

**UNC Workgroup 0812R Minutes
Review of Alternative to “Must Read” Arrangements
Thursday 23 February 2023
via Microsoft Teams**

Attendees		
Bob Fletcher (Chair)	(BF)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Anne Jackson	(AJ)	Gemserv
Andy Clasper	(AC)	Cadent
Ben Mulcahy	(BM)	Northern Gas Networks
Claire Louise Roberts	(CLR)	ScottishPower
Colin Paine	(CP)	Engie UK
David Mitchell	(DMi)	SGN
Ellie Rogers	(ER)	Xoserve
John R Harris	(JR)	Xoserve
Kathryn Adeseye	(KA)	Xoserve
Lee Greenwood	(LG)	British Gas
Louise Hellyer	(LH)	TotalEnergies Gas & Power
Mark Jones	(MJ)	SSE
Martin Attwood	(MA)	Xoserve
Oorlagh Chapman	(OC)	Centrica
Richard Pomroy	(RP)	Wales & West Utilities
Steve Mulinganie	(SM)	SEFE Energy Limited
Tom Stuart	(TSt)	Wales & West Utilities
Tracey Saunders	(TS)	Northern Gas Networks

The Workgroup Report is due to be presented at the UNC Modification Panel by 20 April 2023.

Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of all papers are available at: www.gasgovernance.co.uk/0812/230223

1.0 Introduction and Status Review

1.1. Approval of Minutes (24 November 2022)

Ellie Rogers (ER) noted a small change is required to Action 0111, this was noted, and a change marked, and clean version of the minutes have been published.

The minutes from the meeting held on 22 November 2022 were approved.

1.2. Approval of Late Papers

There were no late papers.

1.3. Review of Outstanding Actions

Please note the renumbering of all actions.

Action 0901: Workgroup participants to review the proposed solution options to take this Review forward:

- 1) (Preferred solution) - Remove obligation on Transporters and let PAC (Performance Assurance Committee) manage any settlement risk which gives them the freedom to address the issue as they see fit;
- 2) Remove obligation on Transporters and put in place specific obligations on Shippers should they breach their meter reading obligation;
- 3) Replace the Transporter obligation in Code by arrangements for central provision of the service.

Feedback to be provided to Joint Office enquiries@gasgovernance.co.uk and/or Richard Pomroy Richard.pomroy@wwutilities.co.uk.

Update: Richard Pomroy (RP) advised only one response received so far and suggested the action is closed. **Closed**

Action 0902: Workgroup participants to consider if it is still appropriate for Transporters to provide the Must-Read service:

- If yes, please provide your reasoning.
- If no, then who should provide it?

Update: Richard Pomroy (RP) advised only one response received so far and suggested the action is closed. **Closed**

Action 0903: Workgroup Chair (RH/EF) to ask PAC for evidence on the effectiveness of must reads and the effectiveness on settlement accuracy: (Is there a benefit or value in the must-read service)

- If must reads are successfully used, to what extent do they mitigate settlement risk?
- Are Transporters the appropriate party to provide the service?
- If they are not, who should provide the service

Update: This is being requested and Workgroup are to await response from PAC. **Carried Forward**

Action 1101: CDSP (MA/ER) to provide a selection of manual validation scenarios with more detail around the Analysis Summary presented at Workgroup on 24 November 2022. For clarification this action is regarding the split of the circa 47,000 must reads that are not successfully uploaded (23,500 are fixed by CDSP, therefore 23,500 are returned to the Shipper for action).

Update: This has been provided and will be reviewed within action 0311. **Closed**

Action 1102: CDSP (MA) to provide the AQ quantities for each of the Sites reconciled through the Must-Read process.

Update: This has been provided and will be reviewed within action 0311. **Closed**

Action 1103: PAFA (AJ) to assess the impact of the c. 47k meter reads that are failing validation.

- Does the c. 47k create a risk to Settlement?
- Do the Failures (c. 47k) have any adverse impact on settlement

Update: See below. **Closed**

Ellie Rogers (ER) provided an updated Must Read Analysis presentation which incorporates Actions 0111; 0211 and 0311 as follows:

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Action 1101: CDSP (MA/ER) to provide a selection of manual validation scenarios with more detail around the Analysis Summary presented at Workgroup on 24 November 2022. For clarification this action is regarding the split of the circa 47,000 must reads that are not successfully uploaded (23,500 are fixed by CDSP, therefore 23,500 are returned to the Shipper for action).

