

# Shipperless & Unregistered Workgroup

**Monday 1st December 2014**

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- **A.O.B.**



# Previous Actions

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# Outstanding Actions

Ref.	Date Raised	Description	Action	Status
163	17/09/14	Xoserve to provide explanation for increase in 'No Activity' figures in reference to the jump from 815 for January 2014 to 4152 for February-July 2014.	Xoserve	Open
164	17/09/14	Xoserve to complete an exercise every two weeks to identify MNCs and FOMs being raised for same premises, monitor instances of 'Multi Service' being selected to identify Users using this incorrectly and continue with project to amend Plot to postal addresses.	Xoserve	Open
165	17/09/14	Shippers to perform the fullest of checks / enquiries before submitting MNCs. Request that incorrectly created MPRN records are set to EX at the earliest opportunity. Review Internal Process Guidelines for M Number Creation procedures. Not to select 'Multi Service' if this is not correct.	Shippers	Open
166	17/09/14	Networks to influence the UIPs about the timely submission of FOM contacts. Influence UIPs to not select 'Multi Service' unless it is truly an additional service entering a property. Re-affirm the importance of 'Tagging' the meter point.	Networks	Open
167	17/09/14	Xoserve to provide feedback on the results of MOD 431	Xoserve	Open

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# UNC Modification 0431

## Shipper / Transporter – Meter Point Portfolio Reconciliation

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# Modification 0431 Summary

UNC Modification 0431 was implemented on 1<sup>st</sup> April 2014.

“Shippers will obtain from Supply businesses a dataset of sites that are actively being supplied. MPRNs will be provided to Xoserve. Xoserve will match the dataset against the MPRN data they hold and identify any MPRNs for which a supply arrangement is in place but the MPRN is not registered to a Shipper, does not appear on the Supply Point Register, is dead or extinct or appears on one or more Supply Point Portfolios<sup>1</sup>”

First exercise commenced in May 2014

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1 - Final Modification Report, 17<sup>th</sup> January 2014. <http://www.gasgovernance.co.uk/sites/default/files/Final%20Modification%20Report%200431%20v2.0.pdf>

# Modification 0431 – Progress to Date

	May	June	July	August	September	October	November
Portfolio snapshot date	3rd May						
Portfolios received by Transporters	6th - 27th May						
Transporter reconciliation activities		28th May - 22nd July					
Reconciliation report issued			23rd July				
Reconciliation period			24th July - 17th September				
Reconciliation extension period						18th September - 27th November	

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# Reconciliation Reports

Reconciliation Reporting Criteria	MPRNs Identified (approximate)
Unregistered	2,900
Shipperless	3,300
Not present on Sites and Meters	2,600
MPRN appearing on multiple Supplier Portfolios	62,000
Status of Dead or Extinct	9,500

- Reconciliation reports provided to Shippers on 23<sup>rd</sup> July 2014
- Ongoing engagement through the Shipper Engagement Team throughout the reconciliation and extension period –
  - Outstanding MPRNs requiring resolution subsequently provided in October
  - Followed up throughout November
  - All Shippers engaged in advance of deadline
- Above figures exclude CSEP data

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# Resolution Activities

Reconciliation Reporting Criteria	Expected Resolution Activities
Unregistered	<ul style="list-style-type: none"><li>• MPRN to be registered</li></ul>
Shipperless	<ul style="list-style-type: none"><li>• MPRN to be registered</li></ul>
Not present on Sites and Meters	<ul style="list-style-type: none"><li>• MPRN-level details to be provided for investigation, <u>or</u>:</li><li>• MPRN to be created on central systems through relevant process</li></ul>
MPRN appearing on multiple Supplier Portfolios	<ul style="list-style-type: none"><li>• Internal Shipper validation</li></ul>
Status of Dead or Extinct	<ul style="list-style-type: none"><li>• Internal Shipper validation</li></ul>

- In the case of unregistered and Shipperless MPRNs which have subsequently transferred, if the new Shipper has not completed registration then this activity is expected to be completed by the original Shipper.
- Should the above resolution activities not be completed, a progress update and appropriate justifications are expected to be provided.

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- Final positions to be confirmed to Shippers
- Reconciliation Reports to be published –
  - Non-attributable to the Industry
  - Attributable to Ofgem
- Confirmation processes to commence as required
  - Notice of MPRNs to be confirmed will be provided in advance to the relevant Shipper
  - Relevant information will be requested where required – Modification allows a 15 day window for this to be provided. Alternatively default values may be utilised.

