

UNC 0652:

Obligation to submit reads and data for winter consumption calculation (meters in EUC bands 3 - 8)



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Why change?



- Meters in EUC bands 3 – 8 are assigned a demand usage profile based on sensitivity to winter weather. Where data is not available to calculate the winter period consumption, a default band is applied.
- Default Winter Annual Ratio (WAR) bands for EUCs 3 – 8 lead to inaccurate demand estimation (positive or negative) for the relevant sites.
- This issue has been cited as a potentially significant contributor to temporary UiG since Nexus go-live, with approx. 25% of relevant sites on a default WAR band.
- On any given gas day, a less accurate demand estimate will be assigned to these sites – this is currently the 6th biggest risk on the PAC settlement risk register.
- Currently there is no reference to the underlying concepts and process in the UNC, or any associated obligation to take action. This reduces the clarity and focus applied to the issue by the industry.

Options



- To date, xoserve have flagged the issue to the industry, and have produced educational material to support shippers to reduce the number of sites assigned a default WAR band.
- In addition PAC have been monitoring the issue.
- These measures could continue, but 8 months after Nexus go-live there has been no improvement in the situation, and it continues to make an impact.
- We believe that the absence of these concepts, and associated obligations in the UNC, leads to a lack of clarity around the process, and means it is less well known and understood in the industry.
- Due to the absence of the concepts and any associated obligations in code, we believe that a modification is required to improve the issue.

Solution



- The solution proposes creating the concepts of winter consumption and WAR bands in the UNC (section H), and also potentially bringing them across into the UNC related document NDM Demand Estimation Methodology.
- In addition it is proposed that an obligation is added to section M for shippers with meters in these EUC bands to submit the appropriate winter reads (in November/December and March/April).
- An additional obligation is proposed to be added for shippers to submit data updates when read submission was not possible in either or both of those periods.

Recommended Steps



- The Proposer recommends that this modification should be:
 - Subject to self-governance
 - Workgroup assessment to develop the modification for 4 months