









| UNC Draft Modification Report | At what stage is this document in the process? |
|---|---|
| <h1>UNC 0819:</h1> <h2>Establishing/Amending a Gas Vacant Site Process</h2> | <div style="display: flex; flex-direction: column; gap: 5px;"> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 5px; display: flex; align-items: center; gap: 5px;"> 01 Modification </div> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 5px; display: flex; align-items: center; gap: 5px;"> 02 Workgroup Report </div> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 5px; display: flex; align-items: center; gap: 5px;"> 03 Draft Modification Report </div> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 5px; display: flex; align-items: center; gap: 5px;"> 04 Final Modification Report </div> </div> |
| <p>Purpose of Modification:</p> <p>This Modification seeks to provide Shippers with the ability to effectively manage their Settlement Performance Obligations and Transportation Costs for Vacant sites.</p> | |
| <p>Next Steps:</p> <p>This Draft Modification Report is issued for consultation responses at the request of the Panel. All parties are invited to consider whether they wish to submit views regarding this Modification. The close-out date for responses is 16 November 2023, which should be sent to enquiries@gasgovernance.co.uk.</p> <p>A Consultation response template is available at http://www.gasgovernance.co.uk/0819.</p> <p>The Panel will consider the responses and agree whether this Modification should be made.</p> | |
| <p>Impacted Parties:</p> <p>High: Shippers and Suppliers</p> <p>Low: Distribution Network Operators, Independent Gas Transporters and Consumers</p> <p>None: NTS</p> | |
| <p>Impacted Codes:</p> <p>Uniform Network Code (UNC) and Independent Gas Transporters UNC</p> | |

| Contents | | |
|---|--------------------------------|--|
| 1 | Summary | 3 |
| 2 | Governance | 3 |
| 3 | Why Change? | 4 |
| 4 | Code Specific Matters | 4 |
| 5 | Solution | 4 |
| 6 | Impacts & Other Considerations | 6 |
| 7 | Relevant Objectives | 10 |
| 8 | Implementation | 11 |
| 9 | Legal Text | 11 |
| 10 | Recommendations | 12 |
| 11 | Appendices | 12 |
| 12 | Appended Representations | 12 |
| Timetable | | |
| Modification timetable: | | |
| Pre-Modification Discussed at final 0783R workgroup | 12 July 2022 |  Any questions? |
| Date Modification Raised | 01 September 2022 | Contact: Joint Office of Gas Transporters |
| New Modification to be considered by Panel | 15 September 2022 |  enquiries@gasgovernance.co.uk |
| First Workgroup Meeting | 22 September 2022 |  0121 288 2107 |
| Workgroup Report to be presented to Panel | 19 October 2023 | Lee Greenwood – British Gas |
| Draft Modification Report issued for consultation | 19 October 2023 |  lee.greenwood@britishgas.co.uk |
| Consultation Close-out for representations | 16 November 2023 |  n/a |
| Final Modification Report available for Panel | 21 November 2023 | Transporter: Gurvinder Dosanjh Cadent Gas |
| Modification Panel decision | 14 December 2023 |  Gurvinder.Dosanjh@cadentgas.com |
| | |  07773 151572 |
| | | Systems Provider: Xoserve |
| | |  UKLink@xoserve.com |

1 Summary

What

This Modification proposes to give Shippers the ability to effectively manage Settlement Performance Obligations and reduce Transportation Costs when the proposed Vacant criteria is met, and a Shipper has chosen to set a site to Vacant.

Why

- Within the current economic climate there are many domestic and commercial properties that have become Vacant, with the Shipper unable to access the property or contact the customer to obtain meter readings. In certain circumstances, a warrant can be obtained through the courts. However, this can be a costly procedure and requires a considerable amount of time and effort. Despite these facts, Gas Shippers are unable to effectively reduce their Settlement Performance Obligations and Transportation Cost exposure to these sites, as:
 - An AQ for a site can only be amended by obtaining meter readings
 - A Shipper/Supplier cannot access the site(s) to obtain meter readings
 - A Shipper is unable to contact the customer to obtain meter readings

How

The Modification proposes that once a site has met proposed Vacant criteria, the Shipper is given the ability to contact the Central Data Service Provider (CDSP) to remove Settlement Performance Obligations and stop Transportation Costs while the site is in a Vacant status.

Shippers would continue to apply the Isolation and Withdrawal process where it is deemed appropriate and possible, noting that the majority of isolations can only be applied with access to the property. The process proposed under this Modification regarding Vacant sites is independent to the current Isolation and Withdrawal processes. There are no proposed changes to the Isolation or Withdrawal processes as a result of this Modification.

This Modification also seeks to introduce additional reporting to Performance Assurance Committee (PAC) (and a corresponding anonymised report) in the Performance Assurance Report Register (PARR) regarding the Vacant Sites process. This is likely to include the count of Supply Meter Points where the CDSP have been notified of Vacant criteria for a site being met and the total count of sites that have a Vacant Status and the duration they have had this status.

2 Governance

Authority Direction is proposed for this Modification, as the last time this subject was discussed in 2011 (Modification 0282 & 0282A) it was considered a material change and not subject to Self-Governance. The view of Workgroup 0783R was that this was still the case for this Modification due to the potential impacts in Gas Allocation, Reconciliation and UIG.

Requested Next Steps

This Modification should be considered a material change and not subject to Self-Governance.

Workgroup's Assessment

On 24 August 2023 Workgroup agreed that the Modification should remain as Authority Direction.

3 Why Change?

Currently there is no process that allows Shippers to remove Settlement Performance Obligations or reduce Transportation Costs for Vacant sites without submitting meter readings. However, when a site is Vacant it is difficult for Shippers and meter reading agents to obtain meter readings. In certain circumstances, a warrant can be obtained through the courts. However, this is a costly procedure and requires a considerable amount of time and effort. This leaves Shippers paying inflated Transportation Costs until meter readings are obtained and submitted and accepted into Settlement, noting that some costs become unrecoverable when the last actual reading predates the Line in the Sand date.

By providing Shippers with the ability to reduce Transportation Costs to reflect real time usage it will ensure that Shippers are not paying upfront costs, noting that this would be particularly useful to the smaller market participants that might not have access to large amounts of cashflow for upfront costs, promoting market competition.

