










Stage 01: Modification	At what stage is this document in the process?
<h1>0576:</h1> <h2>Generation of an estimated Meter Reading at the Code Cut Off Date in the absence of an actual Meter Reading</h2>	<div> <div>01 Modification</div> <div>02 Workgroup Report</div> <div>03 Draft Modification Report</div> <div>04 Final Modification Report</div> </div>
<p>This Modification would provide Transporters with an ability to create an estimated Meter Reading with an effective date of the Code Cut Off Date where no Meter Reading has been received within the previous seven years.</p>	
	<p>The Proposer recommends that this modification should be:</p> <ul style="list-style-type: none"> assessed by a Workgroup
	<p>Medium Impact: Shipper Users, Transporters</p>

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About this document:		 Any questions?
This modification will be presented by the proposer to the panel on 17 th March 2016.		Contact: Code Administrator
The panel will consider the proposer’s recommendation and agree whether this modification should be:		 enquiries@gasgovernance.co.uk
<ul style="list-style-type: none">referred to a workgroup for assessment.		 0121 288 2107
The Proposer recommends the following timetable:		Proposer: Andy Clasper
Initial consideration by Workgroup	12 th April 2016	 andy.clasper@nationalgrid.com
Workgroup Report presented to Panel	19 th May 2016	 01926 655299
Draft Modification Report issued for consultation	19 th May 2016	Transporter: National Grid Distribution
Consultation Close-out for representations	9 th June 2016	Systems Provider: Xoserve
Final Modification Report published for Panel	10 th June 2016	 commercial.enquiries@xoserve.com
UNC Modification Panel decision	16 th June 2016	

1 Summary

Is this a Self-Governance Modification?

This modification is proposed to be subject to self governance as it is not expected to have a material impact upon, or discriminate, against any parties or impact competition. This is because it would affect only a small number of Supply Points and is not expected to generate any significant reconciliation variances.

Is this a Fast Track Self-Governance Modification?

This Modification is not proposed as a fast track Modification as it is not an administrative change to the Code.

Why Change?

Where a Meter Reading has not been received by the Transporter Agency, Xoserve for seven years or more, there is a need for Xoserve to calculate and load an estimated Meter Reading, based on the Code Cut Off Date in order for the relevant Supply Point to reconcile upon receipt of a subsequent Meter Reading.

Solution

It is proposed that where a Meter Reading is not present following the 1st April in the Formula Year t-6 it is proposed that the Transporter would calculate an estimated Meter Reading for the Code Cut Off Date. – i.e. this would be 1st April in Formula Year t-3. For example, if by 31st March 2018 a Meter Reading has not been received after 1st April 2011 an estimated Meter Reading would be calculated with an effective date of 1st April 2015.

Relevant Objectives

This Modification would further GT Licence relevant objective d) ‘Securing of effective competition between relevant Shippers and relevant Suppliers’ by enabling Transporters to insert an estimated reading for affected Supply Meters. This would enable Individual Meter Point Reconciliation to take place when a subsequent Meter Reading is received; in doing so Transporters would be able to allocate consumption to the correct Shipper User.

Implementation

As self-governance procedures are proposed, implementation could be sixteen Business Days after a Modification Panel decision to implement, subject to no Appeal being raised.

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This Modification is required to support implementation of the UK Link Replacement programme (which incorporates the changes required for Project Nexus). This is because it assists transition to and maintenance of the requirements set out in the Project Nexus Business Requirement Documentation. There is no impact on the Ofgem SCR.

2 Why Change?

The UNC sets out the requirements for Meter Reading submission. There is a population of approximately 26,000 Supply Meter Points for which a Supply Meter is recorded on the Supply Point Register as installed but a Valid Meter Reading has not been accepted for the previous 7 years. The UNC does not contemplate a circumstance where a Supply Meter remains unread for prolonged periods of time.

The Transporter Agency has been working with the industry through the Data Cleansing Workgroup to encourage Shipper Users to submit Valid Meter Readings for Supply Meters where the last recorded Meter Reading is many years old.

The Project Nexus arrangements implemented under UNC Modification 0432 introduces Individual Meter Point Reconciliation for all Supply Meter Points. The reconciliation process requires the use of certain data for the relevant period e.g. annual load profiles etc. To efficiently implement and operate the UK Link system a maximum 7 years data will be migrated to the new system (the remaining data will be archived and will still be accessible where required). Therefore where a Supply Meter has not been read within the last 7 years, no Meter Reading will be migrated to the new register and therefore there will be no Meter Reading recorded against which an Individual Meter Point Reconciliation can be performed when the next post-Nexus Meter Reading is accepted.

