Shippers, Transporters

Low Impact:

None

At what stage is this **UNC Request** document in the process? UNC OXXX: (Joint Office to insert number) Request Workgroup Report Review of Gas Meter By-Pass Final Modification Report Arrangements **Purpose of Request:** To request a review of the current Uniform Network Code (UNC) Meter By-Pass arrangements The Proposer recommends that this request should be assessed by a Workgroup This request will be presented by the Proposer to the Panel on [dd mmm yyyy] High Impact: None Medium Impact:

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Any questions?

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About this document:

This document is a Request, which will be presented by the Proposer to the panel on [dd month year].

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

1 Request

Why is the Request being made?

Through the management of the Performance Assurance Committee (PAC) Risks and Issues Register, a risk was identified relating to Meter By-Pass values.

The risk highlighted to the PAC related specifically to settlement accuracy in the event that a Meter By-Pass was installed and left in an 'Open' position, allowing the consumption on that site to bypass the meter with no incrementing read.

At the direction of the PAC, further analysis of the issue was undertaken by Xoserve between July 2020 and January 2021. This analysis revealed that there are presently circa 13k Meters with By-Passes recorded in UK Link as 'Open' or 'Closed', with some dating as far back as 2004.

The PAC were concerned with the accuracy of the Meter By-Pass data within UK Link and so a further exercise was carried out at the request of the PAC. Datasets were issued to all Shippers in October 2020 containing Meters where a By-Pass was recorded on UK Link. Shippers were asked to investigate all sites flagged with an 'Open' By-Pass and a sample of sites with a 'Closed' By-Pass.

While a number of responses were received, movement in the number of Meters with By-Passes recorded in UK Link was relatively small. Discussions with responding Shippers were positive but also highlighted a general lack of clarity in relation to the process for updating By-Pass information.

Consequently, the PAC are concerned that the existing Meter By-Pass arrangements as defined in the UNC may not be clear and fit for purpose and that the associated Meter By-Pass data held in UK Link may not be accurate, creating a risk to settlement accuracy and unidentified gas (UIG).

Therefore, this Review Mod has been raised to request a review of the existing Meter By-Pass arrangements.

Scope

The scope of the review should include but not be limited to:

- 1. The existing Meter By-Pass arrangements as defined in the UNC; and
- 2. The accuracy of Meter By-Pass data recorded within industry systems such as UK Link.

Impacts & Costs

Undertaking a detailed review of the Meter By-Pass arrangements may necessitate input from Shippers, Gas Transporters, Xoserve and potentially Meter Asset Managers and Meter Reading / Inspection Agents.

Recommendations

Panel is requested to put in place a review of the current Meter By-Pass arrangements to ensure they continue to remain fit for purpose and that the associated Meter By-Pass data held within industry systems remains accurate. It is anticipated that the workgroup could recommend changes to the industry arrangements and codes if warranted by the findings of the review.

2 Impacts and Costs

Consideration of Wider Industry Impacts

The request could potentially have an impact on aspects governed and developments of the Retail Energy Code (REC) and / or the Supply Point Administration Agreement (SPAA).

This Request should also consider any potential Cross Code impacts, in particular Independent Gas Transporter (IGT) UNC and SPAA governance.

The Request should also consider the impact of any associated Meter By-Pass arrangements/guidance/governance set out in the Meter Asset Manager Code of Practice (MAMCoP) and Institute of Gas Engineers and Managers (IGEM) standards.

Impacts

Impact on Central Systems and Process	
Central System/Process	Potential impact
UK Link	Improvement to data accuracy
Operational Processes	 Improved clarity in relation to Meter By-Pass arrangements

Impact on Users		
Area of Users' business	Potential impact	
Administrative and operational	Improved clarity in relation to Meter By-Pass arrangements and UNC requirements.	
Development, capital and operating costs	None identified	
Contractual risks	None identified	
Legislative, regulatory and contractual obligations and relationships	Improved clarity in relation to Meter By-Pass arrangements and improved clarity in relation to settlement accuracy.	

