## Stage 02: Workgroup Report

# 0487S:

Introduction of Advanced Meter Indicator and Advanced Meter Reader (AMR) Service Provider Identifier

With the continuing rollout of Advanced Metering across the Non Domestic market and the extension till 2016 of the ability to deploy Advanced Metering it is important to be able to identify the presence of Advanced Metering at customer sites. This is particularly important during Change of Supplier (CoS) events and in particular with proposals to optimise the CoS process. Currently central systems do not hold and identify Advanced Meters and associated Advanced Meter Reading (AMR) Service Providers (ASP's). This proposal looks to introduce these details within the central system



The Workgroup recommends that this modification should now proceed to consultation.



High Impact:



Medium Impact:



Low Impact: Shippers and Transporters

At what stage is this document in the process?



Modification



Workgroup Report



Draft Modification Report



Final Modification

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## About this document:

This report will be presented to the panel on 21 August 2014.

The panel will consider whether the modification should proceed to consultation or be returned to the workgroup for further assessment.



3 Any questions?

4 Contact:

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## 1 Summary

#### Is this a Self-Governance Modification?

The Modification Panel determined that this is a self-governance modification because it is unlikely to have material effect on competition as this modification is only proposing to provide additional information at a Change of Supplier (CoS) event to the benefit those involved.

## Why Change?

Currently central systems do not identify if the in situ meter is operating in Advanced Mode (remote reading) and if so who the current Advanced Meter Reading Service Provider (ASP) is. This lack of information creates issue on Change of Supplier (CoS) with the new supplier unable to easily identify if the Meter is advanced and who the current service provider is.

#### Solution

It is proposed to introduce an Advanced Meter Indicator and Advanced Meter Reader (AMR) Service Provider Identifier

### **Relevant Objectives**

Centralising the relevant information will improve the CoS process by ensuring the new supplier has ready access to the status of the MPRN and the relevant service provider. This enables the new supplier to efficiently make the necessary arrangements in relation to the site, therefore further relevant objective d) by securing effective competition between relevant shippers and suppliers

#### Implementation

No implementation timescales are proposed. However, it would be desirable if implementation was as soon as reasonably practicable to support proposed improvements in CoS process.

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## 2 Why Change?

Currently central systems do not identify if the in situ meter is operating in Advanced Mode and if so who the current Advanced Meter Reading (AMR) Service Provider (ASP) is. This lack of information creates inefficiencies on Change of Supplier (CoS) with the new supplier unable to efficiently identify if the Meter is currently advanced and who the current ASP is.

#### Scenario

In the circumstance that Shipper B transfers a Meter Point into their portfolio from Shipper A. Shipper B has no way of identifying whether Advanced Meter equipment is present at site upon receipt of the Meter Information provided to the incoming Shipper by the Transporter on the Meter Reading Information (MRI) File as this is not held on Transporter System so this cannot be provided

Shipper B may then contract an ASP to install an Advance Meter to their newly registered Meter Point. The ASP visits site to report that an Advanced Meter has already been installed by another ASP on behalf of Shipper A, and therefore Shipper B has incurred the costs associated with an ultimately aborted visit.

This lack of centralised information also inhibits the ability to appoint service providers in a timely and efficient manner and thus the introduction of this information will support and compliment improvements being sought through Change of Supplier process reviews and associated modifications.

The Workgroup considered the following options when assessing the modification and the proposer has based the Solution on Option B.

Criteria	Option A	Option B	Option C	Option Ø
Communicate SMSO (Re-using SMSO Organisation Type)	~	✓	<b>✓</b>	✓
Communicate AMR asset at site (Creation of new Meter Mechanism)	X	<b>√</b>	✓	X
Communicate ASP (Creating new Organisation Type)	x	X	<b>√</b>	X
High Level Cost Estimate / Indicative Timescale	<£20k <3 months	£20k - £100k 3–6 months	£20k - £100k 3-6 months	£100k - £300k >12 months

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## 3 Solution

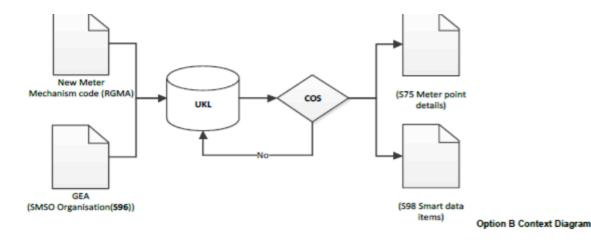
It is proposed to introduce an Advanced Meter status indicator and Advanced Meter Reader (AMR) Service Provider (ASP) identifier into central systems so they can be maintained by Shippers and provided to relevant parties during the Change of Supplier (CoS) process.

Following development by the workgroup the solution we wish to see implemented is as follows: -

**Option B** - uses RGMA functionality to capture Meter Mechanism and the S96 record for the Service provider Organisation (SMSO).

New Meter Mechanism values would need to be created to denote AMR equipment. But output would be via the TRF file (S75 for Meter Mechanism) and S98 (Smart) for the SMSO.

This would NOT create a new Organisation Type or use the ASP Organisation in MDD. Changes to S98 trigger would be required



Recognising the large legacy population of sites with AMR already present we would expect Suppliers to update central systems accordingly as soon as reasonably practicable once the modification is implemented.

#### **User Pays**

Classification of the modification as User Pays, or not, and the justification for such classification.

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This is a User Pays modification as it proposes to change or amend central systems.

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.

It is proposed that charging would utilise the Meter Sector Flag to determine the allocation of costs. Those MPRN's populated with an "I" representing non domestic sites would be used to determine the population used to determine the Shippers relevant market share and thus the relevant share of the costs based on that market share.

Proposed charge(s) for application of User Pays charges to Shippers.

To be confirmed

Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Xoserve.

To be confirmed

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# **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		
<ul> <li>b) Coordinated, efficient and economic operation of</li> <li>(i) the combined pipe-line system, and/ or</li> <li>(ii) the pipe-line system of one or more other relevant gas transporters.</li> </ul>	None		
c) Efficient discharge of the licensee's obligations.	None		
<ul> <li>d) Securing of effective competition:</li> <li>(i) between relevant shippers;</li> <li>(ii) between relevant suppliers; and/or</li> <li>(iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.</li> </ul>	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		

Centralising the relevant information will improve the CoS process by ensuring the new supplier has ready access to the status of the MPRN and the relevant service provider. This enables the new supplier to efficiently make the necessary arrangements in relation to the site and will therefore further relevant object d) securing of effective competition i) between relevant shippers and ii) between relevant suppliers.

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## 5 Implementation

No implementation timescales are proposed. However, it would be desirable if this modification were implemented as soon as reasonably practicable to allow as much time as possible for the benefits to be gained prior to the implementation of Project Nexus.

As self-governance procedures are proposed, implementation could be sixteen business days after a Modification Panel decision to implement.

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# 6 Legal Text

The text as reviewed by the Workgroup should be inserted at this point.

#### **Text**

The following Text has been prepared by Northern Gas Networks at the request of Panel, and no issues were raised by the Workgroup regarding its content.

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## 7 Recommendation

The Workgroup invites the Panel to:

AGREE that this self-governance modification should be submitted for consultation.

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