# IGT AQ REVIEW PROCESS

The process for the Small Supply Point (SSP) and Large Supply Point (LSP) AQ review is as follows:

## CURRENT TIMETABLE

The following is the timetable of the AQ review process:

1. xoserve to provide the iGTs with the weather correction data and CVs for up to and including 12th May. This data will be provided before 19th May.

2. iGTs will provide shippers with all the calculated AQs for their **complete** portfolio by 7th July. This will be provided in accordance with the AQ Review File Format as detailed in Appendix A.

3. The period in which shippers have to send the iGTs **all** their challenges on the calculated AQs ends on 11th August. iGTs must respond to a shipper's challenges within 21 calendar days of receipt of the challenges.

4. The period in which shippers and iGTs have to resolve the challenges to the calculated AQs ends on 7th September.

5. iGTs will provide shippers with the final calculated AQs and SOQs by 15th September. This file will represent the final calculated AQ values of all Meter Points included within the files submitted by IGTs to shippers under Point 2.

6. iGTs will nominate the logical meter numbers using the updated AQs in line with NExA obligations to xoserve by 15th September.

7. xoserve will start using the updated logical meter aggregated AQs on 1st October (note that this may take longer for LSPs).

8. The iGTs will use, where it is relevant for the iGT, the new AQs on 1st October.

9. The iGTs will provide shippers with their portfolio of sites post AQ review with the new AQs and SOQs listed by 13th October. iGTs will inform the shippers of the date that the portfolio was collated. This file differs from the one provided under Point 2 in that it takes into account any gains and losses over the AQ review period.

10. The iGTs to submit a report to Ofgem by 31st October. Specification of what needs to be provided in the report should be agreed between the iGTs and Ofgem.

11. The iGTs to submit to Ofgem the information required to review the NExA AQ table by 31st October.

12. Ofgem will undertake a presentation on shipper amendment activity to the IGT Workgroup following submission of reports from IGTs.

## BASIC RULES FOR THE AQ REVIEW PROCESS

## DEFINITIONS

The different types of AQs referred to are defined as follows:
- Current Meter Point AQ: This is the AQ which was used in the previous gas year.
- Calculated AQ: This is the AQ calculated by the iGT using the meter reads available to them at the start of the review.
- Revised Meter Point AQ: This is the AQ value the iGT proposes to use as the new value for the new gas year.
- Shipper Calculated AQ: This is an AQ the shipper has calculated during the challenge period, which it believes should be used for the new gas year.
- Final AQ: This is the AQ that will be used in the new gas year.

Small Supply Point AQs are defined as sites with an AQ $\leq$ 73,200 kWh.

Large Supply Point AQs are defined as those site with an AQ > 73,200 kWh.

## THE IGT PROCESS

The AQ updates will be implemented at the same time as xoserve even if the iGTs carry out the reviews at different times.

The shipper responsible for any individual MPRN at the time the AQ file was sent will be the only shipper who can challenge the calculated AQ for that MPRN.

Meter reads that have read dates after 12th May (in the year of the review) will not be used by the iGTs for the Calculated AQs. Also iGTs will not be obliged to use any meter reads provide to them after 26th May (in the year of the review) for the Calculated AQs (i.e. if a shipper sends an iGT any meter reads after this date, even if they comply with the AQ Calculation Rules, the iGT does not have to use them in the review).

As an aid to shippers iGTs will flag up any AQ threshold crossers for shippers to check if the meter reads used were correct. However iGTs will implement any threshold crossers to the new AQs if the shipper does not challenge them.

The iGTs will follow the Uniform Network Code rules when choosing the meter reads used in the calculation of the AQs. In accordance with these rules, reads prior to 1st October 2002 will not be used in the AQ Review Process.

Estimated meter reads will NOT be used in the AQ review, this will be the case for both the Calculated AQs and for any challenges made by shippers.

Where an iGT has not calculated a new AQ then the Current Meter Point AQ will be carried forward and continue to be used after the review process if it is not successfully challenged by the shipper.

The only tolerance to be applied is that the "Calculated AQ" will not fall below 1.

It was requested by the shippers that:

- If iGTs have calculated the AQs before the deadline in the AQ review process they should endeavour to send them on to the shippers as soon as possible.
- If any iGTs are having problems in meeting any of the AQ review milestones they should inform the shippers as soon as they are aware that they have/may have a problem.