Shippers would continue to apply the Isolation and Withdrawal process where it is deemed appropriate and possible, noting that the majority of isolations can only be applied with access to the property. The process proposed under this Modification regarding Vacant sites is independent to the current Isolation and Withdrawal processes. There are no proposed changes to the Isolation or Withdrawal processes as a result of this Modification.

4 Code Specific Matters

Reference Documents

TPD Section G and Section V <https://www.gasgovernance.co.uk/TPD>

Knowledge/Skills

Knowledge of Read Submission Process, AQ and SOQ, Gas Allocation, Reconciliation and UIG.

5 Solution

Business Rule 1

It is proposed that a new Vacant site process for Product Class 4 Non-Daily Metered (NDM) sites with a Standard Meter (DUMB), Non-active AMR Meter or SMETS Meter with a Non-Active DCC Flag Meter configuration, is established to allow Shippers to remove sites from Meter Read Obligations in TPD M5.9, Must Reads in TPD M5.10, and reduce their cost exposure to Vacant sites, through a process similar to which exists in the Electricity market.

The Shipper would be responsible for ensuring the proposed criteria is met before a site could be made Vacant through notification to the CDSP. Details of the proposed criteria will be maintained within a UNC Related Document - Vacant Site Guidance Document.

For the avoidance of doubt, IGT sites are in scope of the 0819 process BUT there are no changes to IGT specific charges.

Business Rule 2

Where a Shipper has ensured that the proposed Vacant site criteria has been met and wishes to utilise the Gas

Vacant process, the Shipper will notify the CDSP to enter the site into “Vacant status”. Where the CDSP holds information to suggest that proposed Vacant site criteria has not been met in accordance with the Vacant Site Guidance Document, the CDSP will reject the submission for a Vacant status.

Business Rule 3: Settlement and Commodity Relief

At the point the site is entered into a Vacant status by the CDSP (as notified by the Registered User), Settlement Performance Obligations, Commodity Costs, Daily Allocation and UIG will cease prospectively.

For the avoidance of doubt, this cease to Meter Read Obligations in TPD M5.9, Must Reads in TPD M5.10, Commodity Costs, Daily Gas Allocation and UIG Allocation will be prospective only from the point the Vacant Status is applied. Any retrospective ceases are out of scope of this Modification and process.

Business Rule 4: Capacity Relief

Where a site has been in a Vacant status for 12 months or more with the same Supplier and Shipper the Shipper will have the option to request a change to the Annual Quantity (AQ) of the site to set the AQ to 1 via a new Vacant site “eligible cause” as per TPD G 2.3.21 to receive Capacity relief.

Business Rule 5: Exit Criteria

A site will trigger the removal from Vacant status when any of the following occur:

1. Change of Shipper and / or Supplier event (CoS) request is accepted, including as a result of:
 - a. Supplier of Last Resort (SoLR) event has taken place
2. An AQ amendment has been submitted except if in accordance with Business Rule 4 (for the avoidance of doubt, this exit criteria could be triggered by submission of an “eligible cause” as per TPD G 2.3.21 and where a change in AQ is submitted due to read tolerance as per TPD G 2.3.22).
3. Class Change is submitted
4. Request for Isolation is made
5. Read relevant to the period of vacancy is submitted into UK Link
6. ONJOB is submitted into UK Link

For the avoidance of doubt, in relation to points 2 to 6 above the trigger is being submitted to the CDSP, regardless of it being accepted and processed centrally.

Business Rule 6: Vacant status removal - Settlement and Commodity Relief

- a.) Where the site AQ **has not** been reduced to 1, the CDSP will remove the Vacant status with Meter Read Obligations in TPD M5.9, Must Reads in TPD M5.10, Commodity Costs, Daily Allocation and UIG recommencing, when any of the above Exit Criteria are triggered.
- b.) Where the site AQ **has** been reduced to 1, the Vacant status will be removed in line with the updated AQ becoming effective as per the business rules below.

Business Rule 7: Vacant status removal - Capacity Relief

- a) Where the Registered User triggers the exit from the process via an AQ amendment (AQ correction), the Vacant status will be removed by the CDSP in line with the updated AQ (as per the correction request), becoming effective. For the avoidance of doubt this will be effective in line with the existing AQ amendment timelines. For the avoidance of doubt, this exit criteria could be triggered by submission of an “eligible cause” as per TPD G 2.3.21 and where a change in AQ is submitted due to read tolerance as per TPD G 2.3.22.

For the other exit triggers (CoS, SoLR, Class Change, Read or .JOB submitted), the Registered User will have until M-15 Supply Point System Business Days (SPSBDs) the following month of the trigger, to amend the AQ (via the AQ amendment process) to the accurate usage. The Vacant status will be removed by the CDSP in line with the updated AQ (as per the correction request) becoming effective. For the avoidance of doubt, this will be effective in line with the existing AQ amendment timelines.

- b) In the absence of the Registered User amending the AQ as per the above timeline, the CDSP will reinstate the pre-Vacant Rolling and Formula Year AQ (FYAQ). The Vacant status will be removed by the CDSP in line with the pre-Vacant Rolling and FYAQ becoming effective. For the avoidance of doubt, where the CDSP reinstates the pre-Vacant Rolling and FYAQ between the months January – March, the reinstated value will be utilised to set the FYAQ for the next 12 months commencing in April. Further for the avoidance of doubt, the reinstated pre-vacant AQ will be subject to existing AQ correction backstop rules. This means following the point the CDSP reinstates the pre-Vacant AQ, the AQ should remain at this estimate and the next AQ Calculation Month shall be the first month in relation to which a Qualification Meter Reading, with a Read Date not less than 9 months from the reinstated pre-Vacant AQ is submitted.

Supplemental:

It is recognised that this Modification will require additional reporting in the PARR regarding the vacant sites process but should not delay progress of the Modification.

6 Impacts & Other Considerations

Does this Modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

There are no impacts identified.

Consumer Impacts

Workgroup Participants briefly considered this and concluded there may be more accurate billing for Shippers as the Modification will lead to more accurate AQs. This may not pass through to the customer as many consumers may not be paying as the sites are vacant. Some may see the benefit as they may be paying.

