0778R – Gas Vacant Sites Process review – CDSP Actions

08 March 2022

Action 0201

Xoserve had an action following the February Workgroup:

0201	08/02/22	3.	*Reference UNC Modification 0723 (Urgent) provisions* – Xoserve (ER) to investigate whether some of the provisions could be adopted for 0778R purposes (inc. isolations aspects) , and also clarify how the Modification dealt with the commodity element	Xoserve (ER)	**Pending**

Action 0201

- For Modification 0723, the Isolation flag provided a way to identify sites with abnormal load reduction during COVID-19 period.
- A Shipper would send a RGMA flow (suggested as the .UPD - as there had been no physical work on the SMP), to mark the meter as ‘Clamped’. This was a process to exclude the SMP from energy allocation and the allocation of UIG (no Commodity billing) for the purpose of the Modification.
- There was no separate indicator to show that this was a Modification 0723 Covid Isolation and not a standard Isolation.
- To end the process, a Shipper should remove the ‘Clamped’ status from the site when it resumed its gas usage.
- It was noted under Modification 0723 discussions, the inability to distinguish between the regular Isolations and Covid-related Isolations created difficulties in managing and monitoring these specific sites.
- This solution and utilising the Isolation process ensured the Modification purpose could be delivered as quickly as possible within the Covid situation.
- As it was limited to a specific scenario (and a limited time period), we would not recommend utilising this for the enduring Vacant sites either short or long-term relief process as it provides a way for sites to be misrepresented within UK Link.

Process for site Isolation

- Isolation is an automatic process.
- A Shipper can send a RGMA flow to set a SMP to Capped/ Clamped/ Removed, there is a system job to move the SMP to ‘Isolated’ – this is an MPRN billing status and not a physical status.
- Once the Isolated site is removed from daily gas allocation, it will then have no Commodity charges.
- However Capacity charges continue based on the current AQ.
- No reads can be accepted and there are no AQ calculations for the site, the AQ will remain at the pre-Isolation value.
- Isolation is there to indicate a temporary inability to flow gas, and the site may be recommissioned at any time.

Isolation - Exceptions Process

- There is also a route for a Shipper to challenge the status of a Supply Meter Point in order to Isolate a site
- The Shipper can can send a CMS ISO Code into CMS
- This can happen if a Shipper has sent in a RGMA flow and the status hasn’t yet been updated

Capacity and Commodity Charging

Class 3 and 4 meter points (NDM)	Capacity Charges	Commodity Charges	Meter Point Reconciliation
Meter point is isolated	Capacity Charges are billed based on SOQ (Peak day consumption)	Commodity Charges are zero as there is no daily energy allocation for Isolated sites	Meter reads are not accepted for Isolated sites. Any gas usage during a period of Isolation would be billed as reconciliation when the first actual reading is accepted after “re-establishment”. Energy price is SAP (System Average Price) for the relevant period.
AQ = 1 (or other negligible value), meter point is not Isolated	Capacity Charges are zero as the SOQ (peak day consumption) is negligible	Commodity Charges are zero as there is no daily energy allocation due to a negligible AQ	Meter point rec compares actual usage based on meter reads to original allocation of zero and bills any actual usage on the Amendment invoice as energy and commodity charges. Energy price is SAP for the relevant period. Note that reads may be rejected due to tolerance failures.
AQ >1, meter point is not Isolated	Capacity Charges are billed based on SOQ (Peak day consumption)	Commodity Charges are billed based on daily gas allocation (derived from the AQ and the NDM Algorithm)	Meter point rec compares actual usage based on meter reads to original allocation and bills the difference (over or under) on the Amendment invoice as energy and commodity charges. Energy price is SAP for the relevant period.

Thank you

0778R – Gas Vacant Sites Process review – CDSP Actions

03 November 2021

Actions - November

The CDSP had two actions following the first WG meeting for 0778R:

0903	23/09/21	1.0	CDSP (DA) to provide an overview of the current provisions within UNC and how the AQ process would treat a site getting reads and not getting reads.	CDSP (DA)	**Pending**
0907	23/09/21	1.0	CDSP (DA) to provide a view on the impact of having Vacant Sites on energy balancing.	CDSP (DA)	**Pending**

Action 0903

***CDSP (DA) to provide an overview of the current provisions within UNC and how the AQ process would treat a site getting reads and not getting reads*.**

