

## UNC Workgroup 0664 Minutes

### Transfer of Sites with Low Read Submission Performance from Class 2 and 3 into Class 4

Monday 24 June 2019

at Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA

#### Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Kully Jones (Secretary)	(KJ)	Joint Office
Alan Raper	(AR)	Joint Office
Andy Clasper	(AC)	Cadent
Carl Whitehouse	(CW)	Shell Energy
Edd Fyfe*	(EF)	SGN
Guv Dosanjh	(GD)	Cadent
Ian Shufflebotham*	(ISh)	SSE
Imran Shah*	(IS)	Centrica
Irina Bertrand*	(IB)	Brook Green Supply
John Welch	(JW)	npower
Karen Thompson*	(KT)	National Grid (agenda item 5.1 only)
Kirsty Dudley*	(KD)	E.ON
Leanne Jackson	(LJ)	Xoserve
Linh Bowen*	(LB)	SSE
Lorna Lewin*	(LL)	Orsted
Louise Hellyer	(LH)	Total Gas & Power
Luke Reeves*	(LR)	EDF Energy
Mark Bellman	(MB)	Scottish Power
Mark Jones	(MJ)	SSE
Mark Palmer*	(MP)	Orsted
Matt Harris*	(MH)	SSE
Megan Coventry*	(MC)	SSE
Rob Johnson*	(RJ)	Waters Wye Associates
Rose Kimber	(RK)	CNG Ltd
Stephanie Clements	(SC)	Scottish Power
Tom Breckwoldt*	(TB)	Gazprom Energy
Tracey Saunders	(TS)	Northern Gas Networks

\*via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0664/240619>

The Workgroup Report is due to be presented at the UNC Modification Panel by 18 July 2019.

#### 1. Introduction and Status Review

Bob Fletcher (BF) welcomed everyone to the meeting. He reminded Workgroup that John Welch is leaving npower at the end of June 2019 and thanked him for his contribution and continued support to take industry matters forward.

### 1.1. Approval of Minutes (21 May 2019)

The minutes from the previous meetings were approved.

## 2. Consideration of Amended Modification

BF informed Workgroup that npower had provided an amended Modification for discussion at the meeting. He reminded Workgroup that npower intends to withdraw the Modification at which point SSE will submit an adoption request which will allow the Modification to continue to be progressed.

In terms of the timetable, he suggested that the timing of the withdrawal and adoption of the Modification by SSE could help support the CDSP in relation to the potential issue and significant risk to UK Link Systems due to the predicted transfer of sites from Product Class 4 into Class 3 for 01 October 2019. This is as a result of recent changes to the AUG Table weighting factors used for allocating UIG from 01 October which will create a commercial advantage for moving sites from Product Class 4 to Product Class 3. He, therefore, suggested that it may be helpful for Xoserve to consider this as part of development of the Rough Order of Magnitude (ROM).

In response to a question from Tracey Saunders (TS), BF confirmed that the Modification would retain the same number. BNF advised that the only previous example of a Modification being adopted is *Modification 0375 - Changes to how Unsecured Credit Limits are determined within UNC TPD Section V 3.1.7 (Independent Assessments)* which was adopted by Wales & West Utilities after it was withdrawn.

BF invited John Welch (JW) to provide an update on the changes made to the solution and Business Rules sections of the Modification. JW confirmed that the changes discussed at the last meeting have been taken into consideration in the revised Modification before providing a walkthrough of the solution section.

He reiterated that the amended read obligations, calculation of read performance and incentive charge sections have been removed. He took Workgroup through the 11 draft Business Rules. In response to a question from Louise Hellyer (LH), he highlighted that there is a mitigation for faulty meters, as it is not always possible to replace larger meters quickly.

In relation to Business Rule 5, TS asked if a meter is marked as faulty where an incoming Shipper takes over a smart meter that becomes dumb due to the known technology issue. LH suggested that in practice a faulty meter should not stay faulty for a long time, but large meters may take longer to be repaired so the length of time the meter is faulty is longer. Therefore, the issue of a SMART meter in dumb mode is not a fault and shouldn't be classified that way. Performance monitoring by the Performance Assurance Committee (PAC) should pick this up.

BF suggested that Business Rule 2 implies that a dumb meter cannot be included. Carl Whitehouse (CW) asked if dumb sites in Class 2 and 3 would be monitored. JW indicated that this would be a PAC role.

(AR) suggested that a test would be that the meter is communicating correctly with the host. He asked if smart meters that go dumb are excluded?

In addition, BF asked if meters are already dumb would Business Rule 2 be applied retrospectively to ensure there are no dumb meters included?

**New Action 0601:** Npower (JW) to consider including a new Business Rule in relation to dumb meters so that any dumb meter in Class 2 and 3 would be moved to Class 4 as part of a one-off exercise at the point of implementation.

It was noted that SMETS version 1 would only be picked up through performance reporting.

Andy Clasper (AC) indicated that the Modification is sufficiently developed to start development of the Legal Text.

Workgroup also suggested that the proposer considers clarification of the appeals timeline.

**New Action 0602:** Npower (JW) to clarify the appeals timeline.

TS asked if Class 2 sites would be notified to Transporters in the context of the new rules for the option of selecting Class 1 nominations from Transporters, as it would result in them moving out of the ratchet regime if they moved to Class 4. LH suggested that all sensitive sites could be re-categorised as Class 1 sites by the Transporter, Class 2 were not excluded. She reminded Workgroup that Shippers have the right to move site at any time.

**3. Development of Workgroup Report**

This agenda item was not considered.

**4. Review of Outstanding Actions**

There were no outstanding actions.

**5. Next Steps**

CW asked if an extension to the Modification reporting timescales is needed at the July Panel meeting. BF confirmed that when the Modification is withdrawn it would no longer appear on the Panel reporting timescales. When the Modification is adopted by a new proposer the Panel would confirm new reporting timescales.

JW indicated that there is no IGT version of the Modification at this time.

**6. Any Other Business**

None.

**7. Diary Planning**

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:30 Tuesday 23 July 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Standard Workgroup Agenda

**Action Table (as at 24 June 2019)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0601	24/06/19	2.0	npower (JW) to consider including a new Business Rule in relation to dumb meters so that any dumb meter in Class 2 and 3 would be moved to Class 4 as part of a one-off exercise at the point of implementation.	npower (JW)	<b>Pending</b>
0602	24/06/19	2.0	npower (JW) to clarify the appeals timeline.	npower (JW)	<b>Pending</b>

