

UKLink Communication Training - COVID 19 - Urgent UNC Modifications - Questions & Answers

Modification 0723 (Urgent) – Use of the Isolation Flag to identify sites with abnormal load reduction during COVID-19 period:

Question	Answer
Does this mean the changes in the Mods are retrospective back to when Corona Virus Act 2020 was passed? So, we can isolate or change an AQ back to the date the act was passed?	With the exception of the Ratchets Modification (MOD 0724) which will apply from 26 th March 2020, no. All of these Modifications are for a future date only. However, the actual meter reading that is supplied with an Isolation notice will trigger a reconciliation back to the last accepted meter reading, which would refund any overstated allocation.
If any Shipper has unilaterally made changes are they stuck with any consequences and only get the benefit post 1st May or whenever the Mod goes live?	Yes. The changes only apply from the point of implementation apart from (MOD0724) as above.
Is “clamped” the preferred Isolation option?	Yes, Clamped is the preferred option when using the Isolation flag.
I understand that the same Meter Read must be used to reconnect. This makes sense but what if it's moved on by up to 2.5%?	The reading will still need to be the same as the reading used for the isolation. The next actual reading will need to catch up with any usage during the Isolation period. You will be able to submit the ‘actual’ meter reading afterwards.
It was mentioned that Shippers will need to provide a reading within a UPD record for the Isolation Process. If one isn't provided will Xoserve reject the transaction?	That is correct. If a reading is not provided within the UPD record, then the transaction (record) will be rejected.
Does setting the Isolation Flag need to be at the customers (end user) request?	While this is not required, we would expect a conversation to be had with the customer to understand their current usage levels which results in the site being set as Isolated. However, there is no requirement to prove that any conversation/communication has been had with the customer.
If the MPRN has an Isolation Flag and is not included in the AQ calculations, will this prevent charges for that MPRN?	Capacity charges will continue to apply for Isolated sites. Once the MPRN is isolated a reconciliation will be carried out using the read provided with the Isolation request. MPRNs that are Isolated will not be allocated energy daily therefore there will be no commodity charges during the Isolation period.
What are the rules related to the isolation read and reconnection read?	Both reads must be exactly the same read. Where you don't have an actual reading for the isolation read then this should be estimated – however the isolation and reconnection reading must be exactly the same.
What will happen with the Rolling AQ and the Formula AQ in the Isolation Case? When will both be changed in these cases?	These values will remain static until such a time that the flag is lifted and reads trigger a new Rolling Annual Quantity. Unless an AQ Correction is submitted, the current Formula Year AQ is fixed until 31 st March 2021. Only one option can be used, either the Isolation or Correction option. As no meter reads can be loaded once the site is isolated, no Rolling AQ calculations will take place. After the Isolation is removed, and actual readings are received, AQ calculation will re-start. The calculation can go back prior to the Isolation but will ignore the Isolated Period.

Modification 0722 (Urgent) – Allow Users to submit Estimated Meter Reading during COVID-19:

Question	Answer
<p>For users where consumption is low when will the transportation AQ (formula year AQ) update for capacity and commodity payments?</p>	<p>The estimated readings will be used in the AQ calculation (typically this is a 12-month calculation), so they will only incrementally influence the AQ. Rolling AQ changes will affect gas allocation and Commodity charges, but not Capacity charges.</p> <p>Capacity charges are based on the Formula Year AQ. The AQ snapshot is taken every year on 1st December and becomes effective on 1st April the following year. Therefore, the next time these will be updated will be 1st April 2021.</p>
<p>If the site starts consuming more than 2.5% but we don't notify Xoserve and send the RGMA is there any consequences?</p>	<p>There will be no penalties and the next reading will catch up on the consumption since the Isolation. You will have an obligation to keep reviewing the situation and Xoserve will be contacting you after lockdown to check whether the site is now consuming. The flag can be removed pre or post lockdown, but the same read must be used to remove the flag.</p>
<p>What are the impacts on the Must-Read process?</p>	<p>This Modification would reset the clock for Must Reads obligations. This is an area that will be explored further as reporting is required due to the potential impact on UIG.</p>
<p>Is there a preference for the Meter Read Source?</p>	<p>*Post meeting update</p> <p>It is recommended to use 'E' as End User Reading in source</p>
<p>If a site changes Supplier during this period and estimated reads have been used (especially where the estimated reads are too high) will the CAMs (Xoserve Customer Account Managers) be asking for forward looking plans for the use of estimated reads from Shippers?</p>	<p>In terms of readings we are confident in the system capability and believe the system can cope with the volumes of readings expected for this area.</p>
<p>How will we distinguish the reads submitted during COVID19 lockdown period – where the estimated read is sent as actual?</p>	<p>We will not be able to distinguish these reads. We will be encouraging Shippers to submit post COVID19 actual readings, as we won't be able to identify which sites have not had a true meter reading. The post COVID19 readings will enable a clearer position going forward.</p>
<p>Are we flagging the estimated reads or do we need to add them as actuals?</p>	<p>These must be sent as actual reads for UKLink to accept the reads.</p>