## SHIPPER CHALLENGES

Any challenges submitted by a shipper must be as part of the original file sent by the iGT as the file is designed for shippers to add the challenges to fields already in the file sent.

Shippers must provide all their SSP challenges at the same time as a single file, and all their LSP challenges at the same time as a single file. Only under exceptional circumstances, as decided by the iGT, can other challenges be sent separate from the initial file.

Shippers can challenge the calculated/revised meter point AQs if they believe they are inaccurate, EXCEPT where the challenge is based on meter reads taken after 12th May Where the Shipper reasonably considers that the iGTs calculation of the Calculated AQ is derived from:

(i) meter readings that are incorrect or were taken prior to meter readings available to the Shipper subject to the above date or
(ii) materially incorrect details of the Supply Meter Installation for the relevant Supply Point

However, if the meter reads used by the iGT are legitimate reads shippers cannot challenge the AQ simply because they would prefer the iGT to use an alternative read for what ever reason.

Shippers are not required to provide a reason for the challenge but may wish to provide additional information where it may assist the iGT in determining if the challenge is warranted.

The shippers must follow the Uniform Network Code rules when choosing the meter reads used in the calculation of their AQs used to challenge an AQ (i.e. a shipper cannot challenge a valid calculated AQ if the iGT has used the meter reads available to them at the time based on the xoserve rules).

The +/-20% of the proposed AQ tolerance stated in the Uniform Network Code, will also apply to the iGT AQ challenge process. This means shippers cannot challenge an iGT revised meter point AQ if the shipper calculated AQ (used to challenge the AQ) is less than +/- 20% of the iGT revised meter point AQ. Also it should be noted that the +/-20% tolerance only applies to SSP AQs i.e. where the Current Meter Point AQ and Revised Meter Point AQ are less than 73,200kWh. LSP sites and threshold crossers (SSP to LSP OR LSP to SSP) are excluded from this validation.

In respect of Large Supply Points, shippers can challenge any provisional AQs provided by the IGT.

If a shipper challenges an AQ and the challenge does not follow any of the rules to calculate an AQ then the iGT will not accept the challenge.

Shippers will take a balanced approach when submitting challenges to the AQs calculated by the iGTs.

If any AQ challenges cannot be resolved by the iGT and the shipper then the old AQ will not be changed (i.e. the previous year's AQ will be continued to be used).


## REJECTIONS

iGTs are able to reject a shipper AQ challenge in accordance with the rejection reasons listed below (optional for the 2006 AQ Review Process only). For each rejection the iGT should advise the shipper of the rejection reason as per the file format in Appendix A

| CODE | REJECTION TEXT |
|------|----------------|
| AML00011 | METER POINT REJECTED DUE TO OTHER METER POINT COMPONENTS BEING REJECTED |
| AQA00016 | INSUFFICIENT INFORMATION TO CALCULATE AQ |
| AQA00019 | SHIPPER PROPOSED AQ LIES IN AQ AMENDMENT TOLERANCE RANGE (+/- 20%) |
| MPO00587 | PRIMARY METER |
| MRE00470 | CONSUMPTION PERIOD NOT GREATER THAN 6 MONTHS |
| MRE00471 | READING DATES INVALID FOR COMPETITION EFFECTIVE DATE FOR THIS METER POINT |
| POC00011 | POSTCODE DOES NOT CONTAIN THE METER POINT REFERENCE PROVIDED |