Update: The analysis summary (slide 6) has been updated which now shows that c57,000 must reads were successfully uploaded and used in settlement and c47,000 must reads that failed initial validation were split by:

- DNO – c18,000
- IGT – c29,000

When Clare Manning (CM) asked, Martin Attwood (MA) clarified, of the c57,000 Must Reads that are received via the Must Read process, c47,000 are initially rejected and of those 50% do get corrected and subsequently loaded.

On slide 7 of the presentation ER showed the most common validation scenarios for must reads.

Action 0111 – Manual Validation Scenarios			
The table below details the most common manual validation scenarios for must reads.			
Rejection Code	Rejection Description	CDSP manual action	Possible Shipper action if CDSP manual action not possible
MRE01026	Reading breached the lower Outer tolerance (i.e. Read is lower than last Actual read)	<ul style="list-style-type: none"> • Compare must read to last Actual Read and upload must read if confident reading has gone through the zeros (TTZ). 	<ul style="list-style-type: none"> • Review last Actual Read held on UK Link to ensure it is correct (and replace as necessary via .UMR file for Class 4 (or .UBR for Class 3).
MRE01029	Reading breached the upper Inner tolerance value and no override flag provided (i.e. energy resulting from Read is deemed excessive for the sites Annual Quantity (AQ) but could be valid)	<ul style="list-style-type: none"> • Investigate to see if must read falls in line with historic Actual reads – if so must read is uploaded by including the override flag. 	<ul style="list-style-type: none"> • Review last Actual read(s) held on UKLink system to ensure it is correct and replace as necessary via .UMR file for Class 4 (or .UBR for Class 3). • Check the AQ is appropriate for the site and update as necessary via .AQI file (since the AQ is used in the tolerance calculation).
MRE01027	Reading breached the Upper Outer tolerance (i.e. energy resulting from Read exceeds the allowable tolerance for the sites Annual Quantity (AQ))	<ul style="list-style-type: none"> • Manual upload of must read not possible for this rejection reason, since resulting energy is deemed far too large. 	<ul style="list-style-type: none"> • Confirm UK Link holds the correct meter asset info (missed meter exchanges can cause incorrect energy calculations). • Check the AQ is appropriate for the site and update as necessary via .AQI file (since the AQ is used in the tolerance calculation).
MRE00419	The meter serial number (MSN) provided with the Read does not match with the MSN held on UK Link	<ul style="list-style-type: none"> • If MSN provided with must read is a close match with the MSN held on UKLink, the Must Read is uploaded. • If MSN is not a close match, both MSNs are communicated to Shipper via the CMS contact. 	<ul style="list-style-type: none"> • Confirm UK Link holds the correct meter asset info (particularly the MSN) and update accordingly (via ONJOB/ONUPD file)
MRE00457	Meter Reading is less than previous meter reading	<ul style="list-style-type: none"> • Compare must read to last Actual Read and upload must read if confident reading has gone through the zeros (TTZ). 	<ul style="list-style-type: none"> • Review last Actual Read held on UK Link to ensure it is correct (and replace as necessary via .UMR file for Class 4 (or .UBR for Class 3).
MRE00490	A breach of the allowed reading submission frequency occurred (i.e. meter read is being submitted too often for the Meter Read Frequency)	<ul style="list-style-type: none"> • No action possible, since unable to override the system validation. 	<ul style="list-style-type: none"> • No action required.
MRE01016	Actual read can only be replaced by a replacement read. (i.e. a Read has been loaded to UKLink for the same read date as the must read)	<ul style="list-style-type: none"> • No action possible, since unable to override the system validation. 	<ul style="list-style-type: none"> • No action required.

It is thought that there is duplication in the must read entries that are causing the high count for MRE00490 and MRE01016.

The information above closed Action 0111.

Action 1102: CDSP (MA) to provide the AQ quantities for each of the Sites reconciled through the Must-Read process.

Update: MA provided the following information:

Aggregated AQ of sites reconciled via the must read process:

- During observed period (Jan'18 to Sep'22)
 - Total AQ (DNO & IGT): 5,794,539,667 kWh
 - DNO total: 5,265,936,593 kWh
 - IGT total: 528,603,074 kWh
- Last 12 months (Oct'21 to Sep'22):
 - Total AQ (DNO & IGT): 465,495,118 kWh
 - DNO total: 338,310,567 kWh
 - IGT total: 127,184,551 kWh

RP asked for the % to be presented against the figures.

The information above closed Action 0211.

Action 1103: PAFA (AJ) to assess the impact of the c. 47k meter reads that are failing validation.

- Does the c. 47k create a risk to Settlement?
- Do the Failures (c. 47k) have any adverse impact on settlement

Update: Anne Jackson (AJ) clarified that the must reads that are failing validation do have create a risk to Settlement, but there is no analysis to support that.

