorrect data
 - Previously correct data, now out-of-date
 - Missing data

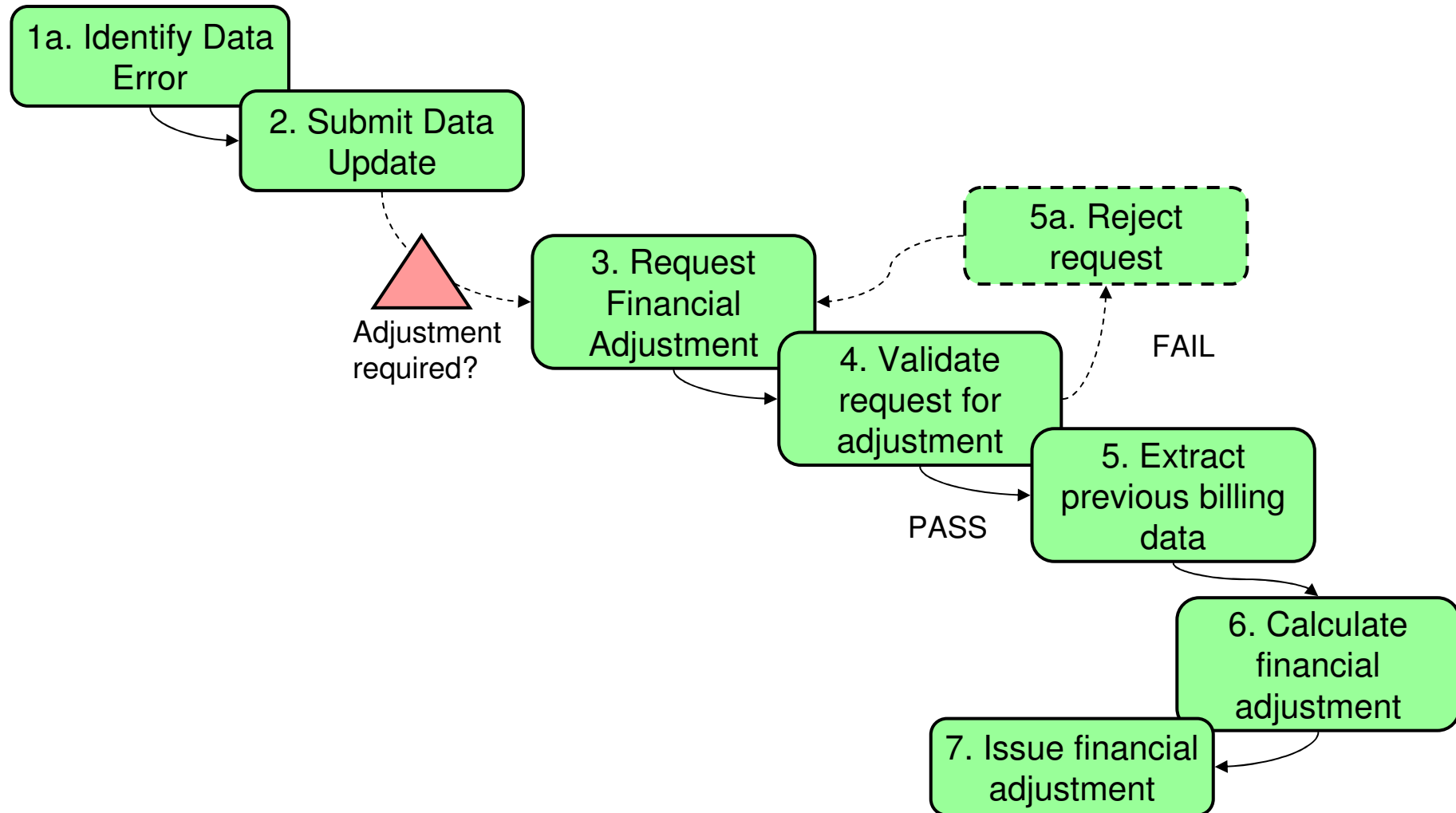
Typical Types of Data Error

- Incorrect standing data – e.g. metric/imperial indicator
- Missing standing data – e.g. no meter asset attached
- Incorrect meter status – e.g. capped/clamped indicator
- Incorrect site data – e.g. postal address
- Incorrect ownership status – e.g. withdrawn in error
- Incorrect transaction data – e.g. incorrect meter read/volume
- Missing transaction data – e.g. missing meter exchange