Modification 0721 (Urgent) – Shipper Submitted AQ Corrections during COVID-19:

Question	Answer
Will “normal” (Business as usual) AQ Corrections be deprioritised over corrections submitted as part of Modification 0721?	No, all correction submissions will be processed regardless of whether they are normal or COVID. No submissions are expected to be deprioritised.
Will Modification 0721 effect only Non-Daily Metered Sites?	*Post meeting update Yes. They will only effect Non-Daily Metered Sites. This is outlined further in the legal text within the Modification.
How will Xoserve deal with large volumes. Particularly if they are submitted prior to the 7th May?	We are monitoring the AQ correction volumes. We have got a view of the eligible sites and do not believe these will all take up this functionality and therefore we are expecting to be able to manage these volumes. We recommend customers to spread out these submissions and continue to keep Customer Advocates updated on volume projections to enable Xoserve to plan and process, effectively.
Do customers need to wait nine months to change the Annual Quantity's (AQs) back to the pre COVID-19 value?	No, post COVID-19 lockdown these corrections can be reverted to the pre COVID-19 value by using reason 2. There is no 9-month block on further AQ Corrections. E.g. you could submit a correction the following month.
What is the cut-off point for submitting AQ Corrections on the 7th May?	*Post meeting update The cut-off is 19:00pm on the 7 th May.
When using AQ correction reason 2, does an actual meter read need to be provided ?	No, an actual meter read is not required when using correction reason 2. Actual meter reads are only required for reason 4, where a meter read has been rejected for tolerance.
If volumes for Mod 0721 are less than expected, could EUC1 be considered for submitting AQ Corrections?	Unfortunately, not. Should this be a requirement this would need to be raised via another UNC Modification if needed.
Will the nine-month rule still apply to AQ Corrections? If we have already recently submitted an AQ Correction will this be locked in? Or if a new site supplied between 3-9 months which at present you can not submit an AQ Correction?	Further AQ Corrections can be submitted as soon as the new AQ goes live. There is no 9 month lock out on Corrections. The lock out only applies to the normal system Rolling AQ calculations.
How will the COVID-19 related reports be sent? Via email or through another method?	Reports are not yet scoped, however when these are available it is anticipated that these reports will be sent out via email. We anticipate reports will mainly serve as a reminder to review any sites that you may have altered as a result of COVID-19.
In regards to transfer of ownership, will the new Shipper be advised of pre COVID19 AQ and the post COVID19 AQ?	At the transfer of ownership if the existing Shipper has submitted an AQ correction related to COVID19 then the incoming Shipper would only receive this AQ value. However we recognise this to be a new reporting requirement and will look into this further.

