




# DSC Change Proposal

Change Reference Number: XRN4695

<b>Change Title</b>	Investigating causes and contributors to levels and volatility of Unidentified Gas
<b>Date Raised</b>	05/06/2018
<b>Sponsor Organisation</b>	Xoserve
<b>Sponsor Name</b>	Rachel Hinsley
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<b>Change Status</b>	Proposal
<b>Section 1: Impacted Parties</b>	
<b>Customer Class(es)</b>	Shipper
<b>Section 2: Proposed Change Solution / Final (redlined) Change</b>	
<p>Nexus implementation was 1st June 2017. One year into the new allocation process the absolute level and volatility of UIG remains a significant customer challenge. Initially following implementation a team was set up within Xoserve to support the industry in investigating and tackling any known issues contributing to UIG.</p> <p>This Change Proposal proposes to add an additional service line into the DSC to enable Xoserve access to investigate, using resources and technology, causes and contributors to levels and volatility of Unidentified Gas. Xoserve is to provide monthly update reports and recommend proposals and subsequent changes or modifications for the industry.</p> <p>This service will be a Direct Service Non-code Service, under Service Area 3 Record, submit data in compliance with UNC.</p> <p>The proposed draft service line is attached:</p> <p> Draft service line for UIG CP.xlsx</p> <p>The focus will be on the areas below:</p> <ul style="list-style-type: none"><li>• <b>Cause and effect:</b> Investigation of UIG to date to identify direct cause and effect. Development of a predictive model based on history to date, which can be shared with all interested parties. This will drive greater understanding, visibility and control of UIG across the industry.</li><li>• <b>Improve UIG model accuracy:</b> Assessment of whether it is possible to improve the predictive accuracy of the NDM Algorithm through additional inputs or increased number of profiles and the use of relevant technology.</li><li>• <b>Personalised action plans (per customer):</b> The development of specific actions plans for all customers who may be unknowingly contributing to UIG; that is helpful and supportive with increased pace of impact.</li></ul>	
<b>Proposed Release</b>	NA
<b>Proposed IA Period</b>	10WD



<b>Section 3: Benefits and Justification</b>	
The development of a more predictive UIG model will support the Shipper community to predict UIG charges and explain volatility. Any enhancements to the NDM Algorithm should be focused on reducing the level or volatility of daily UIG. Using dedicated resource and technology, Xoserve can commit time and analysis to identify any known causes and how to tackle them thus driving forwards improvements across the industry and creating more stability.	
<b>Section 4: Delivery Sub-Group (DSG) Recommendations</b>	
NA	
<b>DSG Recommendation</b>	NA
<b>DSG Recommended Release</b>	NA
<b>Section 5: DSC Consultation</b>	
<b>Issued</b>	NA
<b>Date(s) Issued</b>	
<b>Comms Ref(s)</b>	
<b>Number of Responses</b>	
<b>Section 6: Funding</b>	
<b>Funding Classes</b>	Shipper 100%
<b>Service Line(s)</b>	3
<b>ROM or funding details</b>	TBC
<b>Funding Comments</b>	There is £350,000 allocated to UIG within the change budget that can be utilised; additional funding will be requested through ChMC
<b>Section 7: DSC Voting Outcome</b>	
<b>Solution Voting</b>	<input type="checkbox"/> Shipper Approve / Reject / NA / Abstain <input type="checkbox"/> National Grid Transmission Approve / Reject / NA / Abstain <input type="checkbox"/> Distribution Network Operator Approve / Reject / NA / Abstain <input type="checkbox"/> iGT Approve / Reject / NA / Abstain
<b>Meeting Date</b>	XX/XX/XXXX
<b>Release Date</b>	Release X: Feb / Jun / Nov XX or Adhoc DD/MM/YYYY or NA
<b>Overall Outcome</b>	Approved for Release X / Rejected

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## Document Control

### Details

Title	Version	Owner	Review Frequency	Next Review Date
XRN Template		Emma Smith		

### Version History

Version	Status	Date	Author(s)	Summary of Changes
0.1	Draft	29/03/18		
0.2	Draft	06/06/2018		

### Reviewers

Version	Name	Role	Business Area	Date

### Approvers

Version	Name	Role	Business Area	Date

# DSC Business Evaluation Report (BER)

<b>Change Title</b>	Investigating causes and contributors to levels and volatility of Unidentified Gas
<b>Xoserve reference number (XRN)</b>	4695
<b>Xoserve Project Manager</b>	Charlie Haley
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<b>Contact number</b>	01216232620
<b>Target Change Management Committee date</b>	11/07/18