Impacts on Previous Invoices

- Retrospective correction of data may mean that previous invoice charges are incorrect
- Impact could be direct or indirect
 - E.g. incorrect meter asset data results in incorrect volumes and reconciliations
 - E.g. erroneous capped status leads to erroneous isolation and erroneous cessation of allocation

Retrospective Updates – High Level Process



Retrospective Updates – Current Principles

- Data owner updates the data – only the incumbent Shipper can supply updates
- System constraints drive many current principles
 - Only the latest read can be replaced
 - Earlier consumptions can be amended by Consumption Adjustment (LSPs only)
 - Missed meter exchanges can only be loaded after the last meter read
- Any financial adjustments are not automatic – must be requested once the data has been amended

Step 2

Issues with existing processes

Consultation responses

Ref	Requirement	Rationale	Source
9. Treatment of Retrospective Updates			
9.1	Shippers should be allowed to submit retrospective updates, in particular for the SSP market.	This will allow Shippers to correct inaccurate meter data, the impacts of which are only realised when the AQ is re-calculated.	EDF Energy
9.2	The ability to amend incorrect meter read data after the submission of a later meter read.	The inability to amend incorrect data has caused a number of issues from allocation of energy to AQs being inaccurately calculated.	npower
		Allowing the re-submission of a read or opening read after an earlier read has been submitted, would often avoid shippers having to go down the ISD route and result in a much more streamlined process, benefiting both the Shipper community but also the Customer.	Total Gas and Power
		Improvements to data quality by ensuring that wherever possible the meter readings in the system reflect reality.	Shell Gas Direct
9.3	Allow for retrospective data to be updated.	The current systems are deficient in that they do not allow for retrospective data to be updated and in many cases requires the data to be manually manipulated to incorrect data to be accepted in xoserve systems. This is not acceptable, reduces data quality and should be rectified as part of this project.	Scottish Power

Consultation responses

Ref	Requirement	Rationale	Source
9. Treatment of Retrospective Updates (contd)			
9.4	Easier submission of data update requests.	Suppliers should be able to submit data update requests far more easily than the current systems allow. This should include the ability to update previous erroneous data.	Corona Energy
9.5	More flexible processing of meter reads.	Currently actual reads submitted cannot be replaced even if they are subsequently found to be incorrect. The benefits of having a more flexible system include a reduction in the number of invoice queries submitted, therefore reducing costs to xoserve and Shippers, also, the number of Inter-Shipper Disputes (ISD) as a result of late transfer would be reduced.	GDF Suez
9.6	Make validation rules fit business requirement.	The current validation rules need to be revised to enable users to load to replacement reads and changed meter details in scenarios where they currently unable.	Scottish and Southern Energy

Consultation responses

Ref	Requirement	Rationale	Source
11. Data Management - Data Hub			
11.7	Review data updates and who is able to submit updates at any point in time	The current arrangements are sub-optimal and do not maximise the accuracy of industry data.	British Gas
13. Data Management - Exchange and Flows of Data			
13.3	Data updates from non registered shippers	Currently data is protected against updates by “the wrong shipper”, however sometimes this results in rejection of “Valid” data. These arrangements are sub optimal and do not maximise the accuracy of industry data. Whilst the need to protect the integrity of settlement remains all shippers and suppliers would benefit from refinement of these arrangements. xoserve would also benefit via reductions in resubmitted flows.	British Gas
13.10	A thorough review of data flows and data validation.	Revised RGMA file validations, enabling Users to update asset information more efficiently, particularly with regards to the supply point transfer process where data updates from the previous supplier may not have successfully updated the supply point register.	Shell Gas Direct

