UNC Request

At what stage is this document in the process?

UNC 0851R:

Extending the Annually Read PC4 Supply Meter Point (SMP) read submission window 01 Request 02 Workgroup Report 03 Final Modification Report

Purpose of Request:

Under UNC TPD, M, 5.9.4, Shippers have 25 Supply Point Systems Business Days (SPSBD) after the read date to submit a read for settlement. Where there's an issue preventing the read from being validated, and that issue is not resolvable within the 25 SPSBD timeframe, the read becomes unusable. This is highly problematic for meter reads that are hard to retrieve. It needs addressing because enabling valid reads to be entered into settlement decreases settlement imbalance, unbilled, Unidentified Gas (No reads at Line in the Sand is a UIG contributor), manual AQ fixes, repeated costs for additional site visits, and time and money spent on must-reads.

Next Steps:

The Proposer recommends that this Request should be assessed by a Workgroup.

This Request will be presented by the Proposer to the Panel on 20 July 2023.

Impacted Parties:

High: Suppliers, Shippers, Consumers

Low: Distribution Network Operators, Independent Gas Transporters

Impacted Codes: IGT UNC, REC

Joint Office of Gas Transporters

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About this document:

This document is a Request, which will be presented by the Proposer to the Panel on 20 July 2023.

The Panel will consider the Proposer's recommendation and agree on whether this Request should be referred to a Workgroup for review.



1 Request

Why is the Request being made?

Under UNC TPD, M, 5.9.4, Shippers have 25 Supply Point System Business Days after the read date to submit a read for settlement. Where there is an issue preventing the read from being validated, and that issue is not resolvable within the 25 Day timeframe, the read becomes unusable. This is highly problematic for meter reads that are hard to retrieve from the meter.

Enabling valid reads to be entered into settlement would decrease settlement imbalance, unbilled, Unidentified Gas (No reads at Line in the Sand is a UIG contributor), manual AQ fixes, repeated costs for additional site visits, and time and money spent on must-reads.

Options on the table are:

- A) Extending the PC4 read submission window from 25 SPSBDs to [60] SPSBDs. Electricity settlement, by comparison, enables 14 months for NHH read submission, moving to 4 months with MHHS; or
- B) Creating a mechanism via which failed valid reads can be resubmitted and entered into Settlement; or
- C) A combination of A) and B): extending the window to [60] SPSBDs and creating a mechanism for failed valid reads to be re-entered into Settlement.

Impacts & Costs

This request would aim to address settlement imbalance, unbilled, Unidentified Gas (No reads at Line in the Sand is a UIG contributor), manual AQ fixes, repeated costs for additional site visits, and time and money spent on must-reads.

Recommendations

Analysis of the above options to agree on the best solution to carry forward as a substantive change in the form of a Modification as required.

2 Impacts and Costs

Consideration of Wider Industry Impacts

CDSP Settlement Systems

Impacts on CDSP's settlement systems will need to be understood.

PAC's Performance Regime

Impacts on PAC's performance regime will need to be understood. Increased submissions of valid reads are the goal here. We need to ensure that poor-performing parties do not use any amendments to the windows and/or a failed valid read submission route as an opportunity for gaming.

Impacts

Impact on Central Systems and Process	
Central System/Process	Potential impact
UK Link	Settlement systems, read performance reports
Operational Processes	 Read submission, AQ correction, Must Reads, UIG allocation

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Impact on Users	
Area of Users' business	Potential impact
Administrative and operational	Read submission, AQ correction, Must Reads, UIG allocation
Development, capital and operating costs	Cost to amend read submission processes
Contractual risks	• N/a
Legislative, regulatory and contractual obligations and relationships	Must Reads, Read performance

Impact on Transporters	
Area of Transporters' business	Potential impact
System operation	• N/a
Development, capital and operating costs	• N/a
Recovery of costs	Fewer must-reads
Price regulation	• N/a
Contractual risks	• N/a
Legislative, regulatory and contractual obligations and relationships	Less must-reads
Standards of service	Less must-reads