What is the current consumer experience and what would the new consumer experience be?

| Impact of the change on Consumer Benefit Areas: | |
|---|-------------------|
| Area | Identified impact |
| Improved safety and reliability | None |
| Lower bills than would otherwise be the case | None |
| Reduced environmental damage | None |

| | |
|--|----------|
| <p>Improved quality of service</p> <p>The proposed process will likely see increased visits to Vacant sites to monitor and establish if sites are still in a Vacant state with no access.</p> <p>Workgroup Participants agreed.</p> | Positive |
| <p>Benefits for society as a whole</p> | None |

Cross-Code Impacts

IGT UNC Modification has been raised (IGT168) and was considered at IGT Panel 25 August 2023 and IGT Workstream meeting on 14 September 2023. It will be considered again at IGT UNC October Workstream meeting for final review.

A Workgroup Participant clarified that the Transporter charge relief applies solely to Large Transporters. The Modification does not envisage any changes to IGT transportation charges as part of the IGT UNC Modification.

For further information please see: <https://www.igt-unc.co.uk/modification/igt168/>

EU Code Impacts

None.

Central Systems Impacts

The Modification will impact the Central Data Services Provider. On 28 September 2023 Workgroup reviewed the second version of the ROM.

Rough Order of Magnitude (ROM) Assessment

| | |
|---------------------------------------|---|
| <p>Cost estimate from CDSP</p> | <p>An enduring solution will cost at least £230,000, but probably not more than £655,000.</p> <p>The higher costs are more likely depending on two factors</p> <ol style="list-style-type: none"> 1. Choice of solution option – CMS or UK Link (CMS is higher) 2. (To a much smaller extent) Inclusion or not in a scheduled or non-scheduled DDP release. <p>Note UK Link changes would need to be in a major release.</p> <p>Ongoing costs are unknown at this stage however, this will be assessed and confirmed in detailed analysis / design phase.</p> |
| <p>Timescales</p> | <p>The proposal is likely to need to align with a Major Release. It is likely that this will be November '24 major release or later.</p> <p>Approximately 24 - 28 weeks post Detailed Design Change Pack approval plus around 6 months for industry file format changes. 4 weeks of Post Implementation Support would be recommended.</p> <p>This is subject to DSC Change Management Committee consideration and approval.</p> |

The Change Document is XRN 5615 in which the Proposer suggests a DN/Shipper 50/50 funding split. Workgroup Participants confirmed they were happy for DSC Change Management Committee to consider this

suggested split. For further information please see: <https://www.xoserve.com/change/customer-change-register/xrn-5615-establishingamending-a-gas-vacant-site-process-modification-0819/>

The CDSP representative asked whether this Modification warrants systems change development to be allowed to begin before Authority approval, which would be working at risk. Workgroup asked for clarification of how much costs would be committed before Modification approval. This will be taken forward by DSC Change Management Committee.

Performance Assurance Considerations

PAC discussed this Modification at their April 2023 meeting and agreed to share the draft PARR reports with Workgroup on 26 April 2023 (see <https://www.gasgovernance.co.uk/0819/270423>). Workgroup reviewed the draft PARR for UNC Modification 0819 and had no comments on the material presented.

Workgroup noted that the PARR will not be updated with the proposed reports until the Modification is approved.

It is recognised that the Modification will require additional reporting in the PARR regarding the vacant sites process. This should not delay progress of the Modification.

Please see relevant notes in the ROM.

Without appropriate monitoring (and actions resulting from this) there is a risk that sites may remain with vacant status inappropriately.

Panel Questions

What PAC monitoring should be in place for this Modification?

See Section above "Performance Assurance Considerations".

Workgroup Impact Assessment

A Workgroup Participant suggested an alternative solution at the February 2023 Workgroup meeting which was discussed further at the March meeting:

- The AQ of a vacant site could be reduced to 1 by submitting static reads using a new vacant site read reason.
- The CDSP Subject Matter Experts (SMEs) have advised (at a very high level) that the system and process impacts would be more complex than the solution option of Modification 0819 which has been fed back to the User who suggested this alternative.
- The Workgroup Participant provided their confirmation that they were satisfied with the response received and that they no longer wished to pursue this as an alternative solution option.

Winter Consumption

At Workgroup in March 2023, a discussion ensued around the effect of winter consumption on Business Rule 4 relating to setting the AQ to 1. Workgroup agreed that a User could raise a winter consumption adjustment to reduce the winter consumption value down to 0 ahead of raising the AQ correction. This is the existing process now for Shipper Users. The Proposer agreed to include reference to the winter consumption adjustment process in the 'Amending a Gas Vacant Site Process Guidance Document'.

Backstop date

Workgroup discussed the need for a backstop for when the CDSP re-instate the pre-vacant rolling AQ and Formula Year Annual Quantity (FYAQ). This would mean that once the Shipper User submits a new read for a previously vacant SMP, the rolling AQ would be immediately pulled back down. The AQ would, therefore, be closer to the vacant AQ value than the re-instated pre-vacant value.

The impact of this would be:

- Reduced commodity charges would re-apply when the rolling AQ significantly reduces. Therefore, despite the commodity stop flag being removed when the vacant status is removed, the SMP would still have an element of commodity relief even though the SMP is no longer vacant.
- Reduction in capacity charges would NOT immediately apply as it is based on the FYAQ. However, if the initial post-vacant read/s were submitted just before the 01 December AQ snapshot, the rolling AQ captured during that snapshot would be more reflective of the vacant AQ, and therefore when the YAQ is set on 01 April the following year, it will be considerably lower than the re-instated values, meaning that an element of capacity relief would reapply despite the SMP not being vacant.

In light of the above, Workgroup came to the view that the re-instated pre-vacant AQ values without a backstop would negate the impact of reinstating the pre-vacant AQ values and decided to include the backstop date mechanism when the CDSP re-instate the pre-vacant AQ.

Business Rule 7 b) now covers the backstop rule.

Workgroup discussed the potential interaction of the legal text for UNC Modifications 0816S and 0819. Ideally, 0816S would be implemented ahead of 0819.

