



UIG Resolution

Weekly Progress Update – 6 Oct 2017

Progress Summary

Key messages:

DM Read Rejections:

- Progress continues to be made in reducing DM read rejections
- Process to improve estimates of impacted sites has commenced.
- Communication issued providing advice and additional support to Shippers experiencing issues with RGMA flows




Analysis UIG Level/Volatility:







- Volatility has continued to increase which has prompted contact from Shippers including constituency forums.
- As a result Xoserve are developing an action plan to prepare and publish data to industry for assessment.
- The analysis will support Shippers in interpreting the actions industry could take to minimise impact of UIG

Industry engagement and action required:

- Response to information issued to DM Shippers relating to improving the accuracy of DM estimates for impacted sites is required
- Bilateral calls will continue weekly to ensure there is momentum in resolving the root causes of DM Read rejections
- Communication issued to industry providing advice on RGMA flows including additional support that Xoserve may be able to provide
- PAC determined that a separate UIG sub group was not required. Additional PAC meetings will be established to discuss the UIG issue which will be open to industry

Confidence dashboard over resolution timeline

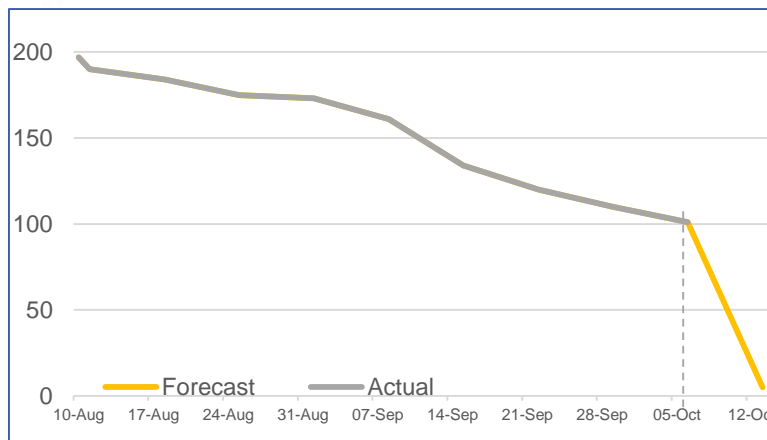
Key: Increasing Confidence  Decreasing Confidence  Maintaining Confidence 

Action Area	Key confidence indicator	Prior	Current	Commentary
DM Reads Rejections	Resolution of DM Read Rejections Read rejections reasons are known for all sites so Pot 1 and Pot 2 have been combined			<ul style="list-style-type: none"> 154 sites been resolved and started to record actual reads since 10 Aug 17 Process to improve estimates of impacted sites has commenced. Communication issued providing advice and additional support to Shippers experiencing issues with RGMA flows
NDM Large Sites	Impact of large NDM sites on UIG volatility is understood and actions identified as required.			<ul style="list-style-type: none"> There has been an improvement of around 10% in the amount of AQ now allocated a WAR Band. This means that consumption profile is more appropriate should help reduce UIG However, there is still 25% of AQ nationally in the generic B band these may be increasing the amount of UIG. Xoserve will prepare and distribute educational material to assist Shippers in reviewing and updating WAR band EUC where possible.
Impact on UIG	Stabilisation of the UIG volume			<ul style="list-style-type: none"> UIG Level and volatility has continued to increase in September. Xoserve have liaised with Shippers and are developing an analysis action plan.

DM Read Rejections - Resolution Glide Paths

Reducing the number of DM sites experiencing read rejection issues continues to be a priority and progress continues to be made. In parallel, activity has commenced to attempt to improve the accuracy of the estimates being used on impacted DM sites. This will allow us to more accurately understand the impact on UIG of resolving the remaining DM sites

Read Rejections from 10 Aug 17



Scope	Total	Remain
DM Sites	255**	103
Shippers	15	13
DMSP	2	2

**Includes 56 new sites since 10 Aug 17

Action Status	Total
Completed	154
In Progress	93
Re-Opened	2
Not Started	2
New	4

Approach to Improving DM estimates

- The remaining DM sites were categorised in to 4 groups:
 - Estimates in line with consumption
 - DMSP submitting consumption adjustments
 - Xoserve hold information to propose consumption adjustment to improve estimates
 - Shippers/DMSPs need to provide more information in order to improve estimates
- The analysis has concluded the following*:

	Grp 1		Grp 2		N/A	
SHIP	AQ	MPRN	AQ	MPRN	AQ	MPRN
TOTAL:	17%	21	12%	13	8%	9

	Grp 3		Grp 4	
SHIP	AQ	MPRN	AQ	MPRN
TOTAL:	28%	29	36%	40

- Focus will be on groups 3 and 4 where estimates are not in line with consumption as these are likely to have the most impact on UIG

*Analysis conducted on 112 sites some have since been resolved

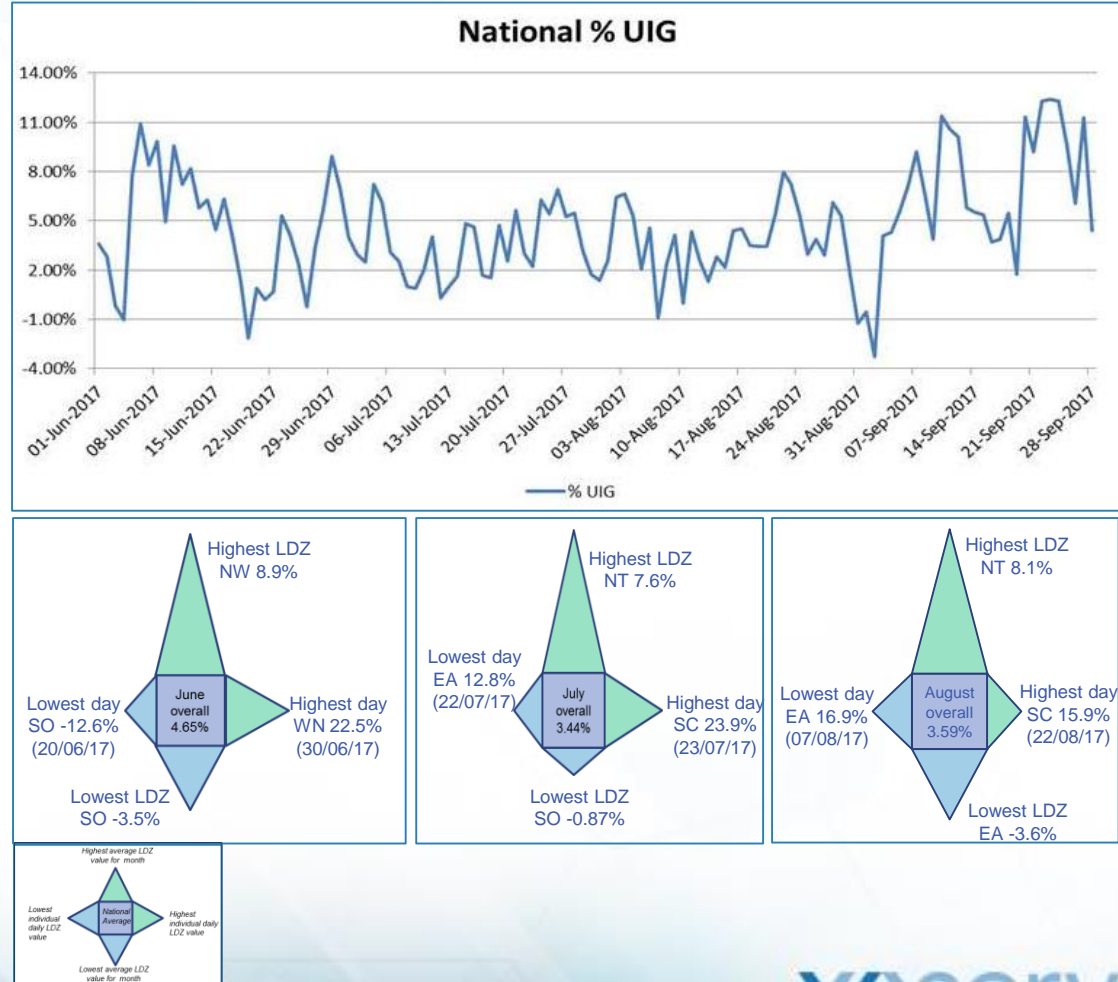
** N/A refers to sites appearing on the rejected read report in error e.g Class 4

