

UNC 0690:

Mod Title: Reduce qualifying period for Class 1



Proposer: British Gas

Panel Date: 18 April 2019

Why change?



- UIG Task Force identified a small number of very large NDM (Class 3 or 4) sites which are above the Class 1 threshold (**Issue #3.2.1**)
- These sites are likely to have non-standard daily usage patterns
- The NDM Profiles for EUC09B are unlikely to be a good representation of their daily usage
- Any difference between NDM Allocation and actual usage will contribute to daily UIG
- Current qualifying period rules in G1.6.15:
 - Each calculation in preceding 6 months is over 58.6m; and
 - 3 consecutive calculations over 58.6m or every calculation in previous 18 months is over 58.6m
- This could leave a very large site operating as Class 3 or 4 for up to 18 months if the meter read submissions are not very frequent – adding to the risk of UIG

Options



- A number of other recommendations were made by the UIG Task Force including engagement with Shippers by PAC and CDSP, also escalation to Ofgem
 - https://www.xoserve.com/media/1515/uig_recommends_iss_1-use-of-estimates-for-dm-sites.pdf
- **Recommended Option:** reduction of qualifying period would reduce the number and duration of instances of EUC09B NDM sites

Solution



- Reduce qualifying period for Class 1
 - E.g. to 3 months and 6 months
 - For further discussion in a Workgroup
- Note:
 - Separate Mod raised to place obligation on CDSP to convert sites to Class 1 when the G1.6.15 criteria are met – Mod 0691

Recommended Steps



- The Proposer recommends that this modification should be:
 - Subject to self-governance
 - Workgroup assessment to develop the modification for 4 months
 - Workgroup to consider whether the proposed reduced timescales are appropriate
 - Draft Modification Report to August 2019 Panel