| | |
|---|---|
| RRR00010 | START READING / DATE NOT CONSISTENT |
| RRR00011 | END READING / DATE NOT CONSISTENT |
| RRR00012 | EXCHANGE START READING / DATE NOT CONSISTENT |
| RRR00013 | EXCHANGE END READING / DATE NOT CONSISTENT |
| RRR00014 | TTZ COUNT INCORRECT |
| RRR00015 | METER EXCHANGE NOT IDENTIFIED ON AMENDMENT |
| SHI00010 | SYSTEM USER IS NOT RESPONSIBLE FOR THE METER POINT REFERENCE PROVIDED |
| STD00137 | EXCHANGE METER SERIAL NUMBER NOT PROVIDED |
| STD00139 | EXCHANGE IMPERIAL INDICATOR NOT PROVIDED |
| STD00143 | EXCHANGE START READING DATE NOT PROVIDED |
| STD00145 | EXCHANGE END READING DATE NOT PROVIDED |
| STD00149 | START READING DATE MUST BE AFTER 1.10.2002 |
| STD00150 | END READING DATE MUST BE AFTER 1.10.2002 |
| STD00151 | EXCHANGE START READING DATE MUST BE AFTER 1.10.2002 |
| STD00152 | EXCHANGE END READING DATE MUST BE AFTER 1.10.2002 |
| STD00153 | INVALID VALUE FOR IMPERIAL INDICATOR |
| STD00154 | INVALID VALUE FOR EXCHANGE IMPERIAL INDICATOR |
| STD00155 | INVALID VALUE FOR READING UNITS |
| STD00156 | INVALID VALUE FOR EXCHANGE READING UNITS |
| STD00157 | INVALID VALUE FOR READING FACTOR |
| STD00158 | INVALID VALUE FOR EXCHANGE READING FACTOR |
| STD00159 | START READING DATE IS GREATER THAN THE PROCESSING DATE |
| STD00160 | END READING DATE IS GREATER THAN THE PROCESSING DATE |
| STD00161 | EXCHANGE START READING DATE IS GREATER THAN THE PROCESSING DATE |
| STD00162 | EXCHANGE END READING DATE IS GREATER THAN THE PROCESSING DATE |
| STD00164 | EXCHANGE START READING DATE DOES NOT EQUAL END READING DATE |
| STD00165 | EXCHANGE END READING DATE NOT GREATER THAN EXCHANGE START READING DATE |
| STD00166 | END READING IS LESS THAN START READING |
| STD00167 | EXCHANGE END READING IS LESS THAN EXCHANGE START READING |
| STD00168 | END READING DATE NOT GREATER THAN START READING DATE |
| STD00171 | OCCURRENCE OF DM SINCE START READING DATE |
| STD00178 | REQUESTED AQ IS LESS THAN 1 |
| STD00181 | INVALID VALUE FOR NUMBER OF DIALS OR DIGITS |
| STD00182 | INVALID VALUE FOR EXCHANGE NUMBER OF DIALS OR DIGITS |
| STD00183 | METER POINT WAS NOT PART OF A LIVE SUPPLY POINT FOR ENTIRE CONSUMPTION PERIOD |
| STD00186 | GAS NOMINATION TYPE WAS NOT DM FOR THE ENTIRETY OF THE CONSUMPTION PERIOD |
| STD00193 | SUM OF TTZ COUNT AND EXCHANGE TTZ COUNT IS GREATER THAN 99 |

## APPENDIX A

## AQ FILE FORMAT

The AQ file format (provided as a spread sheet) to be used to communicate the calculated AQs to shippers and which will also be used for shipper challenges is as follows:

| Field Number | Field Name | Mandatory / Option | Domain | Field Length | Decimal | Description | Value / Format | Comple ted by |
|---|---|---|---|---|---|---|---|---|
| **1.** | MPRN | Mandatory | Number | 10 | 0 | Meter Point Reference Number | | iGT |
| **2.** | EUC - Numeric Code | Conditional | Number | 8 | 0 | End User Category Numeric code allocated to the EUC | e.g. 4629 for numeric code for EA:E0301B | iGT |
| **3.** | EUC – Code | Conditional | Text | 8 | 0 | End User Category Code This is the EUC "without" the LDZ shown for example E0301B, therefore the LDZ will need to be provided with this EUC | | iGT |
| **4.** | LDZ | Mandatory | Text | 3 | 0 | Local Distribution Zone | | iGT |
| **5.** | MSN | Mandatory | Text | 14 | 0 | Meter Serial Number | | iGT |
| **6.** | No. of Meter Dials | Mandatory | Number | 2 | 0 | Number of dials on meter which must be taken into account when recording the meter read | | iGT |
| **7.** | Meter Unit | Mandatory | Text | 1 | 0 | Indicates whether the meter measures the volume of gas in imperial or metric units | "M" for metric "I" for Imperial | iGT |
| **8.** | Current Meter Point AQ | Mandatory | Number | 12 | 0 | AQ value applicable for current gas year | | iGT |
| **9.** | Calculated AQ | Conditional | Number | 12 | 0 | AQ calculated using valid meter readings | | iGT |

