

METER BY-PASS REVIEW - INTRODUCTION

- 1. Review Purpose and Scope
- 2. Current Process Overview
- 3. Current Regulatory Arrangements Overview
 - 1. UNC
 - 2. ENA GDN/PM/GT2
 - 3. MAMCoP
 - 4. SPAA/RGMA
- 4. Review Questions



REVIEW PURPOSE & SCOPE

- Through the management of the Performance & Assurance Committee (PAC) risk register, a risk was identified in relation to Meter By-Pass values
- The risk highlighted was to settlement accuracy should a By-Pass be installed and left in 'open' position allowing gas to bypass the meter
- Following some initial analysis, the PAC had some concerns over the existing By-Pass arrangements as defined
- Hence this review of the existing Meter By-Pass arrangements focusing primarily on three areas:
 - Are the existing Meter By-Pass arrangements as defined in the UNC fit for purpose?
 - Are the wider industry Meter By-Pass arrangements clear and fit for purpose?
 - Is the associated Meter By-Pass data recorded in industry systems accurate?



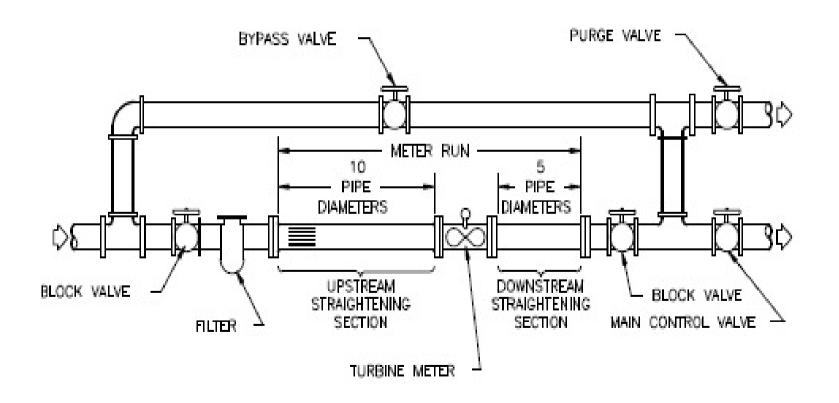
PROCESS OVERVIEW

- 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 both the Gas Supplier and Transporter prior to installation.
- Where a Meter By-Pass is installed, the Shipper is required to update UK Link 'as soon as reasonably practicable' via an ONJOB
- Where a Meter By-Pass is physically Open, the consumption on that site bypasses the meter and there will be no incrementing read
- Once the Meter By-Pass is closed, the MAM should ensure it is 'sealed' to prevent misuse
- The Shipper should then update UK Link within a set period and provide a consumption adjustment.



PROCESS OVERVIEW

 The example diagram below is intended to provide some further context on how a Meter By-Pass works in practice





METER BY-PASS ARRANGEMENTS

Industry requirements relating to Meter By-Passes are covered in the following documents:

- Uniform Network Code (UNC) Section M (2.3 and 2.4)
- Energy Networks Association (ENA) GDN/PM/GT2
- Meter Asset Managers Code of Practice (MAMCoP)
- SPAA Retail Gas Metering Arrangements (RGMA)



UNC ARRANGEMENTS

The key UNC requirements for meter by-passes are:

- M2.3: Interference with meters and meter by-pass utilisation
 - Shipper must take reasonable steps to ensure no person improperly utilises a meter by-pass other than permitted by GDN/PM/GT2 (see next slides)
 - Shipper must promptly report any evidence of improper meter by-pass utilisation to Transporter
- M2.4: Meter By-Pass
 - When a meter by-pass is installed, shipper to notify CDSP "as soon as reasonably practicable" (i.e. via ONJOB)
 - When a by-pass is 'Closed', shipper to notify CDSP of the status change "within 2 Supply Point Systems Business Days" (i.e. via ONUPD)
 - When a by-pass is 'Closed', Shipper to notify CDSP of Consumption Adjustment, where estimate is 10,000 kWh or greater, "within 15 Supply Point Systems Business Days" (i.e. via RFA query)
 - Shipper to ensure that a closed by-pass is "resealed promptly".



