

## Stage 02: Workgroup Report

# 0487S:

## Introduction of an Advanced Meter Indicator and Advanced Meter Reader (AMR) Service Provider Identifier in advance of Project Nexus Go Live

At what stage is this document in the process?



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 and place an obligation on Shippers to populate and maintain the relevant information



The Workgroup recommends that this Self-Governance modification should be issued to consultation.



High Impact:



Medium Impact:



Low Impact: Shippers and Transporters

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Workgroup Report

22 August 2014

Version 1.1

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## About this document:

This report will be presented to the panel on [18 September 2014].

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



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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

Recognising that hundreds of thousands of AMR installations are already in situ it is critical that we introduce a means of tracking meters operating in advanced most as soon as reasonably practicable. However we must balance this against the currently scheduled switch over to Nexus and the short term nature of introducing a solution in pre Nexus Systems.

Therefore this solution introduces a short term solution for the pre Nexus environment with a more enduring solution proposed for the post Nexus environment.

Prior to Nexus implementation (currently scheduled for October 2015) it is proposed that we introduce an Advanced Meter Reader (AMR) Service Provider (ASP) Identifier within central systems and that we place an obligation on Shippers, where relevant, to populate and maintain this data item. The Shipper shall be responsible for updating the Advanced Meter Reader (AMR) Service Provider (ASP) as soon as reasonably practicable once it becomes aware of the existence of an ASP.

## Relevant Objectives

Pre Nexus, holding the relevant information in central systems will improve the CoS process by ensuring the new Shipper has ready access to the current AMR Service Provider Identifier. This enables the new Shipper & Supplier to efficiently make the necessary arrangements in relation to the site, therefore further relevant objective d) by securing effective competition between relevant shippers.

## 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.

## 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 Shipper & 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.

### 3 Solution

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#### User Pays

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

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 utilize the Meter Sector Flag to determine the allocation of costs. Those MPRNs populated with an "I" representing non domestic sites would be used to determine the population used to determine the Shipper's 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

## 4 Relevant Objectives

Impact of the modification on the <b>Relevant Objectives:</b>	
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

Centralising the relevant information will improve the CoS process by ensuring the new Shipper and Supplier has ready access to the status of the MPRN and the relevant service provider. This enables the new Shipper and 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.

## 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.

## 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.



## 7 Recommendation

The Workgroup invites the Panel to:

- AGREE that this Self-Governance modification should be issued to consultation.