| 10. | Revised Meter Point AQ | Mandatory | Number | 12 | 0 | This will be the calculated AQ where a new AQ has been calculated or the same as the current AQ where the iGT has been unable to calculate a new AQ | | iGT |
|---|---|---|---|---|---|---|---|---|
| 11. | Start Read | Conditional | Number | 12 | 0 | 1st meter read used by iGT in AQ calculation by iGT in AQ calculation NB: field length will vary dependent on no. of meter dials | | iGT |
| 12. | Start Meter Read Date | Conditional | Date | 8 | 0 | Date of 1st meter read | YYYYMMDD | iGT |
| 13. | End Read | Conditional | Number | 12 | 0 | 2nd meter read used by iGT in AQ calculation by iGT in AQ calculation This read should be for the same MSN as the start read NB: field length will vary dependent on no. of meter dials | | iGT |
| 14. | End Meter Read Date | Conditional | Date | 8 | 0 | Date of 2nd meter read | YYYYMMDD | iGT |
| 15. | TTZ count | Mandatory | Number | 1 | 0 | How many times the meter has gone through the zeros between the start and end read – if the meter has not clocked, the value of this field would be 0 | | iGT |
| 16. | Exch MSN | Conditional | Text | 14 | 0 | Serial Number of new meter if meter has been exchanged since end read | | iGT |
| 17. | Exch No. Meter Dials | Conditional | Number | 2 | 0 | Number of dials on meter which must | | iGT |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | be taken into account when recording the meter read for the exch MSN | |
| 18. | Exch Meter Unit | Conditional | Text | 1 | 0 | For the exch MSN Indicates whether the meter measures the volume of gas in imperial or metric units | "M" for Metric "I" for Imperial | iGT |
| 19. | Exch Start Read | Conditional | Number | 12 | 0 | Read that new meter was installed to | | iGT |
| 20. | Exch Start Meter Read Date | Conditional | Date | 8 | 0 | Date that new meter was installed | YYYYMMDD | iGT |
| 21. | Exch End Read | Conditional | Number | 12 | 0 | Most recent read for newly installed meter | | iGT |
| 22. | Exch End Meter Read Date | Conditional | Date | 8 | 0 | Date of exch end read | YYYYMMDD | iGT |
| 23. | MSN | Mandatory | Text | 14 | 0 | Meter Serial Number | | Shipper |
| 24. | No. of Meter Dials | Mandatory | Number | 2 | 0 | Number of dials on meter which must be taken into account when recording the meter read | | Shipper |
| 25. | Meter Unit | Mandatory | Text | 1 | 0 | Indicates whether the meter measures the volume of gas in imperial or metric units | "M" for Metric "I" for Imperial | Shipper |
| 26. | Start Read | Mandatory | Number | 12 | 0 | 1$^{st}$ meter read used by shipper if challenging the AQ NB: field length will vary dependent on no. of meter dials | | Shipper |
| 27. | Start Meter Read Date | Mandatory | Date | 8 | 0 | Date of 1$^{st}$ meter read | YYYYMMDD | Shipper |
| 28. | End Read | Mandatory | Number | 12 | 0 | 2$^{nd}$ meter read used by shipper if challenging the AQ NB: field length will vary dependent on no. of meter dials | | Shipper |
| 29. | End Meter Read Date | Mandatory | Date | 8 | 0 | Date of 2$^{nd}$ meter read | YYYYMMDD | Shipper |
| 30. | TTZ count | Mandatory | Number | 1 | 0 | How many times | | Shipper |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | the meter has gone through the zeros between the start and end read | | | |
| 31. | Exch MSN | Conditional | Text | 14 | 0 | Serial Number of new meter if meter has been exchanged since end read | | | Shipper |
| 32. | Exch No. of Meter Dials | Conditional | Number | 2 | 0 | Number of dials on meter which must be taken into account when recording the meter read for the exch MSN | | | Shipper |
| 33. | Exch Meter Unit | Conditional | Text | 1 | 0 | For the exch MSN Indicates whether the meter measures the volume of gas in imperial or metric units | "M" for Metric "I" for Imperial | | Shipper |
| 34. | Exch Start Read | Conditional | Number | 12 | 0 | Read that new meter was installed to | | | Shipper |
| 35. | Exch Start Meter Read Date | Conditional | Date (YYYYMMDD) | 8 | 0 | Date that new meter was installed | YYYYMMDD | | Shipper |
| 36. | Exch End Read | Conditional | Number | 12 | 0 | Most recent read for newly installed meter | | | Shipper |
| 37. | Exch End Meter Read Date | Conditional | Date (YYYYMMDD) | 8 | 0 | Date of exch end read | YYYYMMDD | | Shipper |
| 38. | Shipper Calculated AQ | Mandatory | Number | 12 | 0 | AQ calculated by shipper using valid reads, to challenge the Revised Meter Point AQ (field 10) | | | Shipper |
| 39. | Challenge Outcome | Conditional | Text | 2 | 0 | Outcome of shipper challenge to AQ | "AT" – Accepted "RT" - Rejected | | iGT |
| 40. | Rejection Reason Code | Conditional | Text | 8 | 0 | If AQ challenge is rejected, this is the reason code for rejecting the challenge | See section on rejections | | iGT |
| 41. | Rejection Reason | Conditional | Text | unlimited | 0 | Rejection reason corresponding to rejection code in 40 | See section on rejections | | iGT |
| 42. | Final AQ | Mandatory | Number | 12 | 0 | AQ nominated to xoserve that will apply from 1st October | | | iGT |
| 43. | Final SOQ | Conditional | Number | 12 | 0 | SOQ value that will | | | iGT |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | apply from 1<sup>st</sup> October NB: only for large supply points | | |
| **44.** | File Section | Optional | Number | 1 | 0 | Number to indicate which section the site belongs to e.g. Threshold Crossers would be 4 | | iGT |