## Section 1: In Scope

To create a task force to investigate the causes and influencers of Unidentified Gas (UIG), with a target of identifying factors and initiatives that reduce the volatility and scale of UIG, along with developing a robust predictive model for daily UIG for use by all parties

### **Advanced Analytics - Desired Outcomes**

Detailed analysis utilising leveraging advanced analytics techniques and 3<sup>rd</sup> party expert organisations in order to:

- Produce a qualitative report to describe existing UIG process and calculations
- Develop a predictive model of UIG to enable industry to better manage UIG
- Carry out an Independent assessment of UIG longevity/ultimate UIG position
- Provide recommendations for future NDM demand estimation model so that it fits better to NDM consumption
- Summarise key findings and recommendations in an industry paper
- Identify any external data augmentation that can support more qualitative resolutions of the UIG issues

### **Issue Analysis – Desired Outcomes**

Standing up an internal team to complete in-depth investigation of known causes of UIG and drive industry awareness of how to control these, along with any new issues identified by the Advanced Analytics project not requiring separate investment. The team will:

- Develop and deliver a plan of areas for investigation that can improve UIG volatility and overall levels (an initial view of investigation activities is attached)
- Support and expedite activities and initiatives already identified as influencing UIG
- Drive visibility of these initiatives, known causes and methods to improve UIG
- Develop reporting / MI to give greater transparency of levels of UIG vs known causes
- Improve visibility of any data / process issues affecting UIG
- Develop individual customer action plans and approach for any further training and education
- Develop industry measures to demonstrate the impact of agreed process/performance improvements on UIG



UIG Task Force  
Issues v1.xlsx

### **UIG Process and Rule Changes**

Ensure alignment of the task force with the governance surrounding any process, rule changes and modifications, both through DSC and / or UNC, for UIG including;

- Supporting any pre-modification, modification and change proposal discussions and development with subject matter expertise
- Attending all industry meetings and forums whereby any changes are being discussed and developed to provide input
- Guiding changes through the change process, with pace and agility
- Providing further analysis and costings for changes where required (impact assessments and ROMS)
- Providing any documentation in the required timeframes to a high standard

### Section 2: Out of Scope

- Introduction of new business rules or processes is out of scope of this Change Proposal.
- Any proposed solution options will be initiated through further Change Proposals or UNC Modifications where necessary.
- Correction of any data is out of scope, approvals/recommendations will be made where appropriate
- No additional software or infrastructure costs have been included within this proposal, as requirements within this area will become known through the analysis stage.

### Section 3: Funding required to deliver the change

Gas Industry Participant	% Share of Cost	Cost Value
Shippers	100%	£1,100,000
iGT's	N/A	
DNO's		
Transmission		
DN & iGT		
Total Cost		

The above costs are estimated based on a high level assessment of resource requirements and 3<sup>rd</sup> party vendor costs.

While resources are shared between work streams, the approximate breakdown of effort between each is as below:

Advanced Analytics: £750k  
 Issue Analysis: £270k  
 UIG Process and Rule Changes: £80k

### Section 4: Estimated impact of the service change on service charges

Xoserve Service Area	Xoserve Service Line	(+/-) Projected Change in Annual Cost
Service Area 3	DS-NCS SA03-02	



New Proposed Service Line.xlsx

[Service Description Table](#)

### Section 5: Project plan for delivery of the change

To be confirmed.

### Section 6: Additional information relevant to the proposed service change

#### Risks and Issues

- There is a risk that Xoserve may not be able to achieve the targeted reduction (average of 4% per month) in UIG volatility
- There is a risk that some UIG causes remain unknown/unquantified at the end of the project
- There is a risk that recommendations of the project will not be accepted/implemented
- There is a risk that industry parties are unwilling/unable to fully support the project e.g. with provision of data/improvement in performance levels

**Assumptions**

- Xoserve will provide a team of SMEs to focus on the assignment, and will incur costs for project management and backfilling internal roles
- Xoserve will engage external data analytics expert(s) to undertake investigations and develop/improve models
- Xoserve will provide regular updates to the industry via suitable channels

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**Document Version History**

Version	Status	Date	Author(s)	Summary of Changes

**Template Version History**

Version	Status	Date	Author(s)	Summary of Changes
0.1	For Approval	05/06/18	Rebecca Perkins	Form re write following customer feedback on usability.