Impact on UIG Volatility to 16 Sept 2017

The graphs below show the national UIG % by from 1 June –28 Sept 2017. September has seen a continued increase in National UIG volume and volatility. This has prompted further bilateral discussions with Shippers reinforcing the importance of UIG and helping Xoserve assess and prioritise requests from industry to inform the creation of an action plan

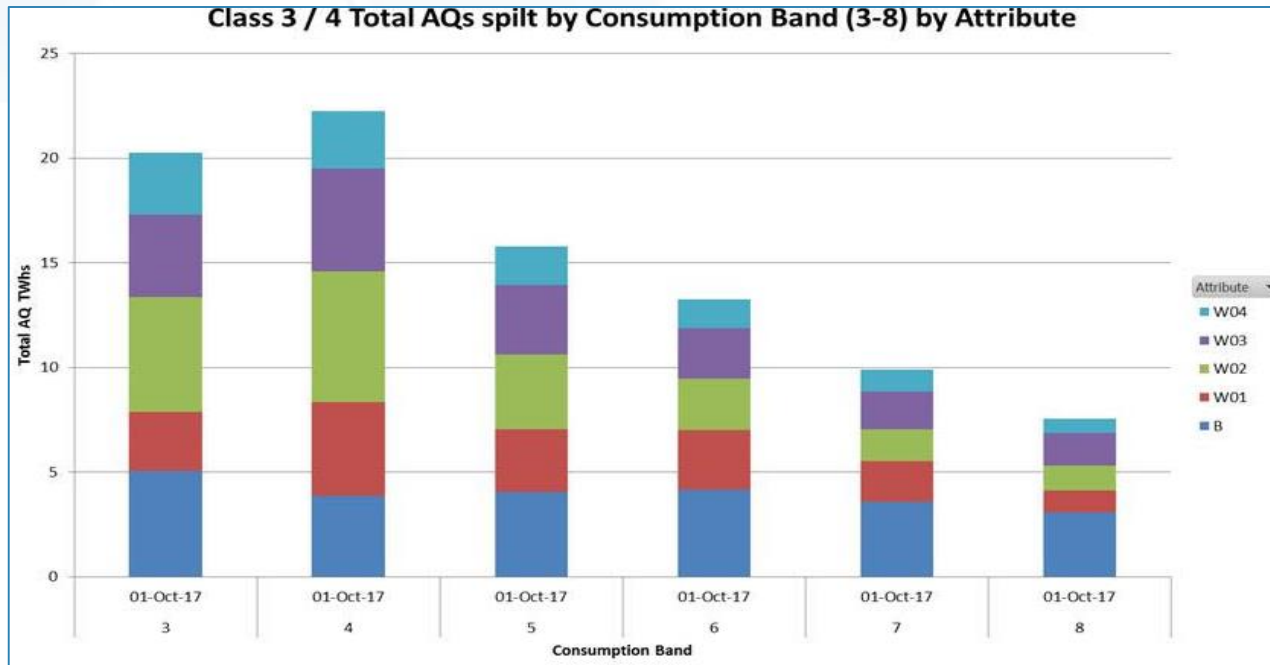
Key messages:

- September continues to show a high level of UIG with increasing volatility. Whilst it remains the case that September and October are historically challenging to forecast
- Shippers have reached out to Xoserve to highlight the criticality of the current situation
- As a result, Xoserve has had one-to-one and group discussions with Shippers regarding issues with UIG.
- Requests for additional data and/or analysis to support the industry's understanding of UIG levels and of likely future trends in allocation/reconciliation are being assessed.
- An action plan is being developed to prepare and publish data to the whole industry, so that it is easy to access, understand and interpret. This action plan will be available on 13 Oct 17



NDM WAR Band take up analysis

The graph below shows the total AQs split by consumption band assigned to a specific WAR Band following the re-assessment of End User Categories on 1 October 2017.



Key messages:

- There has been an improvement of around 10% in the amount of AQ now allocated a WAR Band EUC . This means that consumption profile should be more reflective of how the site reacts to changes in weather and should help reduce UIG
- However there is still 25% of AQ nationally in the generic B band in EUCs 3 to 8 (AQ > 293,000 kWh). As reported previously, if these sites are more, or less weather sensitive that the generic profile allows it may be increasing the amount of UIG.
- Xoserve will prepare and distribute educational material over the next few weeks, to assist Shippers in reviewing and updating the Winter Consumption and moving sites to a WAR band EUC where possible.