
UNC Workgroup 0654 Minutes
Tuesday 01 May 2018
at St Johns Hotel, 651 Warwick Road, Solihull, B91 1AT

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Carl Whitehouse	(CW)	First Utility
Fiona Cottam	(FC)	Xoserve
Kathryn Turner*	(KT)	Good Energy
Louise Hellyer	(LH)	Total
Mark Bellman	(MB)	ScottishPower Energy Retail
Mark Palmer*	(MPa)	Orsted
Mark Perry	(MPe)	Xoserve
Mark Rixon*	(MR)	ENGIE
Martin Attwood	(MA)	Xoserve
Rebecca Knight	(RK)	E.ON
Sallyann Blackett	(SBI)	E.ON
Steven Britton*	(SB)	Cornwall Insight

* via teleconference

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0654/010518>

The Workgroup Report is due to be presented at the UNC Modification Panel by 19 July 2018.

1.0 Outline of Modification

Sallyann Blackett (SBI) introduced the Modification and explained it was seeking to introduce an obligation into the UNC for the provision of regular NDM sample data to the Central Data Services Provider (CDSP). She explained that currently the NDM Sample Data could be voluntarily provided to the CDSP using the direction in the [Xoserve NDM Document](#) "Third Party Supplied NDM Sample Data Guidance and File Format Document" – it outlines the data required and in which format.

SBI said that there had been a noticeable reduction in the data volumes being submitted and the number of contributing organisations was extremely low. The recent activity as part of Workgroup 0631R had shown that it was possible for organisations to get this information and submit it to the CDSP. It had also proved that the new End User Categories (EUCs) being discussed as part of Workgroup 0644 cannot be supported accurately without this sample data. (She noted that the DESC were considering what could be done with limited data given the current UIG issues but to support the analysis accurately sample data would be required)

SBI explained that this sample data provided insight into the Class 3 and 4 customer behaviours and helped support development of allocation profiles and EUCs by the Demand Estimation Sub-Committee (DESC). Although the current Transporter sample allowed viable profiles to be derived by DESC it had proved to be good practice to boost this sample with Shipper/Supplier provided data for the past two years. The low volumes of data didn't allow for accurate profiling activity – particularly in the proposed new pre-payment and small Industrial & Commercial (I&C) EUCs being developed by DESC to improve allocation. If the data cannot be provided this would prevent the required improvements to the allocation profiles which could lead to further issues within Unidentified Gas (UIG) and would certainly prevent improvements in this key area.

SBI said that raising this Modification would give a more robust approach for the business and would assist Xoserve with the data and ensure there was a balance of data, for the overall process. She also said that an equivalent iGT Modification had also been raised covering the same content.

Louise Hellyer (LH) asked if it should be limited to NDM data and whether DM data should be included aswell. SBI said that it was easier to keep it simple at this stage and not include the DM data. MPE asked if there was a penalty for not supplying the data and if this was mentioned within the Modification itself. SBI confirmed there were no consequences for failure to provide reads within the content of the Modification and that it would be the responsibility of the Performance Assurance Committee (PAC) to provide the necessary reporting and incentive regime if necessary.

Fiona Cottam (FC) said that new market entrants would need SMART meter or AMR information to enable them to supply the required data. SBI said that she was going to add a maximum and a minimum threshold for the provision of meter read data.

BF said from a PAC perspective that the level of interest and the level of accuracy would need to be determined to understand the materiality of any associated risks. FC said that perhaps a different approach was required and that the Modification could request an extra report in the PARR on Shipper performance which could be added to Schedule 2A and 2B.

A brief general discussion then took place as to the most appropriate ratio's of the portfolio to be supplied and SBI suggest .1% of the portfolio, or 100 for AQ's 1 and 2, she said she would consult the IS team, as to which was easier to implement. She confirmed that this could then be added into Code within Section H. 1.6 and that the quarterly trigger points could be included within the table of ratio's.

2.0 Initial Discussion

2.1. Issues and Questions from Panel

Q1. Consider the interaction between AUG Review and PAC review of meter reading submissions.

FC provided an overview of the '*Modification 0654 – Question from April Panel*' presentation.

She explained the comparison of Performance Assurance Committee (PAC) and Allocation of Unidentified Gas Expert (AUGE) areas of concern schematic as detailed below:

PAC

- Interested in compliance with existing UNC obligations
- Entitled to see reports on meter read submission performance
- Aim to improve timeliness and accuracy of settlement
- Better read performance reduces settlement risk
- Can help reduce UIG or shorten time to reconciliation

AUGE

- Develops the Weighting Factors for sharing out UIG
- *Current* AUGE's approach requires meter read history from UKLink
- Minimum requirement is 1 read p.a. ideally close to 01 October each year
- Approach to developing Weighting Factors is a the discretion of the AUGE, consults industry each year

Class 1 - Daily read form DM Service Provider

Class 2 – Daily read from Shipper

Class 3 – Daily read from Shipper in batches

Class 4 Periodic reads from Shipper

FC then overviewed the areas that were in the scope for Modification 0654 which were detailed as below:

Class 3 – Daily read from Shipper in batches

Class 4 – Periodic reads from Shipper

Scope of NDM Demand Estimation is Class 3 and 4 only.

- Demand Estimation process requires daily read history for a representative sample of NDM meter points to build relationship to day of week and weather
- Sample needs to span all sizes, geographies and market sectors (and payment types if possible)
- This is over and above the Shipper's read submission obligation for these sites
- Class 3 data could be used – but current read performance is inadequate
- Class 2 data should be used with caution – these sites are not part of the NDM population and may have different demand drivers
- Xoserve/GTs currently maintain sample sites – daily read data is not loaded to UKLink – does not satisfy the Shipper's read obligation – held in a separate data store, anonymised or aggregated prior to sharing with the industry

FC provided the summary of the conclusions and observations, as detailed:

- PAC could be a vehicle for monitoring compliance with any new obligations
- Current AUGÉ's methodology is unlikely to benefit from a modest increase in the NDM Sample
- Any improvement to NDM Algorithm due to larger sample size would be likely to improve NDM Allocation and therefore reduce UIG/Settlement risk – less UIG to be shared out by the UIG Weighting Factors

KT asked about the frequency of the Algorithm performance reviews and discussions in readiness for October 2019. FC said that this was captured within the Modification and that this would be undertaken at least once a year in March.

2.2. Initial Representations

None received.

2.3. Terms of Reference

The standard UNC Workgroup Terms of Reference will apply and is available at <https://www.gasgovernance.co.uk/mods>

3.0 Next Steps

BF confirmed that SBI would work with Xoserve to confirm the content of the modification in readiness for the next meeting on 22 May 2018 and that the Legal Text provider was SGN.

4.0 Any Other Business

None.

5.0 Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:30 Tuesday 22 May 2018	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Detail planned agenda items. <ul style="list-style-type: none">• Consideration of Business Rules• Review of Impacts and Costs• Review of Relevant Objectives• Consideration of Wider Industry Impacts• Consideration of Legal Text• Development of Workgroup Report