



## **UNC Section G1.6**

**UNC Section G1.6.14 - AQ calculation for  
New Supply Meter Points**

# Background

For New Supply Meter Points the UK Link system requires a minimum of 9 months (274 days) of Metered Quantity (consumption) history before a revised AQ value is calculated. Using the AQ Formula below:

1.6.14 (c) For Class 1 and 2 Supply Meter Points the Annual Quantity is calculated as

$$AQ = AQ' * 365 / D$$

AQ' is the quantity calculated under paragraph **1.6.9(a)**

D is the number of Days in the AQ Metered Period

1.6.14(d) For Class 3 and 4 Supply Meter Points the Annual Quantity is calculated as

$$AQ = AQ' / D * 365$$

Where AQ and D have the meaning in paragraph (c)

**1.6.9 (a)** in the case of a Class 1 or 2 Supply Meter Point, as the sum of the Supply Meter Point Daily Quantities for all Days in the AQ Metered Period

1.6.9 (b) in the case of Class 3 or 4 Supply Meter Point, by reference to the AQ Metered Quantity and AQ Metered Period, in accordance with Section H3.2 (Demand Estimation and Demand Forecasting)

The AQ calculation for Class 3 or 4 is not referring to section 1.6.9(b) so the AQ value is currently not being Weather Adjusted between 9 months (274 days) and 365 days for a New Supply Meter Point.

After 365 days the Formula in Section H3.2.1 is being used.

# Analysis

- By September 2019, there have been a total of 14,025 New Supply Meter Points since Project Nexus Implementation Date (01.06.2017)
- Of those that recalculated in August 2019....
  - all of these were Class 4 Smaller Supply Points, and
  - majority covered the 2018 winter period
  - It was found that in all cases when the calculation was done using the daily ALP, DAF and WCF (WAALP) the calculated AQ value was slightly lower.
    - From the sample of SMPs recalculated there was an average of 11% decrease in AQ value or a difference of approx 800kwh per SMP and did not change the End User Category (EUC) or the AQ Banding
    - Any over allocation of energy is corrected by Meter Point reconciliation and any UIG is also corrected

# Options

UK Link systems are functioning consistent to the UNC

The following options for consideration:

## Option 1:

- Raise a Modification to change the calculation for Class 3 and 4 New Supply Meter Points, so the AQ calculation uses the daily ALP, DAF and WCF (the WAALP)

## Option 2:

- Do nothing and leave UKLink as currently built
  - If Shipper requires to change the AQ then an AQ Correction can be submitted
    - This will set a Backstop Date for a period of 9 months
  - Submit Valid Meter Reading to trigger AQ calculation and Meter Point reconciliation