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Questions?

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# Statistical Information

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# Industry Unregistered and Shipperless Sites

Unregistered Sites		Nov-13	Nov-14	Description
		Total	Total	
Shipper Activity		<b>242</b>	<b>273</b>	Shipper specific activity which suggests intention to confirm i.e., Confirmation rejection, Meter asset update to the C&D store, ConQuest and CMS contacts to create the MPRN.
Orphaned	TOTAL	<b>14,969</b>	<b>9,897</b>	Following a response of no further interest, or where no response is received. They also include MPRN's where a service has been completed and in some instances a meter already installed.
	With Meter	6,266	3,507	
Shipperless Sites - Shipper (PTS)	GSR	<b>1,138</b>	<b>1,386</b>	MPRN's which have previously been confirmed but the meter is now removed. Information provided (via DN) suggests that either the existing meter is still on site or a new meter has been fitted. GSS are identified when a <b>YES</b> is found in the <b>Live Supply Point?</b> column.
	GSS	430	96	
Shipperless Sites - Industry (SSP)		<b>4,748</b>	<b>3,915</b>	
No Activity		<b>1,290</b>	<b>1,502</b>	MPRN's created on UK Link where no shipper activity has ever been recorded and remain unconfirmed.
Legitimately Unregistered		37,487	44,601	MPRN's which represent: Vacant sites / No Gas meter but live service / Service still in planning stage.
Meter Point created less than 12 months		35,058	40,766	Unconfirmed MPRN's with a creation date <12 months. If not confirmed they will gradually feed into the above 'pots'.
TOTAL		<b>22,387</b>	<b>16,973</b>	

 Not included in Total Figures

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# Future Reports

- The format of the reports has been amended at the request of the Industry. The changes make each report easier to interpret and allow easier data analysis.
- The reports will contain information on the existing population of Shipperless and Unregistered Sites, and on the new GSR and MUS Contacts on CMS. The data from these sources will be merged and will appear on a single set of reports.
- There will be new bi-annual reports which will be provided to the GDNs. These reports will show the Shipper which has been identified as “responsible” in the GSR and MUS Contacts.

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# MPRN Creation

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# Meter Number Creation

165	17/09/14	Shippers to perform the fullest of checks / enquiries before submitting MNCs. Request that incorrectly created MPRN records are set to EX at the earliest opportunity. Review Internal Process Guidelines for M Number Creation procedures. Not to select 'Multi Service' if this is not correct.	<b>Shippers</b>	<b>Open</b>
166	17/09/14	Networks to influence the UIPs about the timely submission of FOM contacts. Influence UIPs to not select 'Multi Service' unless it is truly an additional service entering a property. Re-affirm the importance of 'Tagging' the meter point.	<b>Networks</b>	<b>Open</b>

