

UNC Workgroup 0734S Minutes Reporting Valid Confirmed Theft of Gas into Central Systems and Reporting Suspected Theft to Suppliers

Thursday 22 July 2021

via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Alan Raper	(AR)	Joint Office (<i>Observer</i>)
Andy Clasper	(AC)	Cadent
Clare Manning	(CM)	E.ON Energy
Dave Mitchell	(DMi)	SGN
David Addison	(DA)	Xoserve
Ellie Rogers	(ER)	Xoserve
Fraser Mathieson	(FM)	SPAA/Electralink (<i>0769S and 0734S only</i>)
Guv Dosanjh	(GD)	Cadent
Jenny Rawlinson	(JW)	BU UK
Kate Lancaster	(KL)	Xoserve
Mark Jones	(MJ)	SSE
Oorlagh Chapman	(OC)	British Gas
Richard Pomroy	(RP)	WWU
Steven Britton	(SB)	Cornwall Insight
Steve Mulinganie	(SM)	Gazprom Energy

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0734/220721>

The Workgroup Report is due to be presented at the UNC Modification Panel by 18 November 2021.

1.0 Introduction and Status Review

Rebecca Hailes (RHa) welcomed everyone to the meeting.

1.1. Approval of Minutes (24 June 2021)

The minutes from the previous Workgroup were approved.

1.2. Approval of Late Papers

RHa advised of 4 late papers, which the Workgroup approved.

1.3. Review of Outstanding Actions

0202: DM to request that their lawyer have a provisional look at legal text to see how the new BR could apply to a consumption adjustment when no actual meter readings are available.

Update: Steve Mulinganie (SM) suggested closing the action as Business Rule 5 had been updated. **Closed.**

0601: Xoserve (DA) to outline concerns with using default data and warranting meter asset data for this to be raised with the Retail Energy Code (REC) for further consideration.

Update: Fraser Mathieson (FM) believed that this may now be covered by the newly amended business rules. **Closed.**

0602: Xoserve (DA) to provide narrative to develop the zero-incrementing read issue for considering whether this is covered within Guidance or UNC

Update: DA confirmed he had examined the UNC and where the CDSP are required to generate estimates; and, that this estimate would deviate from the normal UNC TPD H2.2 profiling logic by creating a zero-incrementing Meter Reading from the previous Meter Reading. Typically, these requirements are referenced in the UNC. It was agreed that the Legal Text Provider would determine whether this needs to be outlined in the UNC. DA asked all other parties to consider the presentation provided offline in relation to zero-incrementing methodology. DA suggested further dialogue can be considered next month and whether some of the guidance notes need to be built in as a business rule.

Carried Forward

0603: Xoserve (DA) to consider Relevant Periods within the existing Business Rules.

Update: DA believed this was covered in the updated Business Rules, in order to minimise flexing the relevant period, it had been considered whether there was a way of warranting the supplier providing meter reads as the CDSP can only use reads that are available. It was understood this was not possible, however the flexibility with the meter period provided a pragmatic approach.

DA further explained that he had wanted to warrant that the Suppliers had provided all relevant Meter Readings available for the Start / End of the Theft Period. He wished to point out that Theft Volume can only be assessed against existing Metered Volume and so Meter Readings should be available. DA explained whilst the need for this is materially lessened by the ability that the CDSP is afforded to flex the Theft Period to the Metered Period, it had been confirmed that such a warranty was not something to be included within the Modification. DA believed that FM had confirmed in a previous meeting that where a Theft had been identified that typically a Meter Exchange will be undertaken as the Meter may have been compromised. In which case, DA was relaxed about the warranty as the Connection and Disconnection Regulations and the UNC defines the requirements to provide data within specified periods.

DA explained as the CDSP will be given the ability to flex the Theft Period to the Metered Period, then the UNC will afford transparency to the Supplier as to the treatment of the Theft Claim by the CDSP. If the Supplier has concerns with this approach, they could provide readings (via their Shipper) prior to the Theft Claim. However, it was understood within the Modification that this could not nor should not be mandated.

