

welcome

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# Modification 395 and NTS Meter Errors

10 October 2011

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- Historical evidence of meter errors
- Scale of the issue
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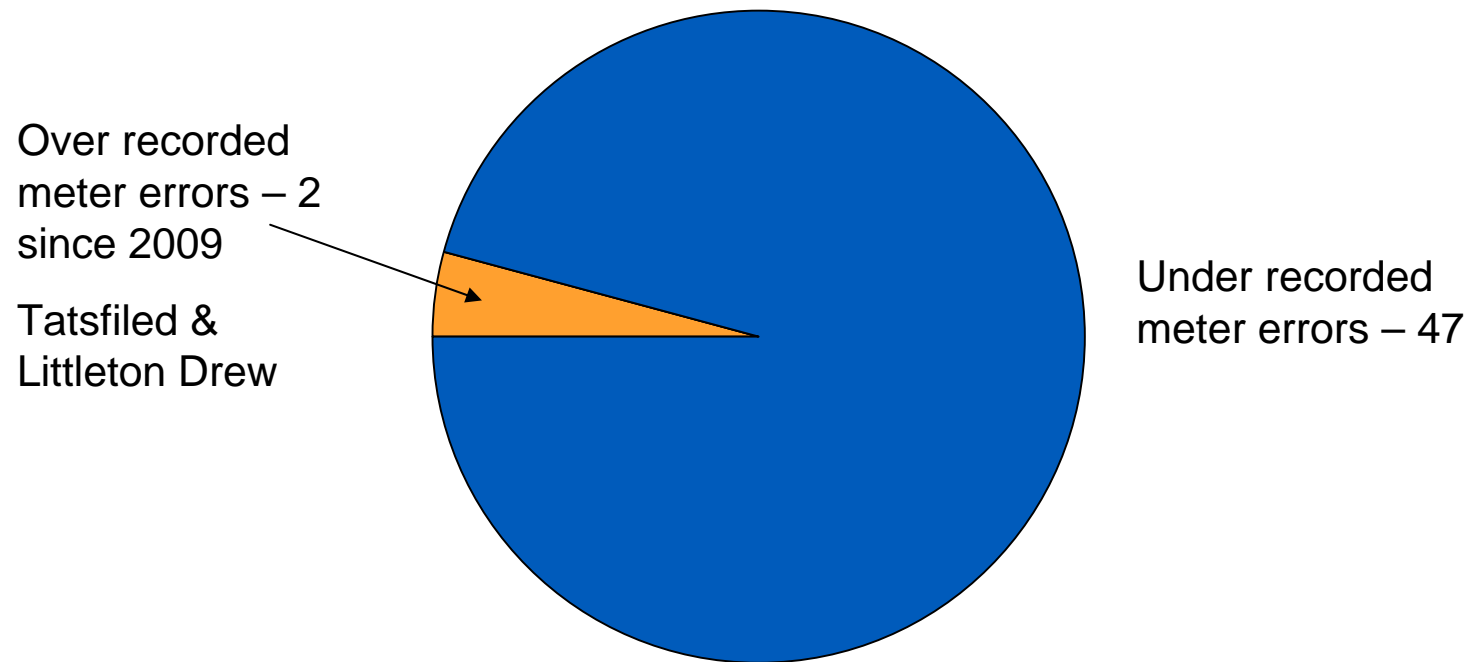


## Mod 395 and meter errors

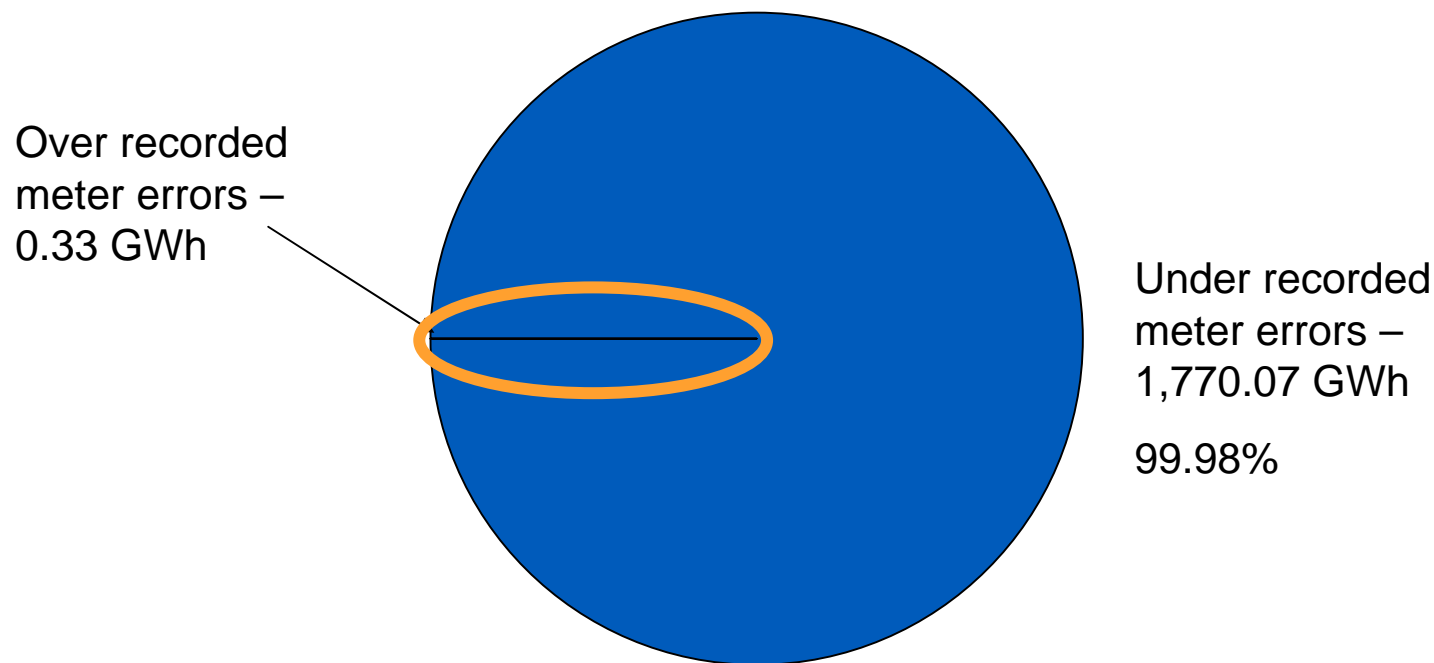
- NTS to GDN meter errors not a primary issue behind 395
  - Length of errors appear to be decreasing
    - Braishfield – 6 months
    - Aderdeen – 12 months
    - Farningham – 4 years
- Issue of meter errors being addressed through RIIO-GD1
  - Reliability output – incorporating a requirement to publish meter errors
  - Funding for improved meters?