The AQ file format below should be used for:

- The iGTs to communicate the Revised Meter Point AQs to shippers (fields 1-22 completed)
- The shippers to communicate AQ challenges to the iGTs (fields 23-38 completed)
- The iGTs to accept or reject an AQ challenge (fields 39 to 41 completed)
- The iGTs to provide the final AQs effective from 1<sup>st</sup> October for small supply points and the final AQs and SOQs for large supply points (fields 42 and 43 completed)

NB: For the 2006 review the fields shaded grey are optional. These fields will form part of the AQ file format for 2007 onwards and so have all been included to enable iGTs to amend systems where necessary to enable this file format for use from 2007.

The calculated AQs will be split into the following 4 sections within the AQ file:

1) AQs that are to change and which shippers CAN challenge.
2) No AQ change because the site became live less than 26 weeks. Note: Shippers cannot challenge these.
3) There are no reads with which to calculate the AQ.
4) Threshold crossers.

The Small Supply Points will be provided in a separate file to the Large Supply Points.

**APPENDIX B**

**THE GUIDANCE DOCUMENT FOR THE ANNUAL QUANTITY CALCULATION**

**Contents**

**Disclaimer**

Whilst every effort is made to ensure the technical accuracy of the information contained within the guidance document xoserve can accept no responsibility for any claims (however they arise) made against the Company as a result of using the information contained within this package.

# 1. Introduction

This guidance document outlines the basic principles of the AQ calculation, the data required for the calculation and the process for reviewing AQs as defined by the Uniform Network Code.

Its purpose is to provide a framework from which an understanding of the calculation can be achieved and from which the calculation of an AQ can be built.

Section 2. examines the formula for the calculation and the definition of data items used within that calculation.

Section 3. builds on the definitions and formula previously described by working through an example of an AQ calculation from base data.

Section 4. outlines the importance of the winter consumption calculation and end user categories.

Section 5. describes the sources of the data required for a calculation.

Section 6. summarises Uniform Network Code rules around the use of meter reads in the AQ calculation.

Section 7. gives an overview of the processes and timescales for the calculation, notification, amendment and application of AQ values on a yearly basis.

Section 8. looks at the aggregation of meter point AQs to supply points.

Section 9. outlines some of the reports that could be used as key performance indicators.


# 2. The Calculation

There are 2 main components to an AQ calculation; the relevant metered quantity (RMQ) and the weather adjusted annual load profile (WAALP):

$$^1AQ = RMQ \times \frac{365}{CWAALP}$$

where CWAALP is the cumulative WAALP – the sum of all the daily WAALP values between (and including) the 2 delimiting reads.


