0812R - Review of Alternatives to “Must Read” Arrangements

Analysis for actions – UPDATED V3.0

Action from 0812R September WG

- An action was captured at the September DWG for PAC to consider the extent that the current must read process ‘mitigates risk to settlement’. Screenshot below for reference:

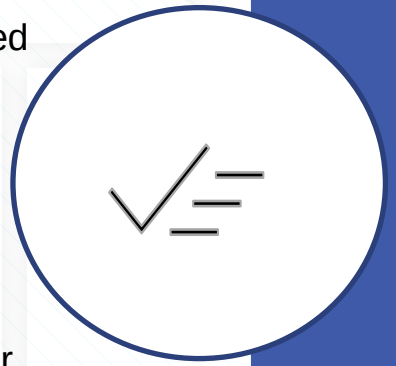
0309	22/09/22	2.0	Workgroup Chair (RH/EF) to ask PAC for evidence on the effectiveness of must reads and the effectiveness on settlement accuracy: (Is there a benefit or value in the must read service) • If must reads are successfully used, to what extent do they mitigate settlement risk? • Are Transporters the appropriate party to provide the service? • If they are not, who should provide the service?	Workgroup Chair (RH/EF)	**Pending**

- As the CDSP manage the must read process centrally on behalf of the industry, we have undertaken a piece of analysis work to support WG in assessing the impact of the current must read process.

Analysis summary

Please note, the observed period the analysis relates to is between **01/01/2018 – 30/09/2022**. This analysis includes both **DNO** and **IGT** sites.

- During the observed period, **c57k must reads** were successfully uploaded and used in settlement.
  - c34% from DNO SMP must reads
  - c66% - IGT SMP must reads
- A number of must reads submitted to the CDSP during the observed period, failed read validation preventing them being successfully loaded.
  - c47k
- Over the observed period, for DNO sites**, there has been a decline** (over time), in terms of number of successfully uploaded must reads and the energy associated to these.
- Over the last 12-months of the observed period, **approx. 0.09%** of LDZ AQ has been settled via the must read process.



Additional points

- This analysis in terms of settlement impact, is based solely on the must reads which are collected, submitted and accepted in UK Link.

- There remains a high volume of must read contacts generated which are open but may not be actioned.

- The number of sites which are in scope of the DNO must read process has reduced overtime following the introduction of certain criteria, for example, excluding Smart, DCC Active or AMR sites.

Actions from 0812R November WG

Must Read analysis was shared at the November'22 DWG which prompted the following additional actions for the CDSP:

- **Action 0111**: CDSP (MA/ER) to provide a selection of manual validation scenarios with more detail around the Analysis Summary presented at Workgroup on 24 November 2022. For clarification this action is regarding the split of the circa 47k must reads that are not successfully uploaded (23~~%~~ are fixed by CDSP, therefore 23~~%~~ are returned to the Shipper for action.)

- **Action 0211**: CDSP (MA) to provide the AQ quantities for each of the Sites reconciled through the Must-Read process.

Analysis summary - UPDATED

Please note, the observed period the analysis relates to is between **01/01/2018 – 30/09/2022**. This analysis includes both **DNO** and **IGT** sites.

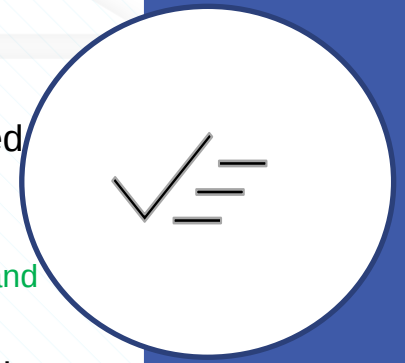
- During the observed period, **c57k must reads** were successfully uploaded and used in settlement
  - c19k / c34% from DNO SMP must reads
  - c38k / c66% - IGT SMP must reads

- A number of must reads submitted to the CDSP during the observed period, failed initial read validation
  - c47k (DNO - c18k ; IGT -c29k)

  – Of the c47k that failed initial read validation, **c50%** were resolved by manual validation and successfully loaded (count of these successfully loaded are included in the first point).

- Over the observed period, for DNO sites**, there has been a decline** (over time), in terms of number of successfully uploaded must reads and the energy associated to these.