Consultation responses

Ref	Requirement	Rationale	Source
13. Data Management - Exchange and Flows of Data (contd)			
13.12	The process for shippers to revise standing data for sites on their portfolio should be streamlined and allow for the registered shipper to complete data changes quickly.	Currently where shippers need to revise the standing data for sites on their portfolio the process is unnecessarily complex and time consuming. Often, reconfirmation is necessary for a simple data update where the supply point is not changing ownership for example, de-aggregation, aggregation and AQ appeals. This is a cumbersome process and it currently takes 8 working days for the withdrawal plus 12 working days to re-confirm. This process should be streamlined and allow for the registered shipper to complete data changes quickly.	GDF Suez
13.18	Systemised data changes	Avoidance of manual intervention to make data changes.	Corona Energy
13.22	Direct amendment of data held in xoserve's database.	We also would like to see a process whereby the Registered User can amend data held in xoserve's database directly. Obviously there would need to be a level of control and audit trail. Details of how this could be operated would need to be developed in conjunction with the industry.	British Gas
		Access to data and the ability to change and update items is central to DNO activities. Project Nexus provides an excellent opportunity to increase the efficient operation of the data access processes by amalgamating systems, with potentially adding different access levels to perform multiple tasks.	Scotia Gas Networks

Consultation responses

Ref	Requirement	Rationale	Source
13. Data Management - Exchange and Flows of Data			
13.29	The ability to update inaccurate data items for all supply points, domestic and industrial/commercial should be enhanced.	Data errors impact on a wide range of processes from Gas Safety Regulation activities (service cut offs etc) and attendance during gas emergency situations. Where the DN encounters data errors whilst performing day to day activities, the ability to amend or successfully influence the amendment of inaccurate data items should be enhanced.	Scotia Gas Networks

Key Themes from Consultation

- Ability to amend data retrospectively
- Replacement of any meter reading
- Direct amendment of opening reads
- Allow updates from non-registered Shippers
- Reduced requirement for re-confirmation when amending data
- Ability of GTs to amend data on Supply Point Register

- Additional information required on these comments
 - How commonly are these issues encountered?
 - What are the impacts?
 - What are the root causes?

Issues with current principles

- Any other issues with the current process, not already identified in consultation responses
- How commonly are these issues encountered?
- What are the impacts?
- What are the root causes?

Retrospective Updates – Voice of the Process

- 15% of ONJOB meter asset notifications rejected
- 7.5% of ONUPD meter asset updates rejected
- 6,000 new NDM LSP Reconciliation Filter Failures per month
 - 90% require consumption adjustments
- 4,500 financial adjustments in last 12 months
 - 46% duplicate sites
 - 18% supply points registered in error
 - 36% late attached meters

Other inputs to this Principles Workgroup

- Allocation Principles (Preferred and Fallback)
- AQ Principles
- Reconciliation Principles

Step 3

Discuss and agree future principles

Consideration of Future Principles (1)

- What Principles are required for a fully Smart world?
 - What typical amendment types do we anticipate – what volumes?
- With daily read submission, do we still need ability to replace individual reads?
- Ability to change historic data outside of ownership period
 - Why – what are the reasons/benefits?
 - Impacts on other Shippers?
 - Change to other Shippers' volumes?
 - Change to other Shippers' AQ?
 - Impacts on energy balancing position?

Consideration of Future Principles (2)

- Impacts of allowing unlimited challenges/amendments to data
 - Impact on volumes of transactions
 - Impact on reconciliation transaction volumes
 - Impacts on AQs/SOQs/BSSOQs
 - Need for a close-out period (principle only required at this stage)
- Linkage to retrospective financial adjustments
 - Automatic or user-requested?
 - Debits/credits?

Consideration of Future Principles - Transition

- Is there an interim step *en route* to the end solution?
- Are needs of dumb meters different to Smart meters?
- Are any special principles required to support Smart meter roll-out?

Conclusions

- Recap and summary of discussions
- Outline of principles for inclusion in draft report
- Next steps