At Workgroup June 2023 the following still needed to be bottomed out:

1. 'Amending a Gas Vacant Site Process Guidance Document' status update – are some of the criteria contained here? UNC Related Document – document needs to be finalised. (should be appended to amended Mod)
 2. CDSP actions in relation to Vacant site designation (tightly specified CDSP validation tests) – update Guidance document and possible FAD statement maybe in BR2
 3. 'reads relevant to the period of vacancy' – update
 4. Propose does not want visibility of Vacant sites in the Gas Enquiry Service (GES) , may want visibility in DDP? and any changes required to the Data Access Matrix (DAM, now part of REC) – update (change proposal?) -paragraph in WGR is needed
- inclusion of IGT supply points - updates to ROM required?

At September 2023 Workgroup, Participants were satisfied that the above points 1-4 have been duly resolved to Workgroup's satisfaction.

August 2023

Workgroup noted it does not have the ability to quantify the number of potentially affected sites. As part of consultation, Panel may wish to request that Parties provide information to Ofgem on the indicative number of sites which initially fall in scope of this Modification. This information may inform the cost benefit analysis.

Workgroup discussed whether there may be a point at which the number of vacant sites should be reviewed, potentially as part of a future UNC Request. Parties may wish to raise this as a report generated by the CDSP or as a further Modification.

Application of Customer Charge (28 September 2023)

A Workgroup Participant asked whether the customer charge element of DN charges would still apply where Business Rule 4 applies. A Workgroup Participant asked whether the Modification would act to give advantage to those sites captured under this Modification. If this Modification places sites into the BAU process and the BAU process means that the SMART and AMR sites do not get charged the DN customer charge, then it is correct that sites captured under this Modification would also not get the customer charge (treated in the same way). However, it is believed that the customer charge may still be applied to Smart and AMR sites then it would also be applied to sites under this modification as part of BAU. Equivalence is sought. The Modification should not change the arrangements for the DN Customer charge.

The CDSP representative clarified, in regard to the LDZ Customer charges for capacity, that under a certain AQ, it is capacity-based and over a certain AQ, it is SOQ-based. This Modification does not change this approach to customer charges.

Any further clarification regarding this process could be sought outside the progress of this Modification as, if it is relevant, it is a general concern rather than specific to this Modification.

Whilst this Modification looks to treat non-SMART and AMR sites as if they were SMART and AMR, it has to be noted that exiting the “vacant site” status will not be managed in the same way. This is due to automatic readings not being received into central systems for sites captured under this Modification. Workgroup acknowledged that receipt of “automatic readings” is actually based on the Supplier submitting the reads and is therefore not guaranteed. Workgroup noted the importance of the roles of the PAFA and PAC and that PAC has been actively discussing the nature of those reports. PAC reporting should help mitigate any risks in this regard.

7 Relevant Objectives

| Impact of the Modification on the Transporters’ Relevant Objectives: | |
|--|-------------------|
| 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 | Positive |

| | |
|--|------|
| (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant Shippers. | |
| 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 |

Proposer’s view

By providing Shippers with the ability to reduce Transportation Costs to reflect real time usage it will ensure that Shippers are not paying unnecessary costs, noting that this would be particularly useful to the smaller market participants that might not have access to large amounts of cashflow for unnecessary costs, therefore promoting Relevant Objective d) Securing of effective competition:

- (i) between relevant Shippers;
- (ii) between relevant Suppliers.

Workgroup Assessment of Relevant Objectives

Workgroup Participants recognised that Commodity payments are paid and then reconciliation occurs. This points to parties not paying costs that are not applicable which is positive for competition. The ability to seek relief from capacity costs where they are not applicable is also positive for competition.

The corollary of this is that the DN Allowed Revenue will still be smeared, however over different parties not including the sites which are vacant.

If a vacant site has an advanced and/or smart meter, it would automatically reach the situation where it is not exposed to capacity charges. Sites which become vacant under this Modification are being addressed because without the Modification they are denied the benefit that other customers get as result of having an advanced and/or smart meter i.e. the effect of receiving reads on the rolling AQ over a period would be to reduce the AQ to a nominal level. The Modification gives the option for capacity relief to be accessed after 12 months.

8 Implementation

No implementation timescales are proposed. However, following finalisation of the Modification solution it will be passed to Xoserve for evaluation of the central systems impacts and implementation timescales including progress through the DSC Change Management Committee process.

For the avoidance of doubt, it is expected that it will be implemented as soon as possible.

9 Legal Text

Legal Text has been provided by Cadent Gas and is published alongside this report <https://www.gasgovernance.co.uk/0819> .

Workgroup Assessment

The Workgroup has considered the Legal Text and is satisfied that it meets the intent of the Solution.

Text Commentary

This is published alongside this report <https://www.gasgovernance.co.uk/0819> .

Text

This is published alongside this report <https://www.gasgovernance.co.uk/0819> .

10 Recommendations

Panel's Recommendation to Interested Parties

The Panel have recommended that this report is issued to consultation and all parties should consider whether they wish to submit views regarding this Modification.

11 Appendices

Appendix 1: Vacant Ste Guidance Document

Appendix 2: Entry & Exit Criteria Slides

Appendix 3: AQ scenarios

12 Appended Representations

Initial Representation – None

Vacant Site Guidance Document

Version 1.0

Document Control

| Version | Date | Reason for Change |
|----------------|---------------------------------|---|
| Version 1.0 | 28 th September 2023 | Awaiting Modification approval; implementation date TBC |
| | | |
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Introduction

This document sets out the criteria whereby a Shipper may include a Supply Point in the Gas vacant process. Only Class 4 Non-Daily Metered (NDM) sites are eligible for a Supply Point vacant status to be applied.

Please note that this process will fall into the remit of the Performance Assurance Committee (PAC) and Shippers may be called upon to justify their position.

This is the criteria in which a Shipper may designate a Supply Point as Vacant

1. Site is Live (and)
2. Site is in the Shippers Ownership (and)
3. Site has a Meter installed (and)
4. Site is not Isolated (and)
5. Site is Product Class 4 (and)
 - a. Annually (or) Monthly Read (MRF) (and)
 - b. Small Supply Point (SSP) (or) Large Supply Point (LSP) (and)
 - c. Independent Gas Transporter (IGT) (or) Gas Transporter (GT) (and)
 - d. Standard Meter (DUMB) or Non-active AMR Meter or SMETS Meter with a Non-Active DCC Flag (and)
6. Site is Unoccupied (and)
 - a. Property is not currently being used as a dwelling
 - b. Property is not currently being used as a place of business
7. No Access to Site
 - a. Shipper authorised representative is unable to gain access to the property to read the meter*
 - b. Shipper is unable to contact the Customer for meter readings**
 - c. Customer has not provided meter readings

*Shippers must be able to demonstrate a Shipper authorised representative has attempted to visit and access the property to obtain meter reading(s). There must be two visits, at least 3

months apart but no more than 9 months apart, with the latest visit being within 3 months of requested entry to the Gas Vacant process.