# LDZ Meter Reconciliation is not a one way street?



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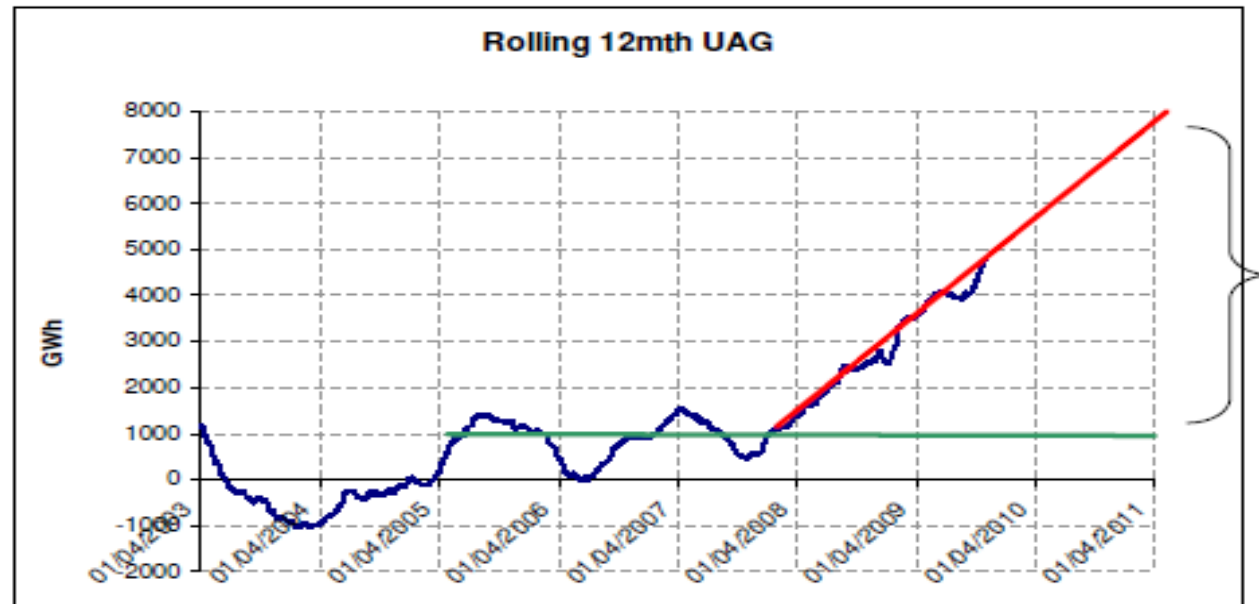


## Scale of the Issue

- NTS analysis suggests £10m of UAG impacted by 395 – includes errors prior to 152AV
  - May over estimate impact due to improvements in meter error identification
- Although a large number – actually relatively small:
  - NGG's SO Incentives up to £20.4m per annum
  - NGG NTS annual allowed revenue – SO £473m, TO £613m
  - National Grid annual profit £1,751m 2010/11
  - NTS throughput in excess of £15bn – UAG at risk 0.064%



# Potential Impacts



- 2009/10 – UAG originally 7,716 GWh now 5,073GWh
- 2010/11 – UAG originally 6,313 GWh now 5,272 GWh
- Represents 0.6% of NTS throughput
- Are entry meters an issue?
  - Closed at M+15





# What is the Solution?

1. Accurate meters!
  - Accurate energy allocation
2. Improved SMER process
  - 2 months to appoint SMER
  - Reduce time for NGT to review/validate independent SMER
  - Could be incorporated into Terms of Reference in some form



*thank you*