3 Solution

It is proposed that where a Meter Reading is not recorded on the Supply Point Register following the 1st April in Formula Year t-6 it is proposed that the Transporter would calculate an estimated Meter Reading as at the Code Cut Off Date – i.e. this would be 1st April in Formula Year t-3. An example of this is that if by 31st March 2018 a Meter Reading has not been received after 1st April 2011 an estimated Meter Reading would be inserted with an effective date of 1st April 2015 (being the relevant Code Cut Off Date).

This would be an enduring process. However the solution would be initially applied as part of migration to the UK Link system incorporating the Project Nexus requirements. In this respect transitional terms are required.

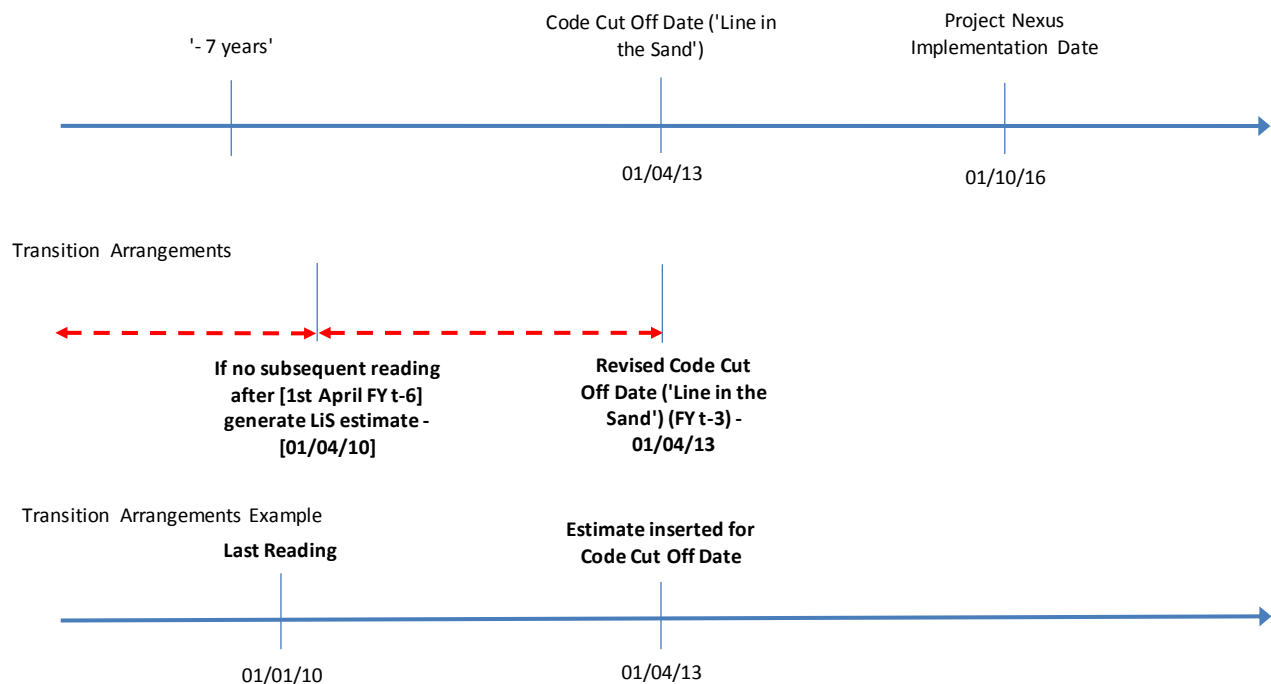
It is proposed that the prevailing NDM Meter Reading estimation routines would be used. In circumstances where no record of a Meter Reading is available a Meter Reading of all zeroes would be recorded.

Shipper Users may seek to replace any estimated Meter Readings with an actual Meter Reading provided that the estimated Meter Reading is within the period of that User's Supply Point Registration. It is assumed that these Supply Points would be within the same User's ownership. This is because in absence of a Valid Meter Reading an estimated Meter Reading would have been inserted where a Change of Shipper User event had occurred.