GDN/PM/GT2 ARRANGEMENTS (1)

Provision of a Meter By-Pass

- A by-pass should only be installed at the following types of premises
 - Hospitals or hospice
 - Institutionalised accommodation (e.g. homes for the elderly, schools, and prisons)
 - Large or complex plant supporting continuous processes (e.g. agricultural, baking processes)
- And at meter installations connecting to:
 - Exceptionally complex pipework and gas consuming plant
 - Multi-occupied premises (e.g. a single meter installation serving a block of flats)

GT Authorisation

- Where the Gas Supplier has identified the need for a by-pass, the MAM shall:
 - Submit a written request to the GT including justification for the by-pass by using the form in Appendix ${\sf F}$
 - Not install the by-pass until the approved form has been returned



GDN/PM/GT2 ARRANGEMENTS (2)

Removal of existing Meter By-Pass

- A meter by-pass shall only be removed at the GT or the Gas Act owner's discretion. Consideration should be given to removing the by-pass under the following conditions:
 - It is suspected that the by-pass has been misused in any way
 - The by-pass has been installed without the GT's Authorisation
 - Where circumstances have changed and no longer meet the criteria for provision of a by-pass

Sealing of valves and equipment

• In order to minimise the opportunity for gas to flow undetected through the by-pass and to protect the system and consumers, the MAM shall ensure it is sealed with the relevant OAMI seal and in accordance with IGE/GM/8 such that the operation of the by-pass valve is evident



MAMCOP ARRANGEMENTS (1)

Provision of a Meter By-Pass

- A meter by-pass would normally be considered where the provision of a meter by-pass would, in the gas supplier's opinion, be prudent in order to avoid the risk of personal injury or death or damage to property (including prejudice to animal welfare) arising from a fault on the meter or metering installation component and where gas is supplied to the following types of premises:
 - Hospitals
 - Institutionalised accommodation (for example homes for the elderly, schools, and prisons)
 - Premises utilising large or complex plant supporting continuous bulk manufacturing (for example agricultural, baking or other commercial processes) and in analogous circumstances
 - At meter installations connected to:
 - Exceptionally extensive and complex pipework and gas consuming plant
 - Multi-occupied premises or a number of discrete consumers (for example a single meter installation serving a block of flats)



MAMCOP ARRANGEMENTS (2)

Gas Suppliers Approval

- In extraordinary cases where the MAM considers it appropriate for a bypass to be provided then the MAM shall:
 - Submit a written request to the gas supplier including justification for the bypass
 - Receive the gas supplier's written consent before agreeing to install the bypass in accordance with the relevant Ofgem Code of Practice
 - Provide confirmation to the gas supplier of completion of the by-pass installation

Gas Transporters Approval

 As required by the network code, the MAM shall gain approval from the GT for the provision and use of a bypass



MAMCOP ARRANGEMENTS (3)

Existent Meter By-Pass and Removal of Meter By-Passes

- The MAM shall determine whether any existent meter installation bypass, under their commercial arrangements, is approved by the gas supplier
- Meter by-passes incorporated at meter installations remain in place unless the approval under Section 5 is revoked, in which case the bypass shall be removed

Sealing of By-Pass Valves and Equipment

 A by-pass shall be sealed on first installation by the MAM and resealed after use using a seal displaying the organisation or Gas Safe registration number



MAMCOP ARRANGEMENTS (4)

Operation of a By-Pass

- In the event that the by-pass has to be opened by the MAM the following should be carried out:
 - All relevant information shall be recorded in accordance with Network Code
 - Providing a safe situation exists, the meter by-pass valve seal should be broken, and the valve slowly opened
 - The meter inlet valve should be turned off slowly and continuity of supply confirmed downstream of the by-pass
 - The meter outlet valve should be turned off slowly and continuity of supply confirmed
 - The MAM shall advise the gas supplier when the by-pass has been opened and provide relevant information in accordance with Network Code

Actions to be Taken Should the Meter By-Pass Seal be Found Broken

- If the MAM identifies that the by-pass seal is broken a responsible person on site should be contacted and a written record of all the details and actions shall be made
- Action should be taken according to Sub-Section 11 below if theft of gas is suspected
- The gas supplier shall be advised of broken seals
- Arrangements shall be made for the by-pass valve to be resealed



MAMCOP ARRANGEMENTS (5)

Actions to be Taken Should the By-Pass be Found in the Open Position and no Notification has Been Made to the Gas Supplier

- The responsible person on site must be advised that the by-pass has been found open. Both the date and time of the notification and the time at which the by-pass was found to be open must be recorded. If there is no apparent reason to why the by-pass is open, then arrangements must be made with the gas supplier and consumer for the by-pass to be closed safely and the by-pass valve resealed. If the bypass is left open the purpose should be identified as to why the by-pass is left open. In either circumstance the relevant gas supplier shall be notified
- Where the MAM suspects that there has been theft of gas then the relevant gas supplier shall be notified.



