



WM LDZ Capping Issue

Drop In Session Update – 19/12/24

WM LDZ Capping Issue – Drop In Session Update

- **What has happened**

- Following implementation of the Flow Weighted Average Calorific Value (FWACV2) change on 12/11/24, it was identified that West Midlands LDZ has been capped incorrectly, impacting 14/11/24 – 26/11/24.
 - Consequently, the conversion from volume to energy calculated for LDZ Input meters (Offtake Meters) and all DM meters was incorrect – the CV applied was too low.
 - As the balancing figure in the Demand Attribution process the UIG values in Gemini for the Gas Flow Days (GFD) for 14/11/24 – 26/11/24 were also too low.
 - All Shippers in WM LDZ were under-allocated UIG, and DM Shippers have been under-allocated energy for their sites.
- The issue was caused by a defect in the system code, implemented by the changes for FWACV2, resulting in West Midlands LDZ being incorrectly capped when a specific measurement point was erroneously included in the capping process.
- An interim fix to rectify the issue was implemented effective from 22/11/24, with an enduring fix implemented on 7/12/24.
- The values for 22/11/24 – 26/11/24 were corrected and successfully loaded into Gemini as this was within close out (GFD+5).
- The values for 14/11/24 – 21/11/24 could not be corrected as they had reached close out (Gas Flow Day + 5).

- **Impacted Customers**

- Shippers, DN (Cadent), National Gas

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- **What does this mean?**
 - The issue has caused an underestimate of the daily LDZ input energy amounts (OF meter type).
 - This is due to the incorrect CV being used within the West Midlands (WM) Local Distribution Zone (LDZ) for daily energy input calculation purposes on the impacted days (14/11/24 – 21/11/24).
 - Regrettably, as these values had closed out, it was not possible to correct the GFD position that was applied.
 - The total energy input underestimated amount is 39,164,598 kWh, equating to approx. 2.9% of the total energy input amounts applicable across 14/11/24 – 21/11/24.
 - Total Daily Metered (DM) energy allocations in WM LDZ for 14/11/24 – 21/11/24 were too low by 3,058,295 kWh due to the incorrect CV.
 - To correct the energy charging position, financial adjustments will need to be performed.
 - Energy Balancing adjustments will be processed for the affected DM sites
 - Following this, UIG Energy Reconciliation adjustments will be performed
 - Non-Daily Metered reconciliations covering 14th – 21st November will continue to utilise closed out Calorific Value.
- **Adjustment Timeline**
 - Adjustments in Gemini for DM sites reflected on EBI Invoices for billing period November 2024 (scheduled for issue on 6/1/25).
 - Financial values relating to these adjustments will be shared with the Shipper's by 20/12/24.
 - Corrections to the UIG position will be issued as part of the UGR charge on the December Amendment Invoice, which is scheduled for issue on 27/1/25.

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- **What have we done?**
 - Implemented the enduring fix to the Flow Weighted Average Calorific Value (FWACV) solution on 7/12/24.
 - Evidence confirms enduring solution meets the necessary standards.
 - Identified the correct Calorific Values for impacted Gas Days 14/11/24 – 21/11/24.
 - Calculated the total corrected LDZ energy inputs, Daily Metered allocations and UIG energy allocations for the impacted Gas Flow Days.
 - MIPI (National Gas' "Market Information Provision Initiative" operational data system) has been updated & reflects the original & corrected values.
- **Next steps**
 - A structured dataset (equivalent to the existing SC9 format) will be made available on the relevant page of the Xoserve website.
 - Drop in session to take place for impacted Shipper customers on 19/12/24 - this will be recorded and appended to the relevant webpage for future reference.
 - Complete DM financial adjustments & share outputs with impacted Shippers & share outputs with impacted Shippers
 - Complete UIG energy reconciliation adjustments in preparation for January Amendment Invoice run.
 - Complete, document and publish Root Cause Analysis.
 - Document project lessons learnt.



If you have any further questions or require additional support, please contact the FWACV Business Team

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