Impact on Code Administration	
Area of Code Administration	Potential impact
Modification Rules	• N/a
UNC Committees	PAC impacts
General administration	• N/a
DSC Committees	• N/a

Impact on Code	
Code section	Potential impact
	• UNC TPD, M, 5.9.4, 5.9.9

Impact on UNC Related Documents and Other Referenced Documents	
Related Document	Potential impact

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Impact on UNC Related Documents and Other	r Referenced Documents
Network Entry Agreement (TPD I1.3)	• N/a
General	Potential Impact
Legal Text Guidance Document	• N/a
UNC Modification Proposals – Guidance for Proposers	• N/a
Self-Governance Guidance	• N/a
TPD	Potential Impact
Network Code Operations Reporting Manual (TPD V12)	• N/a
UNC Data Dictionary	• N/a
AQ Validation Rules (TPD V12)	Potentially
AUGE Framework Document	• N/a
Customer Settlement Error Claims Process	Potentially
Demand Estimation Methodology	Potentially
Energy Balancing Credit Rules (TPD X2.1)	• N/a
Energy Settlement Performance Assurance Regime	• Yes
Guidelines to optimise the use of AQ amendment system capacity	Potentially
Guidelines for Sub-Deduct Arrangements (Prime and Sub-deduct Meter Points)	• N/a
LDZ Shrinkage Adjustment Methodology	• N/a
Performance Assurance Report Register	• Yes
Shared Supply Meter Points Guide and Procedures	• N/a
Shipper Communications in Incidents of CO Poisoning, Gas Fire/Explosions and Local Gas Supply Emergency	• N/a
Standards of Service Query Management Operational Guidelines	• N/a
Network Code Validation Rules	• N/a

Impact on UNC Related Documents and Other Referenced Documents	
	• N/a
OAD	Potential Impact
Measurement Error Notification Guidelines (TPD V12)	• N/a
	• N/a
EID	Potential Impact
Moffat Designated Arrangements	• N/a
	• N/a
IGTAD	Potential Impact
	Potential
DSC / CDSP	Potential Impact
Change Management Procedures	• N/a
Contract Management Procedures	• N/a
Credit Policy	• N/a
Credit Rules	• N/a
UK Link Manual	Potential

Impact on Core Industry Documents and other documents	
Document	Potential impact
Safety Case or other documents under Gas Safety (Management) Regulations	• N/a
Gas Transporter Licence	• N/a

Other Impacts	
Item impacted	Potential impact
Security of Supply	• N/a
Operation of the Total System	• N/a
Industry fragmentation	• N/a
Terminal operators, consumers, connected system operators, suppliers, producers and other non-code parties	• Yes

3 Terms of Reference

Topics for Discussion

- Understanding the objective (Why Change?)
- Assessment of alternative means to achieve the objective
- Development of Solution (including business rules if appropriate)
- Assessment of Code-Specific Matters
- Assessment of the Solution (including business rules if appropriate)
- Assessment of impacts of the Request, including but not limited to Consumer and System Impacts
- Identification of potential impacts on other energy codes
- Consideration of potential performance assurance impacts
- Assessment of implementation costs of any solution identified during the Request

Outputs

Produce a Workgroup Report for submission to the UNC Modification Panel, containing the assessment and recommendations of the Workgroup including a draft Modification where appropriate.

Composition of Workgroup

The Workgroup is open to any party that wishes to attend or participate.

A Workgroup meeting will be quorate provided at least two Transporter and two User representatives are present.

Meeting Arrangements

Meetings will be administered by the Joint Office and conducted in accordance with the Code Administration Code of Practice (<u>https://www.gasgovernance.co.uk/cacop</u>)

4 **Recommendations**

Proposer's Recommendation to Panel

The Proposer invites the Panel to:

• Determine that Request 0851 progress to Workgroup for review with a report back to the Panel on 17 October 2023.