Noting that there must be no other information received or obtained that suggests anything other than a Vacant Status, otherwise the qualifying visits are void.

(and)

** Shipper must proactively make reasonable attempts to identify the owner of the property to obtain meter readings. The following could be seen as proactive attempts to identify the owner of the property to obtain meter readings:

- Checks to see whether the same problems in obtaining meter readings occur for Electricity (noting that this is only possible where the Supplier supplies both Gas and Electricity to the property); or
- Reasonable attempts have been made to contact such bodies as estate agents, letting agents, councils, the land registry etc to find out who the owner is. Where the owner has been identified, attempts have been made, and recorded, to contact the owner and obtain meter readings without success

The Shipper would need to maintain records of the checks outlined above that have been carried out in their monitoring of Vacant sites.

Rejection of Vacant Status

At the time the Shipper requests the CDSP to enter the site into a Vacant Status the CDSP will validate against criteria 1 to 4 and 5a to 5c; the CDSP will reject the request for vacant status where validation of vacant criteria has not been met. A further validation check will be conducted by the CDSP to retrospectively check for Meter readings from the date of the first qualifying No Access visit, as confirmed in the Shipper request, up to and including the date the vacant site request is received. Where readings have been submitted the CDSP will reject the request for vacant status.

Where the CDSP rejects a request for a vacant status the CDSP will notify the shipper of the rejection and the reason as soon as reasonably practical.

Maintain Vacant Status

For a site to remain Vacant, Shipper must be able to demonstrate the Shipper authorised representative has attempted to visit the property to obtain meter readings every 6 months, from the date the Vacant Status was set. The Shipper must also continue to proactively make reasonable attempts to identify the owner of the property to obtain meter readings.

The Shipper would need to maintain records of the checks outlined above that have been carried out in their monitoring of Vacant sites.

AQ Corrections to 1 – Winter Consumption

Please note that any AQ submitted will be subject to current AQ correction validation rules. Noting that a site with a Rolling AQ above 293k will have a Winter Consumption applied. Submitting a AQ amendment to 1 (where the site has a WAR band applied) will cause a rejection that will require resolving before an AQ can be accepted, as you can't have a Winter Consumption that is greater than a sites AQ for a new AQ of '1' the corrected/requested Winter Consumption will need to be '0'

Frequently Asked Questions

Q: Why does the modification only cover Product Class 4 sites?

A: As Modification 0664VVS will class change Product Class 2 and 3 sites to Product Class 4 following a period of poor read performance, and Product Class 1 being considered to be too large in volume for this process, it was agreed that the Vacant process only be applicable to Product Class 4.

Q: Why do you need to have two visits, at least 3 months apart before being able to apply for a Vacant status?

A: The timeline for sites to become valid for a vacant status mirror's very closely the already established Electricity P196 vacant process.

Q: Why does a site have to remain in Vacant status for 12 months before capacity relief can be requested?

A: A communicating SMART meter returning (at least) monthly non advancing reads will bring the AQ down to 1 over a 12-month period. It was the view of the Workgroup that an AQ amendment to 1 can only be applied after 12 months for Vacant sites to remain similar to this process.

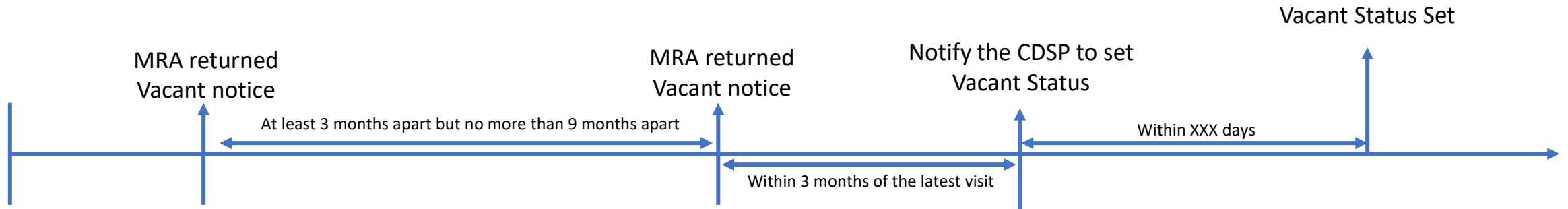
Q: Why is a pre-vacant value re-instated?

A: If the Shipper does not amend the Vacant AQ (AQ of 1) once Exit Criteria has been met the Shipper would continue to receive Capacity relief without a pre-vacant AQ values being reinstated. As this would impact UIG it was the view of the workgroup to reinstate pre-vacant AQs where no action has been taken by the Shipper.