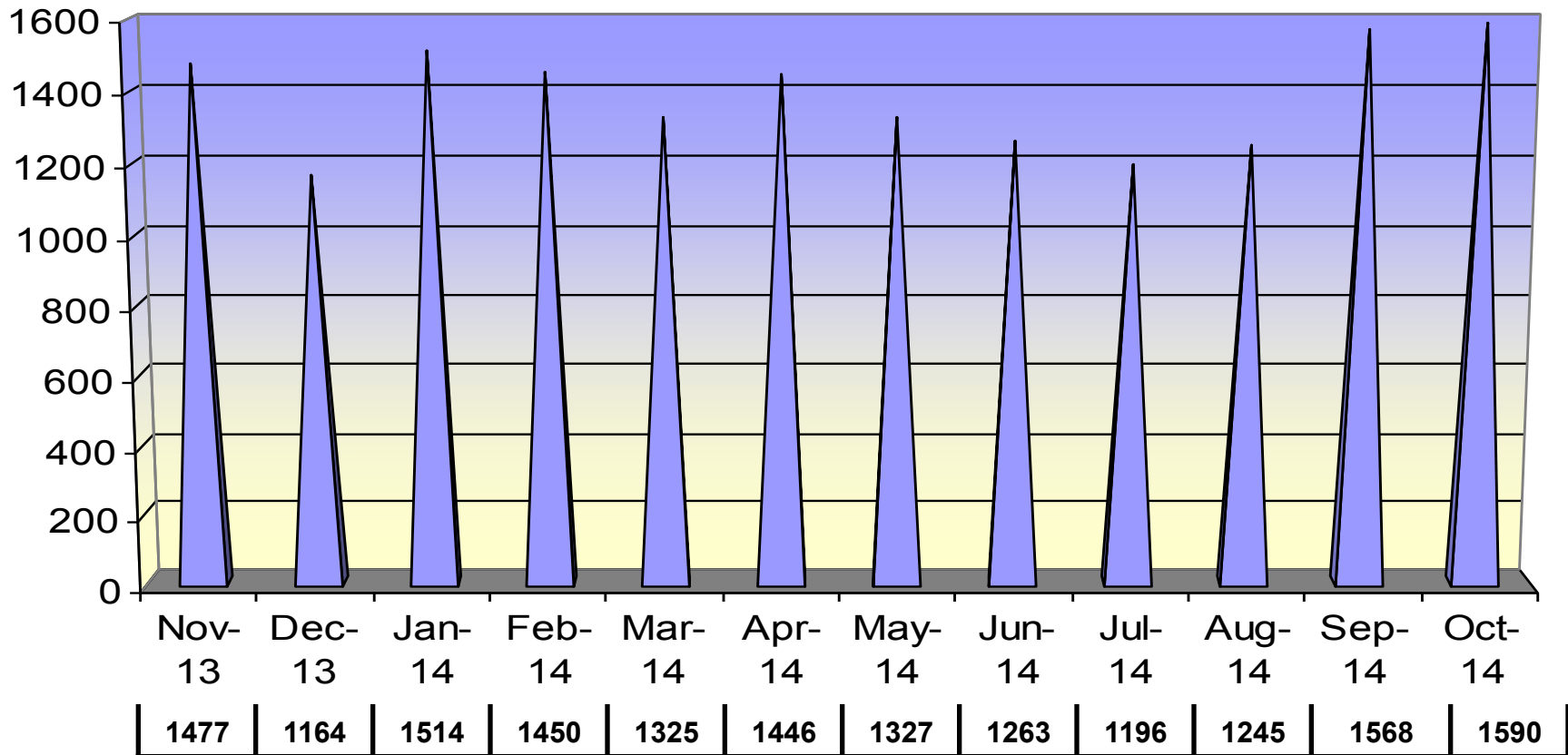
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# MNC Contacts Rolling 12 Months

