UIG Task Force Recommendations

Investigation Item 3.2.1

EUC09 Sites

Version 2, 21/01/19

Background

What is the finding?

- We have identified a number of large sites where the Annual Quantity (AQ) is above the Class 1 threshold of 58.6m kWh
- These sites are currently NDM (Class 3 or 4)
- These sites should be re-confirmed as Class 1 by the Shipper after 3 consecutive AQ calculations above the threshold in a six-month period, or after 18 months if every calculated AQ is above the threshold (UNC G1.6.15)
- Some of the sites have an annual read frequency, so meter reads and AQ updates are infrequent
- We identified 23 sites of which 12 met the G1.6.15 criteria and were not subject to AQ Defect issues

How does it contribute to UIG?

- Sites of this size are likely to have a unique usage pattern
- The NDM Profile for EUC09B is based on national data and is unlikely to be a good representation of each site's usage
- Any difference between the actual usage and the NDM allocation will contribute to UIG each day
- The 12 qualifying sites are estimated to be contributing around 0.4% of LDZ Throughput to UIG on an average day and causing UIG volatility of up to 0.7%

Options to address the finding (1 of 2)

No.	Option	Likelihood of success	Implementation lead times
1.	No action ("Do Nothing" option) or Park	Very low	N/A
2. ⭐	Engagement with Shippers – highlight the individual sites, provide support, encourage action to re-confirm. CDSP to monitor monthly and notify relevant Shippers	Low to medium – requires Shipper co-operation	In Progress: Short to medium
3. ⭐	PAC reporting and monitoring – add new reports to Performance Assurance Report Register	Medium	Medium (Mod 0660 now approved). Requires a CP to create reports
4.	Notify Ofgem of individual sites and Shippers	Low to medium – requires Shipper co-operation unless Ofgem can apply any financial leverage	Short to medium
5.	Improve NDM Profiles for EUC09, e.g. create WAR Band EUCs	Low – usage of these sites may not follow any pattern – could actually worsen the position	Long term

⭐ = *Xoserve recommended options*

Options to address (2 of 2) : Possible UNC Modifications

No.	Option	Likelihood of success	Implementation lead times
6.	Reduce the qualifying period for Class 1 (currently 18 months or 6 consecutive calculations)	Low (unless combined with other measures)	Long – UNC Mod timescales but no system changes
7.	CDSP automatically converts sites to Class 1 after qualifying period, CDSP arranges for fitting of Daily Read Equipment	High – after qualifying period	Long – UNC Mod timescales plus system changes
8. ⭐	Use the UIG Weighting Factors to create a incentive to change to Class 1 (i.e. increased rate for Classes 2 to 4). *Might need protection for sites which have not yet passed the qualifying period – would add complexity*	Medium/high – depending on the size of the incentive.	Long – UNC Mod timescales plus changes to AUG Table from next Gas Year. May also require system changes
9.	Create financial penalties for sites which have not been re-confirmed to Class 1	Medium/high – depending on the size of the penalty.	Long – UNC Mod timescales plus system changes
10. ⭐	Automatically change meter read frequency to Monthly when AQ increases above 293,000	Low/medium – AQ calculations will be more frequent but still requires Shipper action to convert to DM	Long – UNC Mod timescales plus system changes

⭐ = *Xoserve recommended options*