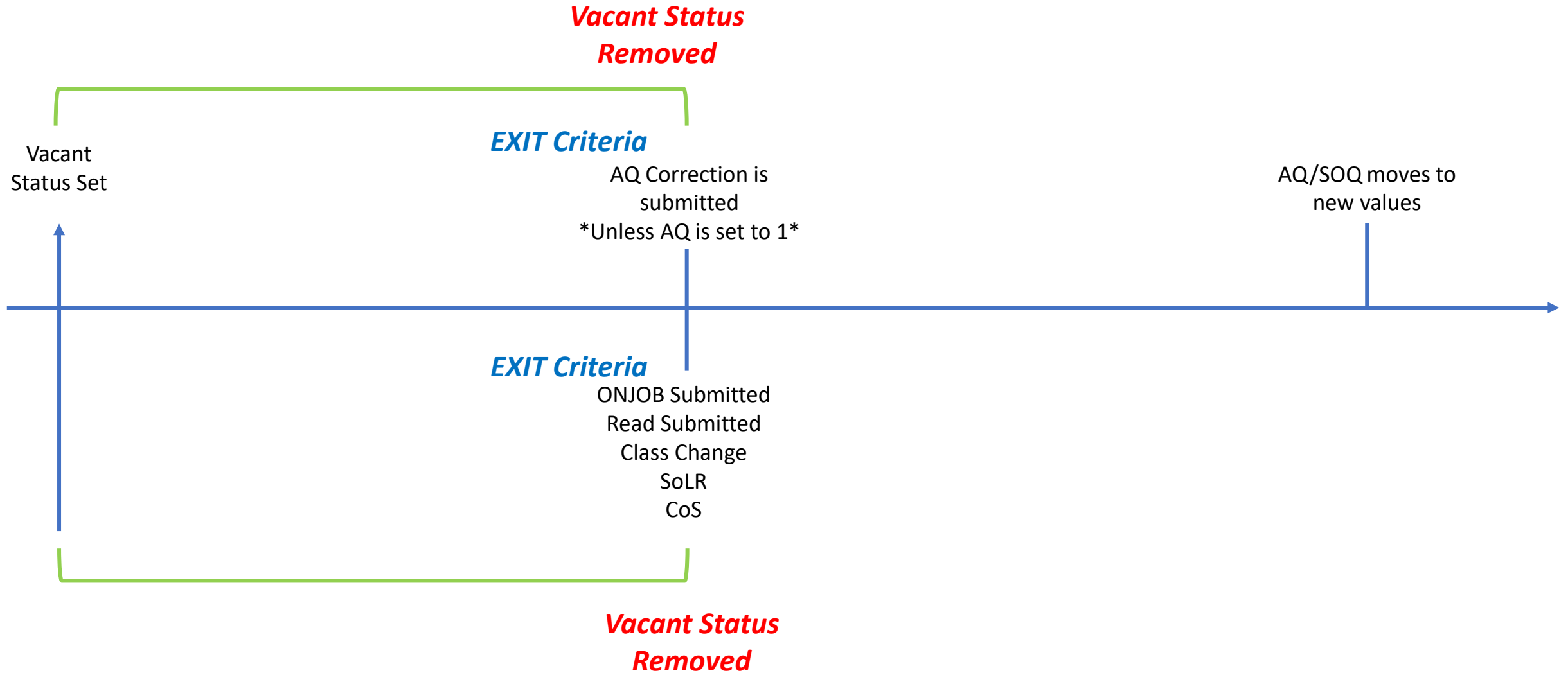
Q: Why does the CDSP reinstated pre-vacant values have a backstop applied?

A: If no backstop was applied this would mean that once the Shipper submits a new read for a previously vacant SMP, the rolling AQ would be immediately pulled back down. The AQ would, therefore, be closer to the vacant AQ value than the re-instated pre-vacant value, negating the impact of reinstating the pre-vacant AQ values.