DA wished to add that the CDSP had sought comfort that Readings would be provided, but FM had indicated that the Supplier would have assessed all readings prior to submission to the CDSP and where the veracity of these would be called into question, they would not be provided. In some rare scenarios the CDSP will not have access to any Meter Readings. The only scenario that has been identified is where No Meter has been installed. In such circumstances FM indicated that the Supplier would have provided any relevant records. As such, where none exist on UK Link it should be assumed that no such records exist. DA wished to note that this is relevant as the CDSP intend to employ a manual process to insert the adjustment value against the meter point but that this will not be checked should information be inserted into UK Link for the Theft Period, and the adjustment amounts would not be re-opened. **Closed.**

2.0 Amended Modification and Review of Business Rules

The Workgroup considered the Amended Modification and the provided Business Rules.

The Workgroup considered the Theft Period and Theft Energy Value and the metered period. Referring to Business Rule 5, DA explained that the CDSP will seek to align the Theft Period to a suitable metering Period within CDSP systems, as close as reasonably practicable. For the avoidance of doubt the Theft Energy Value will not be subject to amendment, this rule is about providing some flexibility to best align the period.

Richard Pomroy (RP) wished to note his response to Modification 0674 and the need to achieve accurate settlement. He recognised this approach was aimed at achieving better settlement,

and that it was a step in the right direction, but that settlement may not necessarily be on the day.

The Workgroup considered the Guidance notes 11 and 12. David Mitchell (DMi) asked for some further clarity notes to be added to the Business Rules to assist the Lawyer understanding the concept.

The Workgroup acknowledged the Modification would need a further amendment.

The Workgroup considered the Relevant Objectives and agreed that the mechanism proposed would more accurately allocate energy related to theft between Shippers.

RP enquired about the D+5 allocation, Unidentified Gas (UIG) and accuracy in terms of reconciliation. FM explained the Modification would allow a more valid data set. He also explained that when the AUGER looks at the data it will be able to use data that has gone into Reconciliation, which will provide better visibility of consumption attributed to theft and can be subsequently built into future models. DA clarified that when theft is crystallised, it will attribute the gas to the Shipper and a credit to UIG, through the reconciliation processes.

FM explained how the Modification would also reduce administration processes.

3.0 Issues and Questions from Panel

3.1. Workgroup to consider any potential cross-Code impacts and implementation timelines.

SM believed this was related to REC going live in September. FM confirmed that the IGTs are considering the options and whether to signpost the IGTUNC to the UNC.

4.0 Consideration of Draft Legal Text

DMi confirmed once the Modification was amended this would be provided to the Lawyer with an aim to provide the Legal text in time for consideration at the August meeting.

5.0 Development of Workgroup Report

Deferred until August.

6.0 Next Steps

Provision of Legal Text and Workgroup Report production.

7.0 Any Other Business

None raised.

8.0 Diary Planning

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

Workgroup meetings will take place as follows:

Time / Date	Paper Publication Deadline	Venue	Programme
10:00 Thursday 26 August 2021	5pm 18 August 2021	Microsoft Teams	Consideration of Amended Modification Consideration of Legal Text Completion of Workgroup Report

Action Table (as of 22 July 2021)						
Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0202	25/02/21	2.0 (BR5)	DM to request that their lawyer have a provisional look at legal text to see how the new BR could apply to a consumption adjustment when no actual meter readings are available.	July 2021	SGN (DM)	Closed
0601	24/06/21	2.0	Xoserve (DA) to outline concerns with using default data and warranting meter asset data for this to be raised with the Retail Energy Code (REC) for further consideration.	July 2021	Xoserve (DA)	Closed
0602	24/06/21	2.0	Xoserve (DA) to provide narrative to develop the zero-incrementing read issue for considering whether this is covered within Guidance or UNC.	July 2021	Xoserve (DA)	Carried Forward
0603	24/06/21	2.0	Xoserve (DA) to consider Relevant Periods within the existing Business Rules	July 2021	Xoserve (DA)	Closed