## 2.1 Definition of Relevant Metered Quantity

- RMQ (relevant metered quantity) is the *metered quantity* or sum of metered quantities (if over more than 1 read in the calculation period). **H3.3**

- The metered quantity is determined by multiplying the *metered volume* by the applicable calorific value. **M1.4.4(b)**

- Metered volume is the volume (corrected for temperature & pressure) of gas off taken at the meter point during the *meter reading period.* **M1.4.4 (a)**

---

[1] The comparative Uniform Network Code formula in H3.4 is;

$$AQ = RMQ * 365 / \sum_{t-1}^{m} (ALP_t \times ( 1 + DAF_t \times EWCF_t)$$

- Meter reading period is the period between 2 reads. **M3.1.7**

RMQ is calculated as follows:

$$RMQ = \frac{(R2-R1) \times U \times CF \times 0.0283 \times CV}{3.6}$$

- Where R1 and R2 are the Meter Readings[2]

- The value 0.0283 is a metric conversion factor (rounded from 0.3047[3] as per Gas Act 1986) and should be omitted if the meter is metric.

- CV is the Calorific Value for that LDZ over the date range concerned and is required as part of the conversion from cubic metres to kilowatt hours.

- CF is the Meter point Correction Factor relating to the height over sea level, pressure and standard temperature at the Meter point.

- The term U refers to the Meter Reading units, the number of cubic feet/metres of gas represented by a single reading unit.

## 2.2 Definition of Weather Adjusted Annual Load Profile

WAALP is calculated as follows:[3]

WAALP = (ALP *max (0.3, 1 + DAF * (SNCMV – CWV) * WSENS / SND))

- ALP is Annual Load Profile.

- DAF is daily adjustment factor.

- SNCWV is seasonal normal composite weather variable.

- CWV is composite weather variable.

- WSENS is weather sensitivity.

- SND is seasonal normal demand.

## 3. Example of an AQ Calculation[4]

### 3.1 RMQ

Read1   25/06/99 - 296406
Read2   29/06/00 – 369833

---

[2] The delimiting reads selected for an AQ calculation are subject to Uniform Network Code rules in Section H3.2

[3] The comparative Uniform Network Code formula in H3.4 is;

$$CWAALP = \sum_{t-1}^{m} (ALP_t \times (1 + DAF_t \times EWCF_t))$$

[4] Please note that this is a manual representation of the AQ calculation.

Reading Units (RU) = 100
Reading factor (RF) = 1

Correction factor = 1.01785

Imperial CV = 40

RMQ = $\dfrac{(369833 - 296406) \times 100 \times 1 \times 1.01785 \times 0.0283 \times 40}{3.6}$

**RMQ = 2,350,084.57353**

AQ = 2,350,084.57353 x $\dfrac{365}{\textbf{CWAALP}}$


## 3.2 Cumulative WAALP

The table below sets out the cumulative WAALP for the delimiting read dates. By subtracting the WAALP on the start read date from the WAALP on the end read date a net WAALP is determined. Alternatively each daily WAALP can be added together.

The profiles that determine the WAALP figure change for each gas year and as the delimiting read dates cover more than 1 year the calculation is split as below.

| Delimiting Start Read | WAALP on Start Date | Delimiting End Read | WAALP on End Date | Net WAALP |
| --- | --- | --- | --- | --- |
| 25/06/99 | 318.491767 | 30/09/99 | 326.3709 | 7.879133 |
| 01/10/99 | 0.648012 | 29/06/00 | 317.8893 | 317.241288 |

**CWAALP = 325.120421**

AQ = 2,350,084.57353 x $\dfrac{365}{325.120421}$

**AQ = 2,638,348**


## 4. The Winter consumption Calculation and End User Categories

For non-daily metered (NDM) supply points, the peak daily load (SOQ) is estimated using a set of end user categories. Each NDM supply point is allocated to an end user category and in each LDZ every end user category has an associated load factor.

These end user categories depend on the AQ of the supply point and, in the case of monthly read sites, the winter to annual ratio (WAR) banding where available.

Winter consumption calculations are therefore carried out at the same time as the AQ calculation (for applicable monthly read sites) and the ability to amend winter consumptions is available through the same process as an AQ amendment.

The calculation of a winter consumption value utilises reads within the winter period. The ideal read period is from the 1$^{st}$ December to March 31$^{st}$, however reads 1 month either side of these dates can be used and pro rated to calculate the actual winter consumption value.