- All live Non Daily Metered (NDM) (Class 3 and 4) Supply Meter Points (SMPs) attract daily allocation of gas based on their AQ and EUC. This happens unless the SMP is isolated, in which case there is no gas allocation.
- Vacant sites receiving a daily gas allocation (assuming they are not isolated), actually reduce UIG as they are attracting allocation that they are not using.
- Over-allocation due to vacancy will be refunded via reconciliation when Meter Reads for the SMP are accepted.
- If Meter Reads are accepted and show zero progression, the AQ will reduce in increments each month, until it reaches a value of 1. At this point, the SMP will not get any allocation of gas.
- All live sites (isolated or not) attract Capacity charges based on the SOQ (which is derived from the AQ and EUC for NDM sites). If the AQ is 1, there is effectively no Capacity charging.
- To completely cease Capacity charges, the SMP must be Withdrawn.
- DM sites are allocated on Actual or Estimated Meter Reads.
- If a site has been isolated but was actually consuming gas, the first Actual Meter Reading showing progression, after de-isolation, should trigger a meter reconciliation to recover the gas consumed, and the counterparty is UIG.

Action 0907

CDSP (DA) to provide a view on the impact of having Vacant Sites on energy balancing (Class 3 and 4 SMPs)

Class 3 and 4 SMPs (NDM)	Treatment in Nominations (Gas Forecasting)	Treatment in daily Allocation	Energy Balancing impacts
SMP is Isolated	Excluded from Day Ahead and Within Day Nominations, no share of UIG	No daily Allocation for Isolated SMPs, no share of UIG	No Energy Balancing impacts (if Shipper delivers to their total allocation)
AQ = 1 (or other negligible value), SMP is not Isolated	No value in Nominations (because NDM Algorithm calculates an amount of less than 1 kWh), no share of UIG	No daily Allocation for Isolated SMPs, no share of UIG (because NDM Algorithm calculates an amount of less than 1 kWh)	No Energy Balancing impacts (if Shipper delivers to their total allocation)
AQ >1, SMP is not Isolated	Included in Day Ahead and Within Day Nominations, based on the NDM Algorithm (AQ etc) Attracts a share of forecast UIG, based on weighted share of Nominations.	Gas is Allocated each day based on the NDM Algorithm (AQ, NDM Parameters, Weather Correction Factor). SMPs receives an allocation of UIG, based on share of weighted throughput for the day. (UIG is allocated at EUC/Class level, so not separately attributable to individual SMPs) (These SMPs are effectively reducing UIG within the LDZ, as they are not actually consuming gas in line with their daily allocation)	Allocated daily energy and share of UIG are both part of the Shipper's total daily outputs, which they need to balance against (these SMPs are not separately identifiable as Gemini works in aggregate). If Shipper deliberately chooses not to input a portion of gas that they attribute to these SMPs, they will be "short" for the day and will attract Cash-Out charges (at System Buy Price)

Action 0907

CDSP (DA) to provide a view on the impact of having Vacant Sites on energy balancing (Class 1 and 2 SMPs)

Class 1 and 2 SMPs (DM)	Treatment in Nominations (Gas Forecasting)	Treatment in daily Allocation	Energy Balancing impacts
SMP is Isolated	Excluded from Day Ahead and Within Day Nominations, no share of UIG	No daily Allocation for Isolated SMPs, no share of UIG	No Energy Balancing impacts (if Shipper delivers to their total allocation)
SMP is not Isolated, Actual Meter Reads are loading or D-7 Estimates are loading which are based on zero-consuming days [D-7 = re-use of the consumption figure from 7 days ago, rather than the Meter Readings]	Shipper provides the daily Nomination – [Expect the Shipper to provide zero values if they know the SMP is not consuming gas] No share if UIG if Nominations are zero each day.	No daily Allocation due to zero consumption, no share of UIG	No Energy Balancing impacts (if Shipper delivers to their total allocation).
SMP is not Isolated, Actual Meter Reads are not loading, D-7 Estimates are based on previous consuming days (e.g. there was not a full week of zero consumption prior to the equipment going off-line)	Shipper provides the daily Nomination – [Expect the Shipper to provide zero values if they know the SMP is not consuming gas]	Gas is Allocated each day based on the D-7 Estimates SMPs receives an Allocation of UIG, based on share of weighted throughput for the day. (UIG is allocated at EUC/Class level, so may not be separately attributable to individual SMP, depending on the Shipper portfolio) (These SMPs are effectively reducing UIG within the LDZ, as they are not actually consuming gas in line with their daily allocation.)	Allocated daily energy is part of the Shipper's total daily outputs, which they need to balance against (these SMPs may not be separately identifiable as Gemini works in aggregate). If Shipper deliberately chooses not to input a portion of gas that they attribute to these meter points, they will be "short" for the day and will attract Cash-Out charges (at System Buy Price)