- Over the last 12-months of the observed period, **approx. 0.09%** (equivalent to 465,495,118 kWh) of the total population AQ value across all LDZs has been settled via the must read process.
  – For DNO sites approx. 0.07% of LDZ AQ has been settled (equiv.338,310,567 kWh)
  – For IGT sites approx. 0.34% of LDZ AQ has been settled (equiv. 127,184,551 kWh)



Action 0111 – Manual Validation Scenarios

The table below details the most common manual validation scenarios for must reads.

Rejection Code	Rejection Description	CDSP manual action	Possible Shipper action if CDSP manual action not possible
MRE01026	Reading breached the lower Outer tolerance (i.e. Read is lower than last Actual read)	• Compare must read to last Actual Read and upload must read if confident reading has gone through the zeros (TTZ).	• Review last Actual Read held on UK Link to ensure it is correct (and replace as necessary via .UMR file for Class 4 (or .UBR for Class 3).
MRE01029	Reading breached the upper Inner tolerance value and no override flag provided (i.e. energy resulting from Read is deemed excessive for the sites Annual Quantity (AQ) but could be valid)	• Investigate to see if must read falls in line with historic Actual reads – if so must read is uploaded by including the override flag.	• Review last Actual read(s) held on UKLink system to ensure it is correct and replace as necessary via .UMR file for Class 4 (or .UBR for Class 3). • Check the AQ is appropriate for the site and update as necessary via .AQI file (since the AQ is used in the tolerance calculation).
MRE01027	Reading breached the Upper Outer tolerance (i.e. energy resulting from Read exceeds the allowable tolerance for the sites Annual Quantity (AQ))	• Manual upload of must read not possible for this rejection reason, since resulting energy is deemed far too large.	• Confirm UK Link holds the correct meter asset info (missed meter exchanges can cause incorrect energy calculations). • Check the AQ is appropriate for the site and update as necessary via .AQI file (since the AQ is used in the tolerance calculation).
MRE00419	The meter serial number (MSN) provided with the Read does not match with the MSN held on UK Link	• If MSN provided with must read is a close match with the MSN held on UKLink, the Must Read is uploaded. • If MSN is not a close match, both MSNs are communicated to Shipper via the CMS contact.	• Confirm UK Link holds the correct meter asset info (particularly the MSN) and update accordingly (via ONJOB/ONUPD file)
MRE00457	Meter Reading is less than previous meter reading	• Compare must read to last Actual Read and upload must read if confident reading has gone through the zeros (TTZ).	• Review last Actual Read held on UK Link to ensure it is correct (and replace as necessary via .UMR file for Class 4 (or .UBR for Class 3).
MRE00490	A breach of the allowed reading submission frequency occurred (i.e. meter read is being submitted too often for the Meter Read Frequency)	• No action possible, since unable to override the system validation.	• No action required.
MRE01016	Actual read can only be replaced by a replacement read. (i.e. a Read has been loaded to UKLink for the same read date as the must read)	• No action possible, since unable to override the system validation.	• No action required.

Action 0211 – AQ of sites reconciled via must reads

Aggregated AQ of sites reconciled via the must read process:

- During observed period (Jan'18 to Sep'22)
  - Approx. total AQ (DNO & IGT) settled via the must read process: 5,794,539,667 kWh (approx. 0.25%)*
    - DNO total: 5,265,936,593 kWh (approx. 0.24% of LDZ AQ has been settled)*
    - IGT total: 528,603,074 kWh (approx. 0.30% of LDZ AQ has been settled)*

*Please note – as the denominator in the % calculation is population AQ (annual view), to provide a comparable value between the 12 month period and observed period (approx. 57 months), the denominator (population AQ) value for the above calculations has been derived by the population AQ values used for the calculation for the latest 12 month period, divided by 12 to get a monthly equivalent that could be used for the observed period.

- Last 12 months (Oct'21 to Sep'22):
  - Approx. total AQ (DNO & IGT) settled via the must read process: 465,495,118 kWh (approx. 0.09%)
    - DNO total: 338,310,567 kWh (approx. 0.07% of LDZ AQ has been settled)
    - IGT total: 127,184,551 kWh (approx. 0.34% of LDZ AQ has been settled)