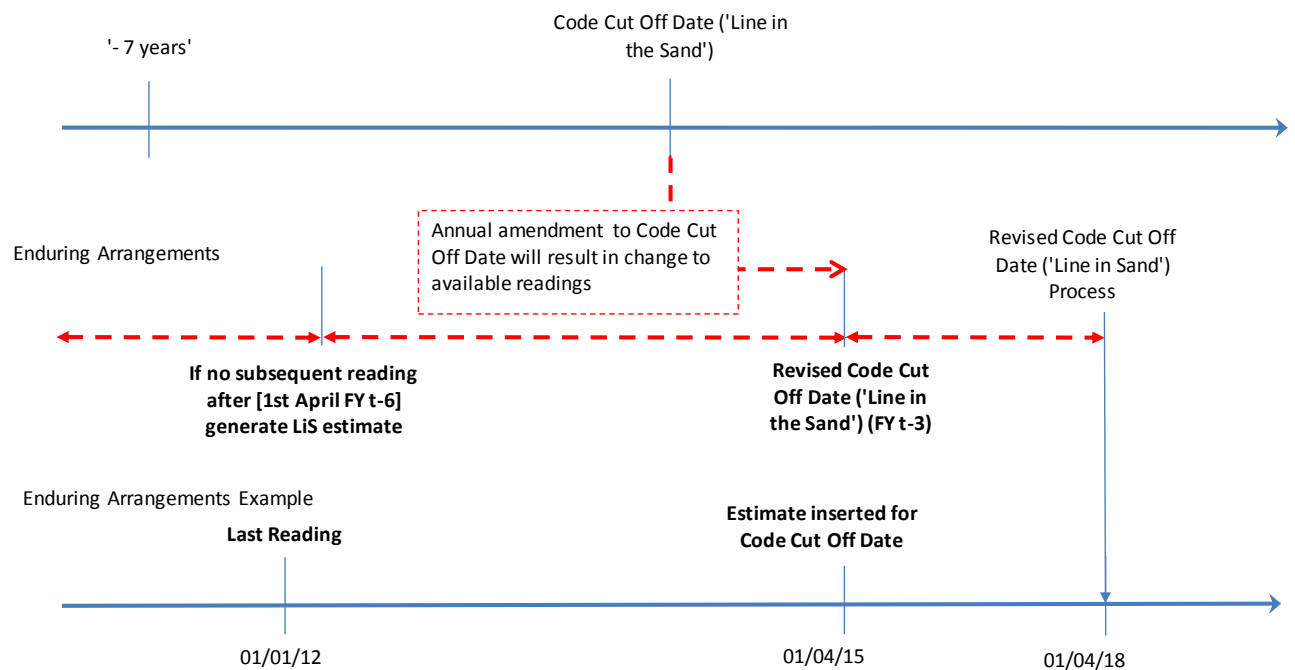
The solution would be initially applied as part of migration to the UK Link system incorporating the Project Nexus requirements. In this respect transitional terms are required to provide for an estimated Meter Reading 3 years prior to the Project Nexus Implementation Date.

The transitional and enduring solutions are illustrated on the diagrams below.

Transitional arrangements



Enduring arrangements



User Pays	
Classification of the modification as User Pays, or not, and the justification for such classification.	No User Pays service would be created or amended by implementation of this modification and it is not, therefore, classified as a User Pays Modification.
Identification of Users of the service, the proposed split of the recovery between Gas Transporters and Users for User Pays costs and the justification for such view.	N/A
Proposed charge(s) for application of User Pays charges to Shippers.	N/A
Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Xoserve.	N/A

4 Relevant Objectives

Impact of the modification on the Relevant Objectives:	
Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	None
b) Coordinated, efficient and economic operation of (i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters.	None
c) Efficient discharge of the licensee's obligations.	None
d) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.	Positive
e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers.	None
f) Promotion of efficiency in the implementation and administration of the Code.	None

g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None
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This Modification would further GT Licence relevant objective d) ‘Securing of effective competition between relevant Shippers and relevant Suppliers’. This would be by enabling Transporters to insert an estimated Meter Reading for affected Supply Meters. In turn this would enable Individual Meter Point Reconciliation to take place at a Supply Meter Point when a subsequent Meter Reading is received, in doing so Transporters would be able to allocate consumption to the correct Shipper User.

5 Implementation

As self-governance procedures are proposed, implementation could be sixteen business days after a Modification Panel decision to implement, subject to no Appeal being raised.

6 Impacts

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This Modification is required to support implementation of the UK Link Replacement programme (which incorporates the changes required for Project Nexus) as it assists transition to and maintenance of the requirements set out in the Nexus Business Requirement Documentation.

Pre Project Nexus Implementation

The changes would affect the UK Link Replacement programme prior to implementation. This is because the approaches identified within this Modification are necessary to efficiently migrate data to the target system.

Project Nexus Implementation

The changes identified within this Modification would be applicable on an enduring basis.

7 Legal Text

Text Commentary

To be provided.

Text

To be provided.

8 Recommendation

The Proposer invites the Panel to:

- Determine that this modification should be subject to self-governance; and
- Progress to Workgroup assessment.