<p>You mentioned that “COVID” will need to be included in the “Additional Information” field within the C41 record when selecting “Reason 2 – Change in Consumers Plant” Can we add other additional information, or does it need to be just “Covid”?</p>	<p>Within the C41 record the word “COVID” will need to be included however other additional supporting information is allowed and is encouraged as this additional information will be helpful.</p>
<p>How will Xserve ensure Shippers change AQ back to ‘normal’ post lockdown?</p>	<p>We are anticipating that this will be an area that will be monitored by Performance Assurance Committee (PAC). Xserve will support PAC and industry in making the relevant changes.</p>
<p>If UIG is genuinely the main concern for potentially inflated AQ levels and the need to reduce them, then why can a site not just utilise the isolation flag option instead of 0721?</p>	<p>Setting the isolation flag stops any daily allocations but retains the Formula Year AQ. The AQ Correction process will update the Rolling AQ & Formula Year AQ which will adjust the daily allocations based on the revised AQ and the transportation charges based on the revised Formula Year AQ.</p> <p>However, 0723 is only suitable for sites with little or no consumption. Sites with reduced consumption would either need to submit regular estimated meter readings or use AQ Correction.</p>
<p>Is there a tolerance or justification required to reduce AQ’s or can any 3 and 4 class site be reduced to any level?</p>	<p>The requested value should be a reasonable annualised estimate of what the site is expected to use during the COVID19 lockdown period. For Reason Code 2 the Modification will allow COVID19 as the justification to apply a change. The only tolerance you will need to be mindful of is any current Winter Consumption Value.</p> <p>It is down to the Shippers to decide what would class as a “reasonable estimate” based on their knowledge and understanding, potentially in conjunction with the end consumer. It is worth bearing in mind that if the Annual Quantity is set too low then no meter readings will be accepted due to failing the tolerance. Performance Assurance Committee (PAC) will look to see if the number of read rejections is increasing, if they are this could be a sign of setting the AQ too low. Xserve will be monitoring this also.</p>
<p>Will the COVID19 AQ corrections be separated out of the PAC reports</p>	<p>These will not be separated out from the current reporting provided to PAC, however it is anticipated subsequent detail will be provided to PAC to enable review of an actual AQ correction position for Shippers.</p> <p>We believe COVID19 AQ corrections will be distinguished from actual AQ corrections with the use of reason code 2. As under current circumstances we wouldn’t expect reason 2 being used for plant and equipment changes, as physical access to most sites will not be possible.</p>

Modification 0724 (Urgent) – Amendment to Ratchet charges during COVID-19 period:

Question	Answer
<p>Will there be a driver to make the Shipper correct their AQ back as opposed to just a reminder to do so?</p>	<p>All COVID-19 related corrections will be closely monitored post lockdown and all Shippers will be engaged to reverse changes. This will include transfer of ownership.</p>
<p>Is the ‘End of Lockdown’ variable? The end of lockdown will differ for different businesses.</p>	<p>Yes. As the end of lockdown could indeed differ for different businesses this will be variable.</p>

Additional Questions:

Question	Answer
Regarding estimated reads. If those reads need to be sent as N, how are we going to differentiate them from actual reads? Will there be any way to differentiate?	Unfortunately, not. There will be no way to distinguish between these readings.
Have Xoserve started to consider what monitoring reports looks like?	Yes. Xoserve knows what kind of reporting is required. There will be a proposal to PAC (Performance Assurance Committee) next month to further discuss reporting methods.
If submitting estimated readings for low users, when will the transportation AQ update the capacity and commodity payments.	Estimated readings will be used in the AQ calculation. Typically, this is a 12-month calculation which incrementally influences the AQ. An AQ snapshot is taken on the 1 st December (2020) and the new AQ is implemented 1 st April (2021)
Are we exporting the estimated reads, or do we need to add them as actuals?	The reads must be sent as actual reads for UK Link to accept the readings.
Could all Modifications potentially be accepted?	Yes. These Mods are not alternatives to one another, they are each subject to individual review from Ofgem. Ofgem could choose to approve all, some or none of the above Modifications.
AQ Corrections are noted in the PARR Reporting – will these be taken into consideration/separated out if adequately marked up as COVID?	This is not expected within the PARR reports themselves. We are not expecting reason code 2 to be used at all since current social distancing rules will prevent change in plant. If people need to use reason code 2 for Non-Covid reasons. Xoserve will need to be notified beforehand.
Is there a benefit of one Modification over the other from an Unidentified Gas point of view?	<p>Improving UIG was probably not the main driver behind any of the Modifications. Both 0723 (Isolations flag) and 0721 (AQ Correction – if it is approved) would help to bring UIG at Allocation closer to normal – assuming that they are used accurately. 0722 (Estimated meter reads) would help to get to a reconciled position quicker. 0724 would not have any impact on UIG.</p> <p>For all sites, regular submission of accurate actual meter reads would help with reconciliation of meter points and UIG.</p>

Where to go for Information:

- Further information on the Modifications, consultations and Ofgem decision, can be found [here](#) on the Joint Office website.
- Xserve COVID-19 pages – weekly updates, FAQs and other useful links:
<https://www.xserve.com/covid-19/>
- File formats can be found on the UKLink secure area;
<https://xserve.sharepoint.com/sites/UKLink/SitePages/Home.aspx>
- If you have any questions related to the above Modifications that were not answered within this document, please do not hesitate to contact us.