SPAA/RGMA ARRANGEMENTS

While Meter By-Pass arrangements are not expressly covered under the Supply Point Administration Agreement (SPAA), the file formats (ONJOB / ONUPD) used to exchange data related to a Meter By-Pass installation or status updates are defined as part of the Retail Gas Metering Arrangements (RGMA):

- Installation of a Meter By-Pass would be notified by the MAM to Gas Supplier to Shipper via an ONJOB
- Notification to the CDSP would subsequently be notified by the Shipper via a JOB file
- A change in Meter By-Pass status (i.e. the by-pass being closed) would be notified by the MAM to the Gas Supplier to Shipper via an ONUPD
- Notification to the CDSP would subsequently be notified by the Shipper via a .UPD file
- Any subsequent removal of a Meter By-Pass would be notified by the MAM to Gas Supplier to Shipper on an ONJOB with subsequent notification from the Shipper to CDSP on a .JOB file

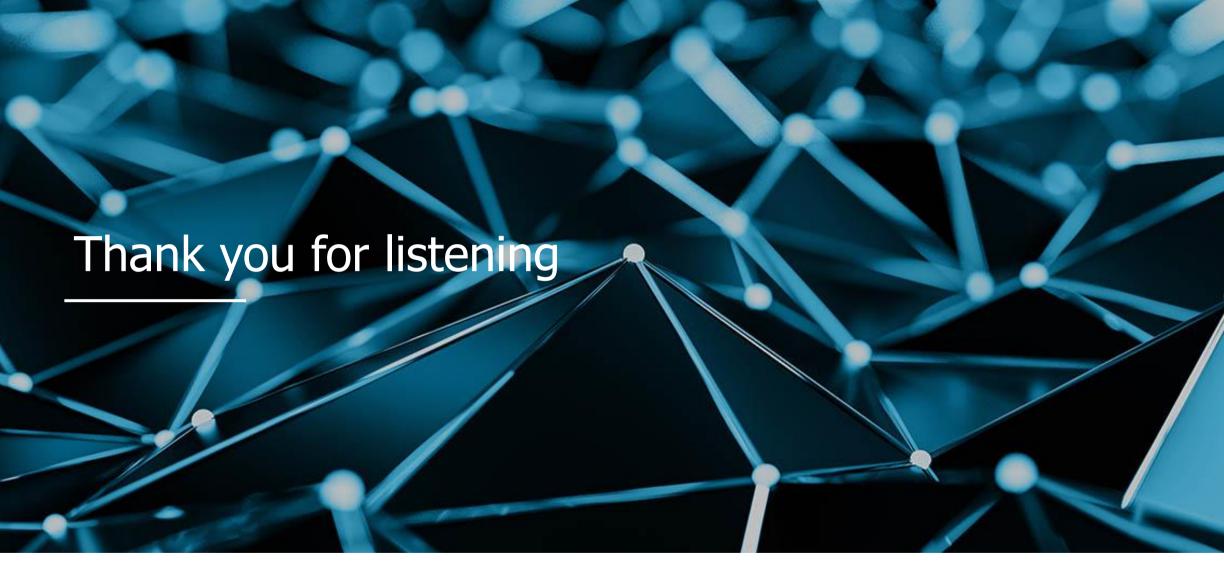


REVIEW QUESTIONS

In the view of the proposer, the Meter By-Pass Review should seek to answer the following questions:

- 1. Is installation of a Meter By-Pass being notified to the CDSP in a timely manner?
- 2. Are changes in Meter By-Pass status (i.e. 'open' to 'closed') being notified to the CDSP within 2 Supply Point Systems Business Days as per the UNC requirement?
- 3. Following notification that a By-Pass has been closed, are subsequent consumption adjustments being notified to the CDSP within 15 Supply Point Systems Business Days as per the UNC requirement?
- 4. Are MAMs seeking the appropriate permissions from the Transporter before a Meter By-Pass is installed?
- 5. Are Meter By-Passes being installed as intended; i.e. only in the type of premises detailed in GDN/PM/GT2 and the MAMCoP?
- 6. How is the existence of a Meter By-Pass notified during a switch / change of Shipper?
- 7. In what circumstances are Meter By-Pass removals processed in industry systems? I.e. is it only upon notification via ONJOB of a physical removal or are there other circumstances in which a by-pass is removed?
- 8. What degree of confidence is there that Meter By-Passes that exist in industry systems with a status of 'closed' are correctly sealed to prevent misuse?
- 9. Are the existing UNC governance arrangements for Meter By-Passes clear and fit for purpose?
- 10. Are the wider end to end process for Meter By-Passes clear and fit for purpose?
- 11. Is the existing Meter By-Pass data held in industry systems accurate? I.e. what degree of confidence do we have that the status of a Meter By-Pass has remained as declared?

















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