



3.2.3: Inaccurate/Out of date AQs - Sites that have AQs lower than 100 kWh and have had meter read tolerance rejections

Summary of Findings

Area & Ref #	Inaccurate/Out of date AQs - Sites that have AQs lower than 100 kWh and have had meter read tolerance rejections (Ref # 3.2.3)	Findings Status	Closed
UIG Hypothesis	If UK Link AQs are artificially low then legitimate reads could be rejected for breaching tolerance checks. We want to understand whether there is a segment of unrecorded, unreconciled energy in the market and if so what the materiality could be. If energy is unrecorded then the AQ could remain at the wrong level which will contribute to UIG at allocation, and if a read is never accepted then the sites will not reconcile which could result in permanent UIG.	UIG Impact Peak Volatility %	N/A
Data Tree References	Meter Reading, Annual Quantity	UIG Impact Annual Average %	0.35% est.
		Confidence in Percentages	M

Findings	Approach to analysis
<p>We found over 400,000 live sites on UK Link with an AQ lower than 100 kWh.</p> <p>Detailed analysis of a random sample of 16,500 MPRNs showed that around 9% of them had at least one read rejected for energy tolerance reasons.</p> <p>5% of the 16,500 MPRNs did not have a subsequently accepted read accepted. If we scale the results from the sample up to the 400,000 records with low AQs, then this means that up to 0.35% of LDZ energy could be unrecorded on UK Link.</p> <p>Confidence in percentages is Medium as we are extrapolating analysis based on a randomised sample. The sample is large enough that we can be 99% confident it is representative, but the percentage throughput assessment is indicative of scale rather than a true assessment of missing energy.</p> <p>The recommendations for 3.2.8 would contribute toward resolving this issue.</p>	<p>We extracted all live, un-isolated MPRNs from UK Link with an AQ <100 kWh.</p> <p>From the 400k records, we selected a random sample of 16,500 MPRNs to be 99% confident that the random sample is representative of the full dataset. We then extracted a complete read rejection, read acceptance and a complete AQ history history for the sample MPRNs.</p> <p>We scaled the rejected energy for the latest rejected read (where there was more than 1 rejection per MPRN) to an annual figure and compared it to the level of historic AQ to see if it was consistent. Any outliers or rejections with obvious causes (e.g. missing TTZ counts) were removed from the analysis to give a view of the potential Energy at risk.</p> <p>We then removed records with subsequently accepted reads to see how much energy was potentially pending an actual read.</p>