

xserve



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# Project Nexus Workgroup Volumetric Assumptions

24/07/2015

# Background

- **Action 0104:** Xoserve to provide a view on potential technical system volume requirements and solution v's cost to develop and deliver.
- Discussed at the May 2015 workgroup where it was agreed that Xoserve would provide the workgroup with the assumptions used to base system capability on

# Introduction

- The assumptions have been made based on a 1<sup>st</sup> October 2016 delivery
- For Go Live the system is scaled based on end of 2017 volumetric's using DECC smart metering delivery plan
  - Original based on December 2011 delivery plan & updated following revised plans in December 2012 & 2013
- Information provided by Shippers from the Project Nexus consultation in 2012 & engagement in 2014 did not provide any contradictions to this
- Any intelligence received from Shippers has been factored into the scaling of the system
- On-going engagement with Shippers individually to discuss arrangements for the delivery of large files e.g. Reconciliation invoice and AQ files.
- The current limitations on meter read submissions will not be applied
- iGT meter points are included in the assumptions
- Where industry believe the assumptions made are significantly different to their intentions on Class take up and read submissions, UKLink Programme need to understand this

# General NFR Volumetric Assumptions

- Volumetric assumptions have been defined for 3 points in time:
  - Implementation date
  - End of 2020 relating to the end of the smart metering rollout
  - End of 2017 to provide clarity around expected volume changes & system capability
- Each of the time periods has been divided into 3 main volume elements
  - Average daily volumes
  - Peak day volumes
  - Average monthly volumes



# Process Specific Assumptions

- Meter Point count
  - Meter Points will increase at the same annual rate as currently
  - All new meter points post Smart go live will be equipped with smart compliant meters
- Meter Exchanges
  - Latest SMIP Impact Assessment roll-out plan has been used to estimate the rate of dumb to smart meter exchanges
    - Based on 2013 roll out plan
    - Reviewed against DECC 2014 report but not updated as no significant changes that would affect the assumptions made
  - Meter exchanges from smart to smart will commence towards the latter end of mass roll-out

# Process Specific Assumptions

- Class take-up
  - To help in developing the requirement, and therefore the assumed Class take-up volumes, the overall meter point count was split into 3 groupings based on their AQ band:
    - AQ Group 1: DM Mandatory
    - AQ Group 2: Meter Points with an AQ greater than 732,000 kWh and less than 58,600,000 kWh
    - AQ Group 3: Meter Points with an AQ less than 732,000 kWh
  - Assumed that, with the exception of Class 1, Class utilisation profile will fluctuate and will not remain static
  - For Go Live assumed that the majority (around 75%) of smart meter sites in AQ Group 3 will remain in Class 4 with a small take-up in Class 2 & 3
  - Take-up of Class 3 for AQ Group 3 meter points as smart meters are installed
  - All dumb meter sites will remain in Class 4, quarterly read

# Process Specific Assumptions

- Meter Read submissions
  - Daily reads for Class 1 & 2 meter points
  - For planning its been assumed that all Class 3 reads will be submitted on a monthly basis with 30 reads per batch
  - Class 3 reads will be submitted over a 5 day period to allow for the batch of readings to be submitted within the defined timescales
  - Class 4 reads from smart meters will be submitted monthly
    - Provision made for the submission of a weekly read
  - Class 4 reads from dumb meters will be submitted quarterly
  - Class 4 reads will be submitted over a 20 day period, not smoothed across the whole month, allowing for a higher average daily volume

# Process Specific Assumptions

- Reconciliations
  - Class 1 and 2; reconciliation as required
  - Class 3; daily reconciliation for each reading received
  - Class 4; periodic reconciliation performed following receipt of each reading including meter exchanges and transfer of ownership
- AQ calculations
  - Class 1 & 2; AQ calculation once per month
  - Class 3; AQ calculation once per month (once per submitted batch of readings)
  - Class 4; AQ calculation using latest read at M+11
    - Smart meters monthly
    - Dumb meters quarterly



# Process Specific Assumptions

- Change of Shipper
  - No significant change in volumes of transfer of ownership
  - Volumes based on the current average of approx. 250,000 per month with plenty of head room for peak volumes
  - Higher volume of Opening reads following smart metering roll-out
- SPA Amendments
  - No significant change in volumes

# Process Specific Assumptions

- Retrospective Updates
  - 10% of meter exchanges will result in a retro update
  - 10% of all dumb meter reads will result in a retro update
  - The period of the adjustment can be back to Line in the sand.

# Process Specific Assumptions

- Invoice creation
  - Number of invoices per month is derived from current number of Shippers x by the number of LDZ's
  - Invoices issued showing aggregate charges and supporting information showing charges at meter point level (Business Warehouse reports)
  - No significant changes to the size of the Capacity or Commodity invoices
  - The supporting information for the Amendments Invoice, which will contain meter point reconciliation charges, to be significantly larger than currently
    - Each reconciliation charge will be split by variance period (billing month)
    - Anticipate the supporting information to be 63,000,000 records

