



UNC UIG Workgroup

Xoserve Draft UNC Modifications

8 April 2019

Background

- A number of Xoserve recommendations to address UIG causes would require UNC Mods
- One was raised by E.ON after the meeting – 0681 – issues 12.1 and 12.3
- Xoserve have identified four further Mods (with no current agreed sponsors) which could help reduce UIG
- Xoserve has drafted Modifications and published them on the UIG page of Xoserve.com
- These slides summarise the Mods in the format of a Model Panel briefing to aid understanding

Contents

- List of Draft UNC Mods
 - ModXXX CDSP to convert Class 3 or 4 meter points to Class 1 when G1.6.15 criteria are met
 - ModXXX Reduce qualifying period for Class 1
 - ModXXX Automatic changes to Meter Read Frequency - (AQ >293,000 or Smart/AMR equipment on site)
 - RequestXXX Use of a Standard National Conversion Factor (UNC Review Group)



SECTION 1 – NDM EUC09B SITES

**ModXXX CDSP to convert Class 3 or 4 meter points
to Class 1 when G1.6.15 criteria are met
ModXXX Reduce qualifying period for Class 1**

Why change?

- UIG Task Force identified a small number of very large NDM (Class 3 or 4) sites which are above the Class 1 threshold (Issue #3.2.1)
- These sites are likely to have non-standard daily usage patterns
- The NDM Profiles for EUC09B are unlikely to be a good representation of their daily usage
- Any difference between NDM Allocation and actual usage will contribute to daily UIG
- Current qualifying period rules in G1.6.15:
 - Each calculation in preceding 6 months is over 58.6m; and
 - 3 consecutive calculations over 58.6m or every calculation in previous 18 months is over 58.6m
- Shipper needs to initiate conversion to Class 1

Options

- A number of other recommendations were made including engagement with Shippers by PAC and CDSP, also escalation to Ofgem
- However reduction of qualifying period and/or CDSP operating a “fall-back process” would reduce the number and duration of instances of EUC09B NDM sites

Solution

- There are two suggested Mods to address this issue:
 - A. Reduce qualifying period for Class 1
 - E.g. to 3 months and 6 months
 - B. CDSP to convert Class 3 or 4 meter points to Class 1 when G1.6.15 criteria are met
 - Where Shipper has not taken action within [x] months

Recommended Steps

- Xoserve has drafted two suggested Mods – published on Xoserve UIG page (under Findings and Recommendations)
- A UNC party would need to sponsor and raise each Mod – either individually or combined
- Sponsoring party could amend the proposals prior to submission
- Xoserve can support the discussions at Mod Panel, Workgroups etc.



SECTION 2 – VERY LARGE SITES WITH NON-MONTHLY READ FREQUENCY

ModXXX Automatic changes to Meter Read Frequency - (AQ >293,000 or Smart/AMR equipment on site)

Why change?

- All sites with AQ > 293,000 kWh should be monthly read
- UIG Task Force identified c 2,000 sites above the threshold which do not have a Meter Read Frequency (MRF) of Monthly - some with AQ>58.6m (**Issue #3.2.1**)
- Low read submission rates mean that Rolling AQ calculations are very infrequent – inaccurate AQs contribute to daily UIG
- In addition all sites with Smart/AMR equipment should now be monthly read (Mod 0638V)
- Shipper needs to initiate the update of the MRF – no fallback arrangements or incentives to ensure this happens promptly

Options

- Engagement with Shippers by Xoserve and/or PAC
- New Performance Assurance Reports
- Automated monthly reporting of inappropriate MRF to Shipper (in addition to .NRL file)
- All the above still require Shipper action
- Automated solution – reduces workload for Shipper

Solution

- [After a qualifying period] CDSP to set MRF to Monthly where:
 - AQ increases above 293,000 kWh; or
 - Smart/AMR equipment is recorded
- One-off exercise to update all existing MRFs after implementation [and after a grace period to allow Shipper to take action]
- Data flow to Shipper to advise of update
- Proposal does **not** include removal of Monthly MRF if AQ drops or equipment removed – would be at discretion of Shipper
- Note – need to consider whether any special rules needed where sites “go dumb” after Change of Shipper

Recommended Steps

- Xoserve has drafted a suggested Mod – published on Xoserve UIG page (under Findings and Recommendations)
- A UNC party would need to sponsor and formally raise the Mod
- Sponsoring party could amend the proposal prior to submission
- Xoserve can support the discussions at Mod Panel, Workgroups etc.



SECTION 3 – REVIEW GROUP – STANDARD CONVERSION FACTORS

REQUESTXXX Use of a Standard National Conversion Factor (UNC Review Group)

Why change?

- All sites under 732,000 AQ should have a single industry standard conversion factor specified in the Gas (Calculation of Thermal Energy) Regulations (also referred to as a Correction Factor)
- The standard factor of 1.02264 accounts for an assumed average temperature, pressure and altitude
- Warmer gas will have a greater metered volume than cooler gas, and gas at higher altitude will have a greater metered volume than gas at a low altitude
- The Xoserve UIG Task Force has identified that the standard CF can cause positive UIG in colder weather and reduce UIG in warmer weather
- Has impacts on NDM Allocation, Meter Point reconciliation and AQs

Options

- The Task Force suggested a number of options to address the inaccuracies caused by the standard CF
- Need to consider whether they address impacts on
 - NDM Allocation
 - Meter Point Reconciliation
 - AQt
 - Alignment of Shipper and end consumer billing
- Material presented at UIG Workgroup in Jan and Feb 2019 – no consensus on way forward

Solution

- Proposal suggests a UNC Review Group
- Scope/objectives:
 - Consider in detail the perceived impacts of the use of a standard conversion factor on the four areas highlighted
 - Identify possible solutions/mitigations to the impacts
 - Weigh up the relative benefits and disadvantages of those solutions/mitigations.
- The review could use the work done by both the AUGÉ and the UIG Task Force as a start point, but should not be constrained by the options already identified
- Allows time for relevant parties to focus on the topic and develop concrete resolutions

Recommended Steps

- Xoserve has drafted a suggested Review Request – published on Xoserve UIG page (under Findings and Recommendations)
- A UNC party would need to sponsor and formally raise the Mod
- Sponsoring party could amend the proposal prior to submission
- Xoserve can support the discussions at Mod Panel, Review Group etc.