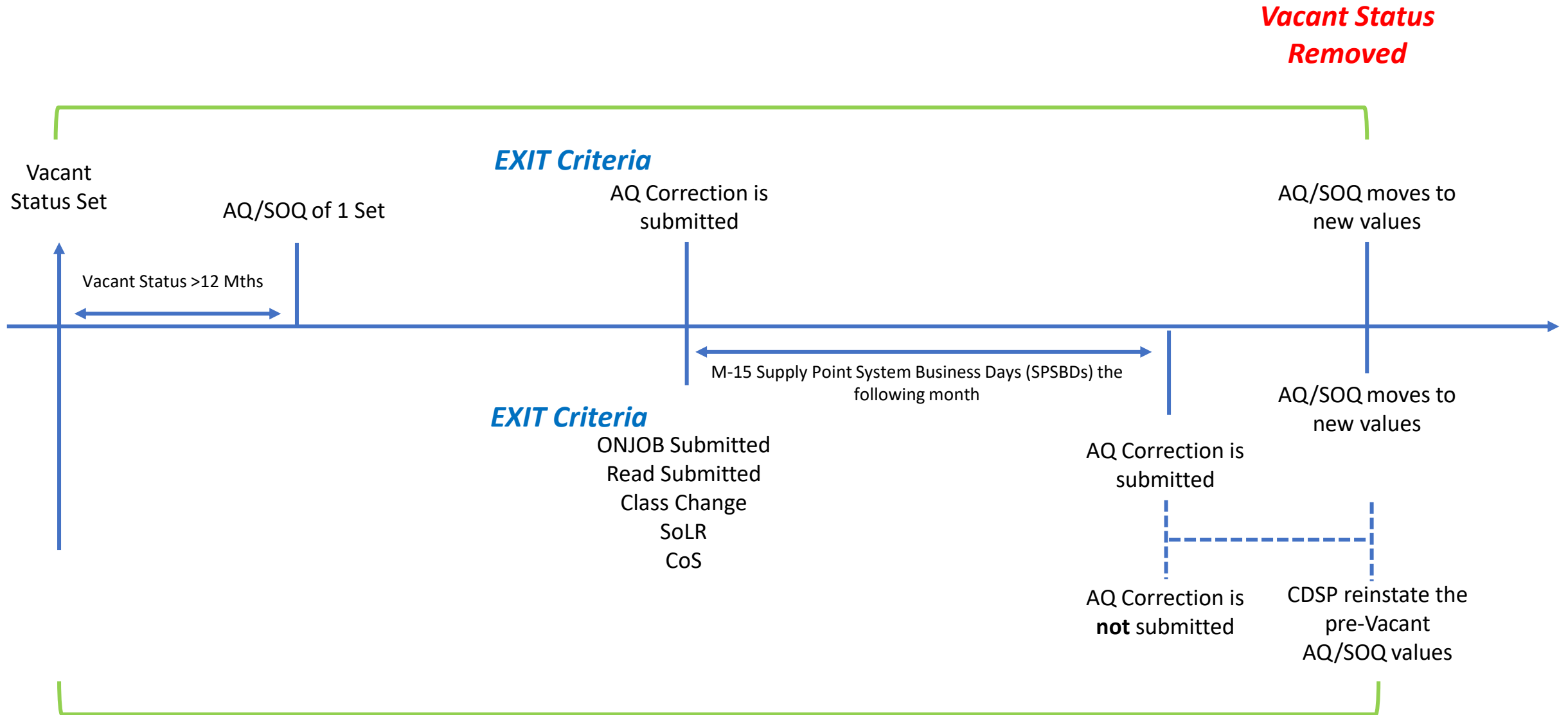
Entry Criteria



Settlement and Commodity Exit Criteria



Capacity Exit Criteria





Modification 0819

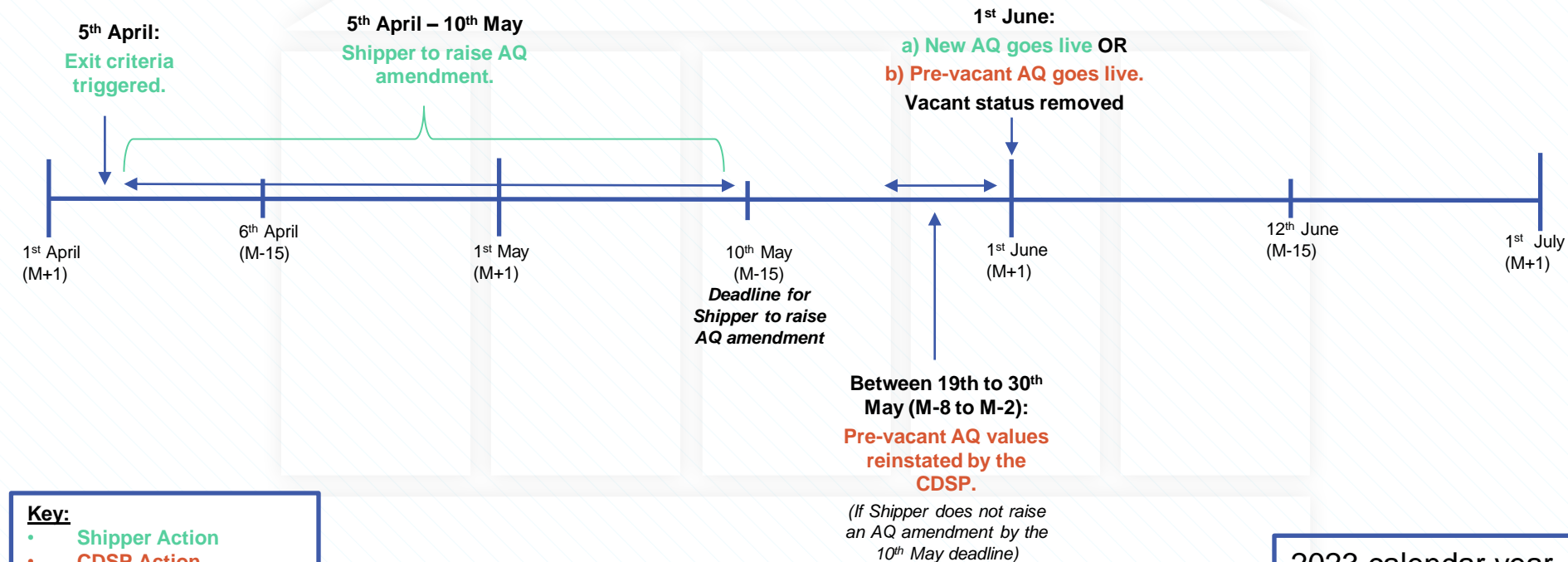
Establishing/Amending a Gas Vacant Site Process

Vacant Site Exit Process – AQ Scenarios

DWG February 2023

Scenario 1 & 2:

AQ correction raised by Shipper within timescales OR
CDSP reinstate pre-vacant AQ values.



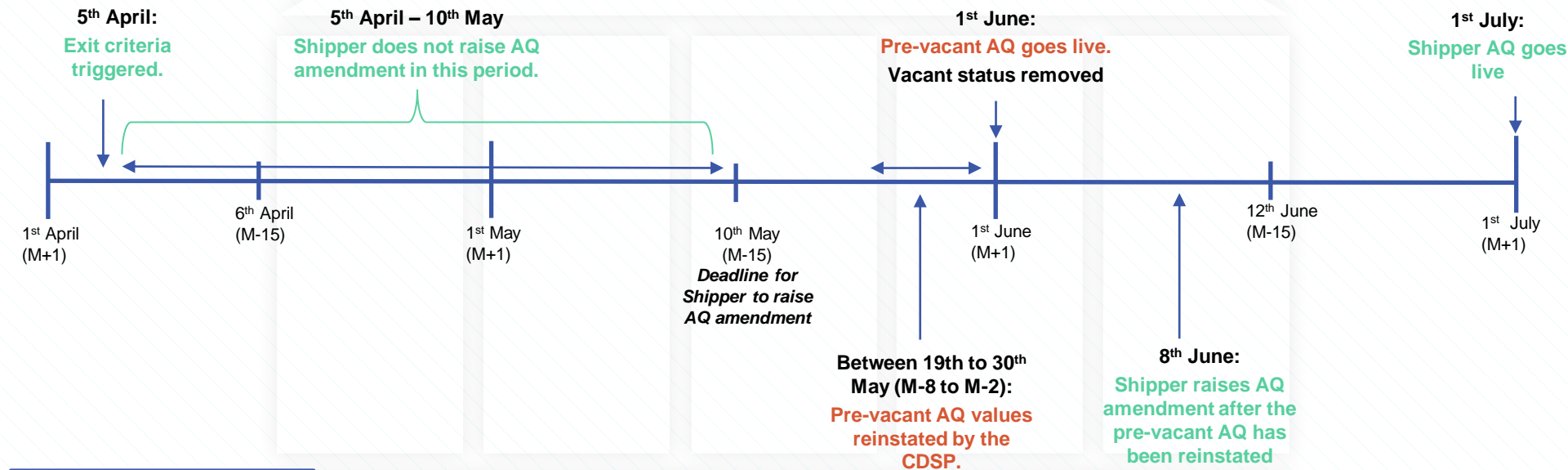
Key:

- Shipper Action
- CDSP Action

(If Shipper does not raise an AQ amendment by the 10th May deadline)

2023 calendar year

Scenario 3: CDSP reinstate pre-vacant AQ values & Shipper raises AQ correction outside timescales.