The information above closed Action 0311.

Workgroup agreed, in order for this review to move forward, a view from PAC should be requested. It was requested that the presentation provided by CDSP is placed on the agenda for the March 2023 PAC to consider.

RP clarified that the potential issue of reads not getting loaded on to the system is out of scope of the Review.

New Action 0201: Joint Office to approach PAC for a view on the potential impact on Settlement that the removal of the Must Read process would have.

When Colin Paine (CP) asked if any attention has been given to the success rate of obtaining the readings, AJ clarified that the readings that are obtained are finally loaded on to the system do mitigate the risk to Settlement.

When Workgroup noted it would be beneficial to understand how many attempts are made to obtain a meter reading, ER advised that whereas Xoserve know the meter readings that are obtained, it is unknown how many are attempted that do not reach Xoserve and how many times a site is visited to obtain a meter reading.

It was noted that there are more failures for IGT sites but overall there is less energy. It was advised that IGT sites are typically smaller than DNO sites due to the application of different rules to trigger a Must Read.

AJ noted that an understanding of the cost of the service (Must Read) against the risk it is mitigating would be useful.

End of Review Group discussions

2.0 Amended Modification

The Request had not been amended.

3.0 Issues and Questions from Panel

3.1. Does the process utilised in the IGT UNC work as an alternative arrangement?

This will be considered at a future Workgroup meeting.

4.0 Development of Workgroup Report

This will commence at a future Workgroup meeting.

5.0 Next Steps

BF confirmed that once a response is received from PAC, Workgroup can then assess the way forward.

A request will be made at UNC Modification Panel for the Workgroup Report to be submitted to the September 2023 Panel instead of April.

Workgroup discussion deferred to April 2023 to allow time for PAC to provide an update.

6.0 Any Other Business

None.

7.0 Diary Planning

Workgroup meetings will take place as follows:

Time / Date	Paper Publication Deadline	Venue	Programme
Thursday 10:00 23 March 2023	5pm 14 March 2023	Microsoft Teams	Update on PAC consideration on Action only
Thursday 10:00 27 April 2023	5pm 18 April 2023	Microsoft Teams	Standard Agenda

Action Table (as at 23 February 2023)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0901	22/09/22	2.0	<p>Workgroup participants to review the proposed solution options to take this Review forward:</p> <ol style="list-style-type: none"> 1) (Preferred solution) - Remove obligation on Transporters and let PAC manage any settlement risk which gives them the freedom to address the issue as they see fit; 2) Remove obligation on Transporters and put in place specific obligations on Shippers should they breach their meter reading obligation; 3) Replace the Transporter obligation in Code by arrangements for central provision of the service. <p>Feedback to be provided to Joint Office enquiries@gasgovernance.co.uk and/or Richard Pomroy Richard.pomroy@wwutilities.co.uk.</p>	Workgroup participants	Closed
0902	22/09/22	2.0	<p>Workgroup participants to consider if it is still appropriate for Transporters to provide the Must-Read service:</p> <ul style="list-style-type: none"> • If yes, please provide your reasoning. • If no, then who should provide it? 	Workgroup participants	Closed
0903	22/09/22	2.0	<p>Workgroup Chair (RH/EF) to ask PAC for evidence on the effectiveness of must reads and the effectiveness on settlement accuracy: (Is there a benefit or value in the must-read service)</p> <ul style="list-style-type: none"> • If must reads are successfully used, to what extent do they mitigate settlement risk? • Are Transporters the appropriate party to provide the service? 	Workgroup Chair (RH/EF)	Carried Forward

			<ul style="list-style-type: none"> If they are not, who should provide the service? 		
1101	24/11/22	1.3	CDSP (MA/ER) to provide a selection of manual validation scenarios with more detail around the Analysis Summary presented at Workgroup on 24 November 2022. (For clarification, of the circa 47k must reads that are not successfully uploaded, 23% are fixed by CDSP, therefore 23% are returned to the Shipper for action.)	CDSP (MA/ER)	Closed
1102	24/11/22	1.3	CDSP (MA) to provide the AQ quantities for each of the Sites reconciled through the Must-Read process.	CDSP (MA)	Closed
1103	24/11/22	1.3	PAFA (AJ) to assess the impact of the c47k meter reads that are failing validation. - Does the c47k create a risk to Settlement? Do the Failures (c47k) have any adverse impact on settlement?	PAFA (AJ)	Closed
0201	23/02/23	1.3	Joint Office to approach PAC for a view on the potential impact on Settlement that the removal of the Must Read process would have	Joint Office	Pending