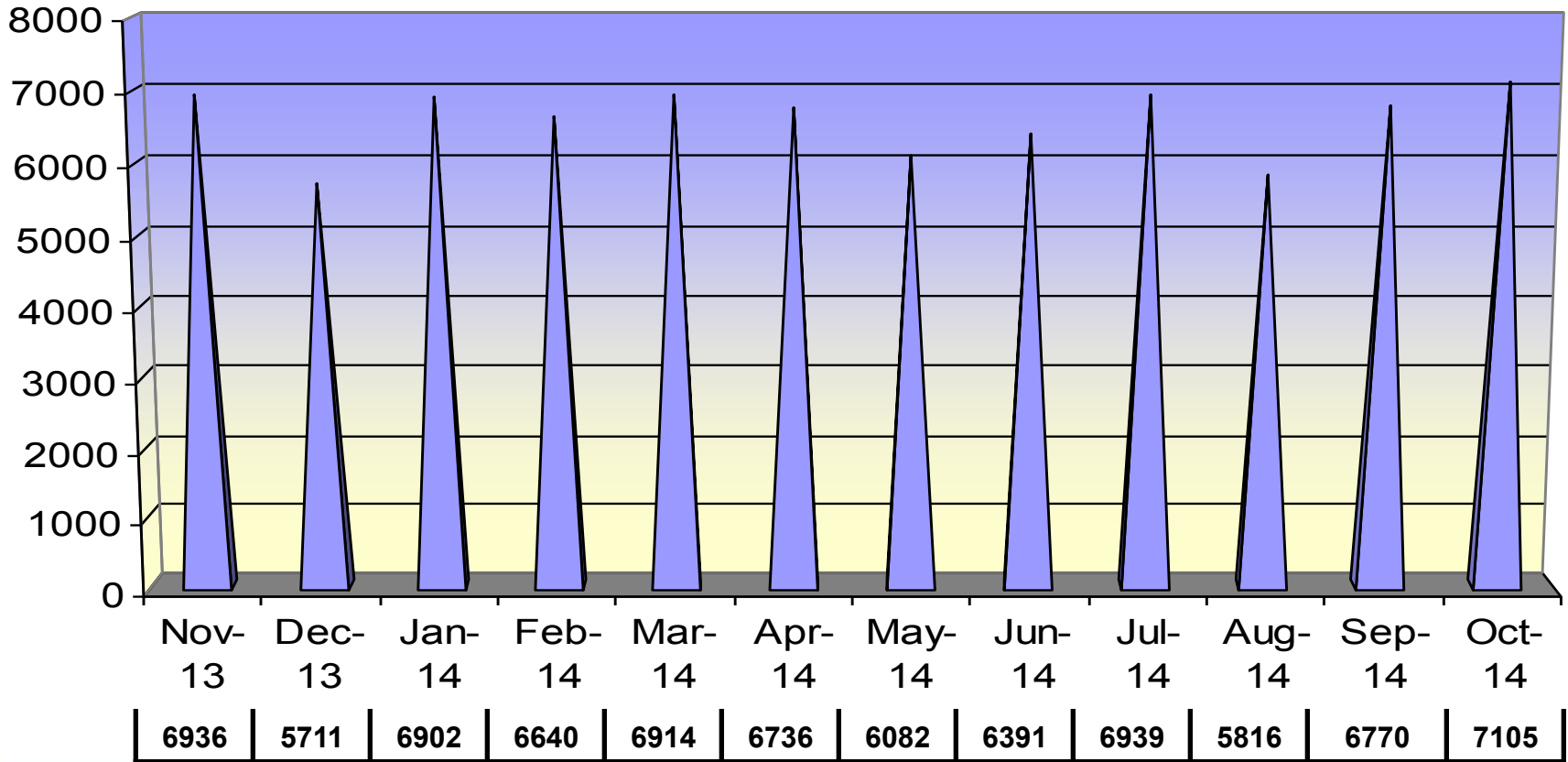


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# FOM Contacts Rolling 12 Months



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# GDN Response to Ofgem's Open letter to Gas Distribution Networks on Tackling Unregistered Sites

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- Joint GDN response to an open letter from Ofgem sent on 9<sup>th</sup> August 2013.
- Ofgem identified its expectations for GDNs to address the industry issue of unregistered sites.
- In the GDNs' initial response (9<sup>th</sup> September 2013), it was stated that that the issues could not be addressed by GDN action alone.
- Action from Shippers, Suppliers, UIPs, MAMs, and Gas Consumers was necessary.
- The GDNs outlined a raft of measures to address root causes and a plan of action to address the existing population of Shipperless and Unregistered sites.

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# Mitigation Measures

GDNs have implemented a number of mitigation measures over the past 12 months including:

- Tighter controls over the MPRN batches provided to connection providers
- A joint GDN information leaflet provided to all new connections
- Two modifications to MAMCoP.
  - The first change prevents a meter being fitted without a supply contract in place.
  - The second change seeks to obligate MAMs to provide yearly portfolios to Xoserve so that meters installed at S&U sites can be easily identified.
- UNC Mod431 which has been progressing since April 2014 identified around 2,800 MPRNs on supplier portfolios which were lacking shipper registration. To date 1,872 (66%) have been registered due to this modification to Code.
- An innovation project is currently being progressed through the Energy Innovation Centre to create a fitting which can be placed on a service outlet following a Gas Safety visit and would prevent meters being fitted/gas being offtaken illegally.

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# Existing Unregistered Sites

As detailed in the plan provided by the GDNs to tackle the S&U portfolio of sites, a number of steps were taken by Industry Parties. These are summarised below:

- Xoserve issued reports to Shippers and GDN's for investigation.
- Shippers and GDNs responded and asked for a number of sites to be removed from the sample population for future steps of the exercise, pending further investigation.
- High level data-cleansing activities, primarily around address data were carried out to ensure incomplete or insufficient addresses were not subject to lettering processes.
- The remaining S&U portfolio (minus any sites already confirmed, dead or extinct) were sent 2 letters. These were issued in tranches with a gap of 2 weeks between Letter 1 and Letter 2 (moving to a 3 week gap for later tranches).
- Responses were analysed and where necessary details passed to Shippers and GDNs where further action was required.
- GDNs commenced internal investigations and site visits which is still ongoing for most networks as this is a very time-consuming activity

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# Results of the activities to date

Pot Name	Starting Total	Set to DE	Set to EX	Confirmed	Deemed Legitimately Unregistered	Resolved	%age Resolved
No Shipper Activity	1290	76	103	344	11	534	41.40%
Orphaned	14969	1162	1698	2419	245	5524	36.90%
PTS	1568	94	52	531	62	739	47.13%
Shipper Activity	242	10	23	63	0	96	39.67%
SSP	4748	466	336	792	215	1809	38.10%
<b>Total</b>	<b>22817</b>	<b>1808</b>	<b>2212</b>	<b>4149</b>	<b>533</b>	<b>8702</b>	<b>38.14%</b>

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- Industry discussions regarding the treatment of S&U sites are ongoing within the SUWG.
- Presently several further root cause mitigation measures are being considered and UNC arrangements are being put in place to address newly created sites.
- The elimination of S&U sites requires the participation of all parties and not simply left as being a 'Transporter problem'.
- GDNs believe it would be beneficial to review and discuss the activities and experiences with Ofgem.