Impact on Transporters	
Area of Transporters' business	Potential impact
System operation	None identified
Development, capital and operating costs	None identified
Recovery of costs	None identified
Price regulation	None identified
Contractual risks	None identified

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Impact on Transporters	
Legislative, regulatory and contractual obligations and relationships	 Improved clarity in relation to Meter By-Pass arrangements. Improved clarity in relation to settlement accuracy
Standards of service	 Improved clarity in relation to Meter By-Pass arrangements

Impact on Code Administration	
Area of Code Administration	Potential impact
Modification Rules	None identified
UNC Committees	Minor impact – PAC leading to improved insight
General administration	None identified
DSC Committees	None identified

Impact on Code		
	Code section	Potential impact
		To be considered

Impact on UNC Related Documents and Other Referenced Documents	
Related Document	Potential impact
Network Entry Agreement (TPD I1.3)	None identified
General	Potential Impact
Legal Text Guidance Document	None identified
UNC Modification Proposals – Guidance for Proposers	None identified
Self-Governance Guidance	None identified
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TPD	Potential Impact
Network Code Operations Reporting Manual (TPD V12)	None identified
UNC Data Dictionary	None identified
AQ Validation Rules (TPD V12)	To be considered
AUGE Framework Document	None identified
Customer Settlement Error Claims Process	None identified

Impact on UNC Related Documents and Oth	er Referenced Documents
Demand Estimation Methodology	None identified
Energy Balancing Credit Rules (TPD X2.1)	None identified
Energy Settlement Performance Assurance Regime	None identified
Guidelines to optimise the use of AQ amendment system capacity	None identified
Guidelines for Sub-Deduct Arrangements (Prime and Sub-deduct Meter Points)	None identified
LDZ Shrinkage Adjustment Methodology	None identified
Performance Assurance Report Register	To be considered
Shared Supply Meter Points Guide and Procedures	None identified
Shipper Communications in Incidents of CO Poisoning, Gas Fire/Explosions and Local Gas Supply Emergency	None identified
Standards of Service Query Management Operational Guidelines	None identified
Network Code Validation Rules	To be considered
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OAD	Potential Impact
Measurement Error Notification Guidelines (TPD V12)	None identified
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EID	Potential Impact
Moffat Designated Arrangements	None identified
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IGTAD	Potential Impact
	To be considered
DSC / CDSP	Potential Impact
Change Management Procedures	None identified
Contract Management Procedures	None identified

Impact on UNC Related Documents and Other Referenced Documents	
Credit Rules	None identified
UK Link Manual	To be considered
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mpact on Core Industry Documents and other documents	
Document	Potential impact
Safety Case or other document under Gas Safety (Management) Regulations	To be considered
Gas Transporter Licence	None identified

Other Impacts	
Item impacted	Potential impact
Security of Supply	None identified
Operation of the Total System	None identified
Industry fragmentation	None identified
Terminal operators, consumers, connected system operators, suppliers, producers and other non code parties	 To be considered and in particular in relation to Consumers, Suppliers, Meter Asset Managers and Meter Reading/ Inspection Agencies.

3 Terms of Reference

Background

A Meter By-Pass is a fitting through which the flow of gas can be diverted so as not to pass through the meter. Typically, a meter by-pass is used to maintain a supply of gas should the meter fail, and/or to allow a meter to be replaced, recalibrated, checked or maintained without interruption to the gas supply.

The circumstances in which a Meter By-Pass would be fitted are limited to specific premises and situations and require the MAM to seek the written approval of the Gas Transporter prior to installation.

Where a By-Pass is installed, the Shipper is required under Section M of the UNC to update UK Link 'as soon as reasonably practicable' via an ONJOB. Where a By-Pass is physically Open, the consumption on that site bypasses the meter and there will be no incrementing read. Once the By-Pass is closed, the Shipper should update UK Link and within a set period, provide a consumption adjustment.

A Meter By-Pass should only be removed at the GT or Gas Act Owner's discretion – i.e., where it is suspected that the By-Pass has been misused; where the By-Pass was installed without the GT's

permission; or where circumstances have changed and no longer meet the criteria for provision of a By-Pass.

The scope of the review should consider the end-to-end process for a Meter By-Pass including but not limited to:

- The circumstances in which it is appropriate to fit a Meter By-Pass
- Notification to UK Link
- · Existing UNC arrangements
- Updating the By-Pass status
- Consumption Adjustments as a result of a By-Pass being used
- By-Pass removal
- The accuracy of existing UK Link By-Pass data
- Notification that a By-Pass exists at change of supplier
- Verification that the status of a By-Pass has physically remained as declared, continuously through that period
- Consequences of opening a By-Pass and when they are used
- Provision of clarity around settlement risk

Topics for Discussion

- Understanding the objective
- · Assessment of alternative means to achieve objective
- Development of Solution (including business rules if appropriate)
- Assessment of potential impacts of the Request
- Assessment of implementation costs of any solution identified during the Request
- Assessment of current governance arrangements.

Outputs

Produce a Workgroup Report for submission to the 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. Participation from suppliers and agents with on-site meter operatives would be welcomed.

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.

4 Recommendations

Proposer's Recommendation to Panel

The Proposer invites the Panel to:

• DETERMINE that Request 0XXX progress to Workgroup for review.