



UIG Task Force Recommendations

Investigation Item 3.2.1
EUC09 Sites

Background

- **What is the finding?**
- We have identified a number of large sites where the 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 6-month period, or after 18 months if every calculated AQ is above the threshold (UNC G1.6.15)
- **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
- These sites are estimated to be contributing around 0.4% of UIG on an average day

Options to Address the Finding

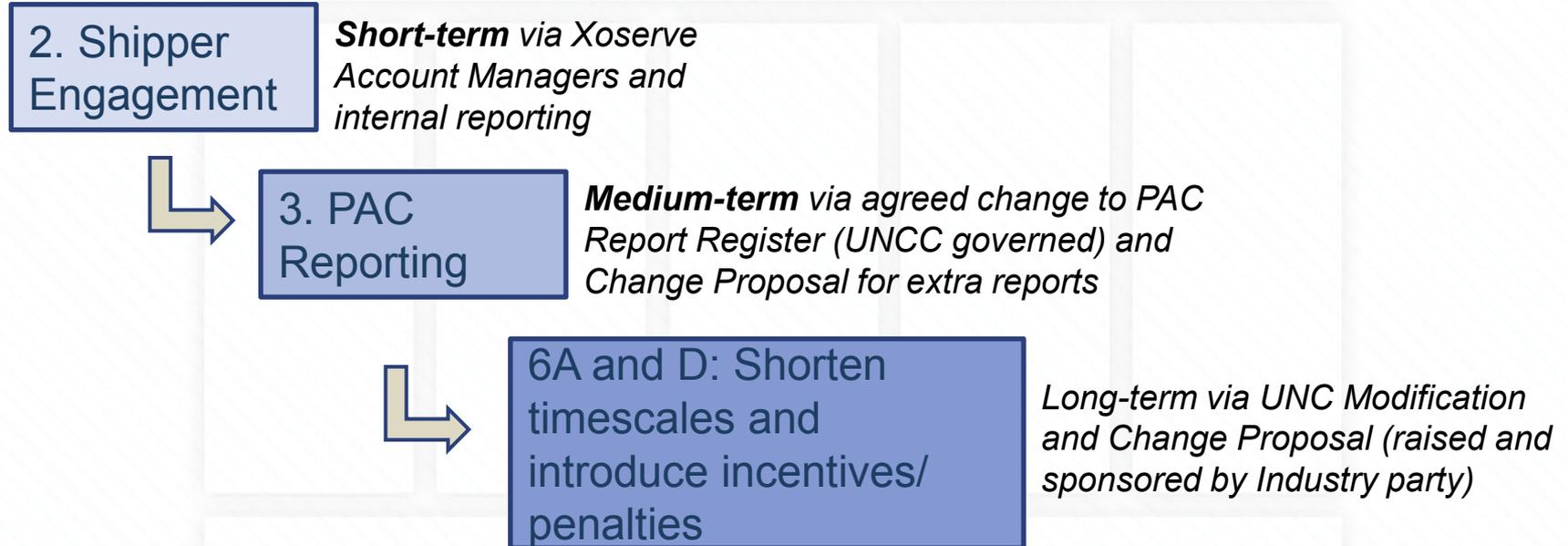
No.	Option	Likelihood of Success	Implementation Lead Times
1.	No action (“Do Nothing” option)	Very low	N/A
2.	Engagement with Shippers – highlight the individual sites, provide support, encourage action to re-confirm. Xoserve to monitor monthly and notify relevant Shippers	Low to medium – requires Shipper co-operation	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	Start of next Gas Year (Oct 2019 earliest)
6.	Changes to UNC – see next slide	Low to high	Medium to long

Possible UNC Modifications

No.	Option	Likelihood of Success	Implementation Lead Times
A.	Reduce the qualifying period for Class 1 (currently 18 months or 6 consecutive calculations)	Low (unless combined with other measures)	Medium – UNC Mod timescales but no system changes
B.	Automatically convert sites to Class 1 after qualifying period	High – after qualifying period	Medium/long – UNC Mod timescales plus system changes
C.	Use the UIG Weighting Factors to create an incentive to change to Class 1 (i.e. increased rate for Classes 2 to 4). <i>Might need protection for sites which have not yet passed the qualifying period – would add complexity</i>	Medium/high – depending on the size of the incentive.	Medium/long – UNC Mod timescales plus changes to AUG Table from next Gas Year. May also require system changes
D.	Create financial penalties for sites which have not been re-confirmed to Class 1	Medium/high – depending on the size of the penalty.	Medium/long – UNC Mod timescales plus system changes

Xoserve Recommendations

- Xoserve recommendation – combination of activities



The logo for 'xserve' is centered within a light gray window frame. The 'x' is a dark blue, stylized character with a diamond shape in the center. The 'serve' part is in a lighter blue, lowercase sans-serif font. The background features a faint, repeating pattern of diagonal lines and a light gray house-like outline.

xserve