Key:

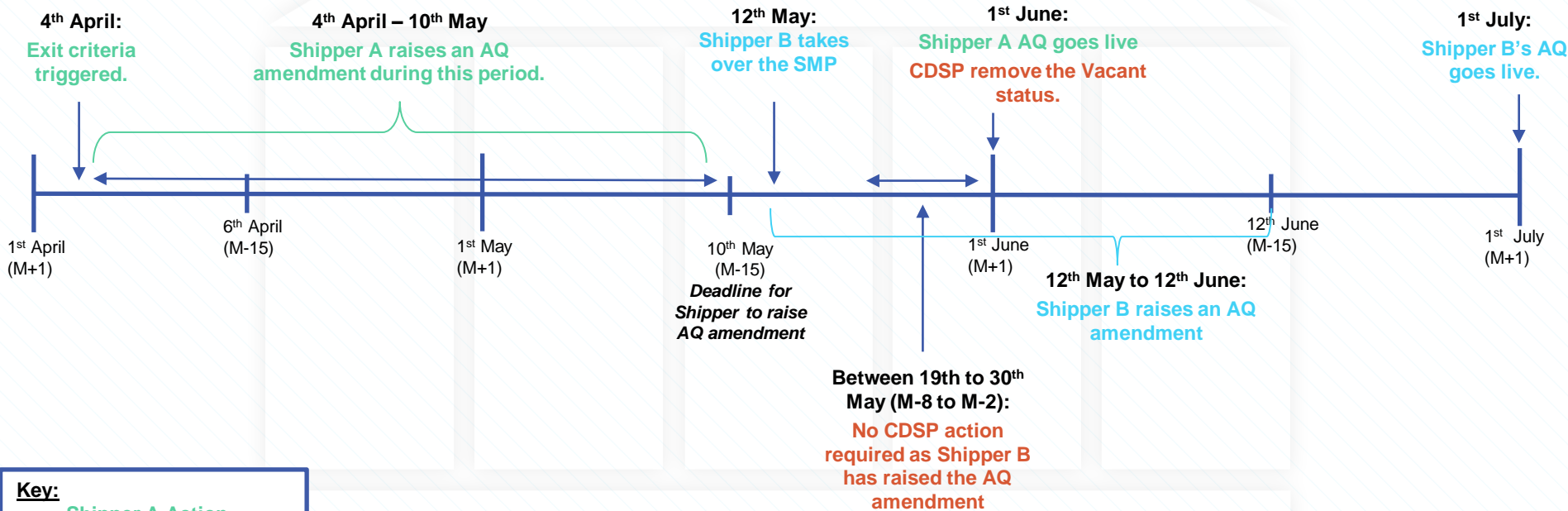
- Shipper Action
- CDSP Action

2023 calendar year

Scenario 4:

Change of Shipper during Exit Process.

Shipper A carries out AQ correction prior to change in ownership to Shipper B.



Key:

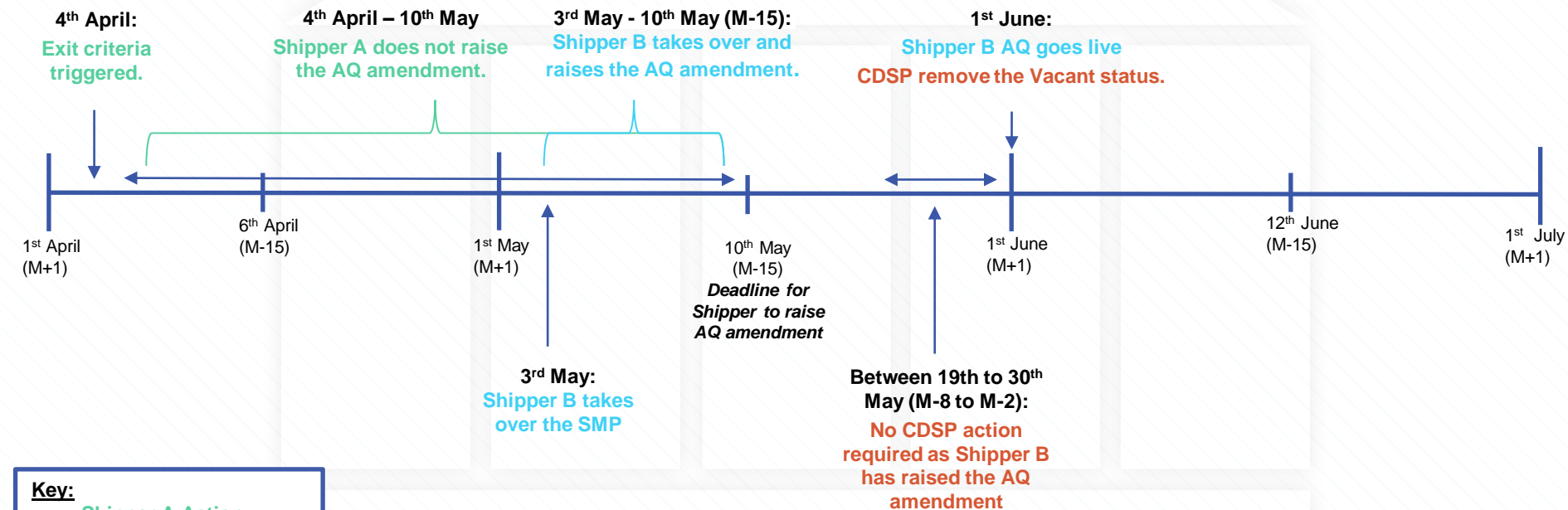
- Shipper A Action
- Shipper B Action
- CDSP Action

2023 calendar year

Scenario 5:

Change of Shipper during Exit Process.

Shipper B carries out AQ correction within original exit process timescales.



2023 calendar year

Questions from January 2023 Workgroup

Q1) How would the CDSP reinstate the pre-vacant AQ?

A1) We are anticipating that functionality will be developed to reinstate the pre-vacant AQ values. A CDSP generated AQ amendment process is not currently being proposed.

Q2) If the CDSP re-instate the pre-vacant AQ values between Jan-Mar, a requirement has been included that the FY AQ should be derived from the pre-vacant values and not the vacant AQ of 1. Why is this logic not being applied to Shipper AQ corrections?

A2) If a Shipper raises an AQ amendment via the existing process, the original snapshot position is automatically updated, so this requirement is not applicable for Shipper raised AQ amendments. Where the CDSP have to reinstate the pre-vacant AQ, we are not anticipating this is via an AQ amendment therefore this requirement is needed.