The end user categories and applicable load factors are submitted within the NDM profiling disks at the end of June each year.

## 5. Data Sources

The following table details the data items used in the WAALP calculation and identifies the source of the data and when it is available.

| Data Item | NDM Profiling Disks | Shipper Information Service (SIS) | Availability |
|---|---|---|---|
| ALP | YES | NO | In advance of gas year |
| DAF | YES | NO | In advance of gas year |
| SNCWV | YES | YES | In advance of gas year |
| SND | YES | YES | In advance of gas year |
| WSENS | YES | NO | In advance of gas year |
| CWV | NO | YES | At D + 1 |

All data items (except CWV) are published within the "NDM Profiling and Capacity Algorithms" prior to the start of each gas year and submitted to all Shippers and iGTs.

xoserve publish the proposals for NDM profiling by the end of June and following a period of industry consultation OFGEM approve or disapprove the profiles by the end of August each year. The profiles are applied on the 1$^{st}$ October.

## 6. Use of Meter Reads in Calculation

The Uniform Network Code sets out the requirements for calculating an AQ and for subsequent Shipper amendments to the AQ value. In summary these requirements are defined below.

- The ending meter read is the latest valid meter read prior to the calculation.

- The starting meter read is the latest meter read before the "target opening date" or if no read if available up to 3 years before this date the starting meter read shall be the first valid meter read after the "target opening date".

- The period between the ending and starting meter read must be a minimum of 6 months and 1 day.

- The "target opening date" is 50 weeks prior to the ending meter read for monthly read meters or 42 weeks prior to the ending meter read for annual read meters.

Ofgem have set out guidelines to Shippers defining when a Shipper amendment to the calculated AQ may be submitted. They are:

- Where the Shipper challenges the meter asset data on which the AQ has been calculated
- Where the Shipper challenges the meter reads used in the AQ calculation
- Where no AQ calculation has been possible

## 7. The AQ Review Process

The high level process is as follows:[5]

- By 31$^{st}$ May an AQ calculation for all Supply points is undertaken

- By 31$^{st}$ May the proposed (smaller supply point) AQ values are notified to Shippers

---

[5] The process is defined within Network Code Section G1.6

- By 30$^{th}$ June the proposed (larger supply point) AQ and SOQ values are notified to Shippers

- Following notification Shippers have until 13$^{th}$ August to challenge the proposed AQ value.

- The winter consumption (WC) value can also be amended during this window.

- Supply point calculations are undertaken from September 1$^{st}$.

- Shippers are given a further notice of their proposed AQs values (smaller supply points) and AQs and SOQs (Larger supply points) by September 15$^{th}$.

- AQs and WCs become effective on 1$^{st}$ October.

- The appeals window commences on September 15$^{th}$ and closes on 31$^{st}$ July.

All transactions are performed via the IX system and standard file formats are used. The descriptions of these file types are set out in appendix 1.

## 8. Supply Point Calculation

From the initial calculation of AQs through the notification and amendment stages the emphasis is on the meter point AQ value. However in order to apply the applicable profiles and determine the peak daily loads (SOQ) the meter point AQs are aggregated at supply point level.

The AQ and WC values for the whole supply point determine the Winter Annual Ratio (WAR) banding and the subsequent end user category into which the supply point resides.

Any subsequent AQ or WC appeals are validated at supply point level and if a successful appeal is processed a nomination and confirmation has to occur in order for the new AQ or WC value to apply.

IGTs are responsible for updating xoserve within 7 business days of the AQ amendment being agreed.  IGTs will ensure that all appropriate LDZ notifications are made in order that the AQ updates are processed in line with NExA requirements.

## 9. Reporting

The following reports are generated during the AQ Review for Industry analysis and debate.

a) AQ by Shipper by LDZ

The report brings back the current AQ and the revised AQ by LDZ by Shipper and is run following the AQ calculation and then periodically to determine any AQ trends throughout the process.

b) Shipper Amendments

This report brings back the number of amendments received, accepted and rejected by Shipper.

c) Threshold crossers

This report identifies the number (count and energy) of SSP to LSP, and LSP to SSP, threshold crossers.

d) Calculation rate of success

This report identifies the number of meter points having an AQ calculated as a percentage of the total population.

Shipper/Supplier Contact Name, Tel, Fax, Email, Address