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# Mod 424 and Mod 410a Update

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# Mod 424(GSR) and Mod 410a(MUS)

- “How are things going?”
- Workarounds
  - GSR
    - Isolated MPRN at DE/EX Status
    - Alternative Shipper (In the scenario where the Isolating Shipper has terminated).
    - Meter Read at Site Visit
  - MUS
    - Backlog
    - MUS Issues

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# Ofgem Query – Responsibility for a Meter at a Shipperless Site

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# Responsibility for a Meter at a Shipperless Site

- Xoserve was contacted by Ofgem following an enquiry from an End User who was having difficulty getting the meter and service removed from their property.
- No specific details were given, Ofgem wanted to know areas of responsibility in these circumstances.
  - Shipperless – known previous supplier
  - Shipperless – no known previous supplier
- This was discussed in the last workgroup meeting but no decision was made.
- Ofgem has chased for a definitive response on this matter.

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# Responsibility for a Meter at a Shipperless Site

- In the last meeting it was concluded that current procedures dictate that the solution is for the End User to obtain a supply contract with a gas supplier and ask them to remove the supply; and then for them to contact the GDN to ask for the service to be removed.
  - **Is this what the group wants to feed back to Ofgem as a final decision?**
- Or
- **Does this need more discussion?**

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# Group Discussion

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# Group Discussion

- During the last Workgroup we discussed:
  - **Withdrawn Sites with Live MPRN and No Meter.**
  - **Legitimately Unregistered Sites.**
- Root causes were established as well as suggestions as to what could be done to address these particular areas.
- Group discussion will now focus on the following for each topic:
  - **What is wrong?**
  - **Who is responsible?**
  - **What can be done to correct it?**
  - **Actions and outcomes to address root causes.**

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# Withdrawn Sites with Live MPRNs with No Meter Attached

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# Withdrawn Sites with Live MPRN and No Meter

- Population: **392,144** (As of Sept 2014)
- MPRN's which represent: Isolated and Withdrawn Sites
- Usual route to the Shipperless Pot for Isolated and Withdrawn Sites is to go through the GSR Process. Only sites where a meter has been found connected during a GSR investigation will be included.
- Current Population of Shipperless Pot: **5,301**

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# Withdrawn Sites with Live MPRN and No Meter – Group Findings

## Root Causes

- Demolished Process Not Working.
- GSR only obligates cutting off main if no external valve available.

## Effect on Industry

- Unidentified Gas Costs.

## Effect on Shippers

- Unidentified Gas Costs.
- Risk that meter could be obtained and fitted.

## Effect on GDNs

- Safety. (Although Current Situation is OK by HSE Standards)
- UIP – Housing Developments. No Meter Fitted. Network Take Over. No Time Limit. Legitimately Unregistered.
- Complies with GSR and Pipeline Safety Regs and Pipeline

## What can be done?

- Change MP Status to Capped rather than Live.
  - Data Cleansing.
  - Sample Site Visits.
- Remove Service where meter has been removed

# Legitimately Unregistered

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# Legitimately Unregistered

- Current Population: **44,601**
- MPRN's which represent: Vacant sites / No Gas meter but live service / Service still in planning stage.
- This dataset is only updated by adding new records or when MPRNs currently in the dataset are set to DE/EX or Confirmed.
- We have no way of knowing if the data that determined the inclusion of a record into this dataset is still correct, i.e. has someone moved into the property and consuming.

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# Legitimately Unregistered – Group Findings

## Root Causes

- MAMs installing meters without supply contract – MBS
  - MPRN Creation Process
  - Plot to Postal Reconciliation
    - Erroneous historic data

## Effect on Industry

- If metered – consuming gas
- Increasing Safety risk over time if not inspected
- Increasing risk of theft of gas

## Effect on Shippers

See Above

## Effect on GDNs

See Above

## What can be done?

- A system flag to show “legitimate” after a site visit
  - Labelling on site
    - UPRN

- Any other business?
- Thanks for your attendance your contribution & support
- Have a safe journey home!

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