

Uniform Network Code (UNC) 0844: Extending the PC4 Read Submission Window (UNC0844)

Decision: The Authority¹ directs this modification to be made²

Target audience: UNC Panel, Parties to the UNC and other interested parties

Date of publication: 22 October 2025

Implementation date: To be specified by the code administrator

Background

The Uniform Network Code (UNC) requires Shippers with sites in Profile Class 4 (PC4)³ to submit meter reads for settlement within 25 Supply Point System Business Days (SPSBDs) following the read date.⁴ This timeframe is often insufficient when issues arise that prevent a read from being validated. These issues can include technical faults, missed meter exchanges or delays in accessing meters. When a read cannot be validated within the 25 SPSBD window, it becomes unusable for settlement purposes, which in turn can lead to increased Unidentified Gas (UIG)⁵, inaccurate Annual Quantity (AQ)⁶ estimates, and additional operational costs due to repeat site visits and manual interventions.

The problem is particularly acute for domestic premises, where reads may be harder to obtain and the underlying causes of invalid reads may be harder to resolve. Industry analysis and stakeholder feedback have highlighted the need for a more flexible submission window to accommodate these invalid reads without compromising settlement integrity.

¹ References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day-to-day work. This decision is made by or on behalf of GEMA.

² This document is notice of the reasons for this decision as required by section 38A of the Gas Act 1986.

³ As set out in Uniform Network Code – Transportation Principal Document (TPD) - <u>Section G2.1.1</u>

⁴ As defined in UNC Transportation Principal Document - Section M5.9.4

⁵ As set out in Uniform Network Code – Transportation Principal Document (TPD) - <u>Section H2.6.1</u>

⁶ As set out in Uniform Network Code – Transportation Principal Document Section E9 and G2.3: <u>Transportation Principal Document</u>



Additionally, in comparison to the gas sector's current 25 SPSBD limit, the electricity sector typically allows access to the full settlement period, up to 14 months, for validating and correcting meter reads. UNC0884 reflects a broader industry push toward improving data quality and settlement accuracy by providing Shippers with greater flexibility to submit valid reads without compromising performance standards.

The modification proposal

This proposal, raised by Ovo Gas Ltd on 11 June 2024 and seeks to extend the read submission window and introduce staggered benchmarks to allow more valid reads to enter settlement while maintaining a timely data flow.

The modification proposal puts forward the following adjustments to existing arrangements:

- For Domestic Premises:
 - o Extend the read submission window to 80 SPSBDs
 - Introduce staggered benchmarks, where a certain minimum percentage of reads are submitted by a certain SPSBD:
 - ≥ 50% by SPSBD 10
 - ≥ 80% by SPSBD 25
 - ≥ 90% by SPSBD 45
 - 100% by SPSBD 80.
- For Non-Domestic Premises:
 - Extend the read submission window to 45 SPSBDs
 - Introduce staggered benchmarks, where a certain minimum percentage of reads are submitted by a certain SPSBD:
 - ≥ 50% by SPSBD 10
 - ≥ 80% by SPSBD 25
 - 100% by SPSBD 45.

These benchmarks are designed to ensure that most reads are submitted early while providing additional flexibility for complex or delayed reads.

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UNC Panel⁷ recommendation

At the UNC Panel meeting on 21 August 2025, the UNC Panel unanimously agreed that Modification 0884 would better facilitate the UNC objectives (a) and (c) and the Panel therefore recommended its approval.

Our decision

We have considered the issues raised by the modification proposal and the Final Modification Report (FMR) dated 21 August 2025. We have considered and taken account of the responses to the industry consultation on the modification proposal which are attached to the FMR. We have concluded that:

- implementation of the modification proposal will better facilitate the achievement of the relevant objectives ("ROs") of the UNC;8
- directing that the modification be made is consistent with our principal objective and statutory duties⁹.

Reasons for our decision

We consider this modification proposal will better facilitate UNC ROs (a) and (c) and has a neutral impact on the other ROs.

(a) the efficient and economic operation of the pipe-line system to which this licence relates

The modification proposes an extension to the read submission window for PC4 Supply Meter Points from 25 to 45 SPSBDs for non-domestic premises and to 80 SPSBDs for domestic

 $^{^{7}}$ The UNC Panel is established and constituted from time to time pursuant to and in accordance with the UNC Modification Rules.

As set out in Standard Special Condition A11(1) of the Gas Transporters Licence, available at: <u>Licences and licence conditions | Ofgem</u>
 The Authority's statutory duties are wider than matters which the Panel must take into consideration and

⁹ The Authority's statutory duties are wider than matters which the Panel must take into consideration and are detailed mainly in the Gas Act 1986 as amended.



premises. This change is supported by staggered benchmarks to ensure timely submission of reads.

Respondents to the consultation and Workgroup participants all agreed and supported the implementation of UNC0884 and that it would enable more valid reads to enter settlement. Some noted that it would contribute to making settlement more accurate, with several respondents observing that it would be particularly beneficial in cases where reads may be hard to retrieve or require correction. Some respondents observed that the extension is likely to lead to the reduction in the volume of unbilled UIG and reduce the need for repeated site visits and manual interventions.

We agree with the Proposer that the implementation of this UNC Modification will better facilitate RO (a). Allowing more time to validate reads in settlement is likely to contribute to improved settlement performance and improve overall accuracy. This may be particularly beneficial in scenarios where meter readings are hard to obtain from consumers and fail validation, resulting in inaccurate AQs. While extending the period where reads can enter the settlement cycle is likely to place increased capacity on the Central Data Service Provider (CDSP)¹⁰, we note that CDSP analysis confirmed that system capacity is sufficient to accommodate the increased volume of reads without operational disruption.

We therefore conclude that UNC0884 better facilitates RO (a) by enabling more valid reads to enter settlement, improving data accuracy, and supporting the efficient and economic operation of the pipeline system.

(c) so far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence

The Proposer is of the view that this modification supports the efficient discharge of licensee obligations by enabling Shippers to submit valid reads that would otherwise be rejected due to the current 25 SPSBD limit. This change aligns with obligations to maintain accurate settlement and billing data and reduces the administrative burden associated with correcting invalid reads post-deadline.

 $^{^{10}}$ As defined in the General Terms Section D $\underline{1.2.1}$ (a)

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Workgroup discussions highlighted that the modification may improve Shipper performance around read submission and could lead to reduced need for manual AQ fixes. The introduction of staggered benchmarks also provides a structured framework for monitoring performance, which supports compliance and transparency.

Respondents all agreed that the modification positively impacts RO (c), noting improvements in settlement performance and alignment with industry obligations. The Proposer stated that UNC0884 better facilitates RO (c) by enhancing Shippers' ability to meet their obligations and improving overall settlement accuracy.

We agree that UNC0884 will better facilitate RO (c) by supporting Shippers in meeting their read submission obligations more effectively, improving settlement accuracy, and reducing administrative burdens.

Decision notice

In accordance with Standard Special Condition A11 of the Gas Transporters Licence, the Authority has decided that modification proposal UNC 0884: `Extending the PC4 Read Submission Window' should be made.

Michael Walls

Head of Smart Metering and Retail Market Operations

Signed on behalf of the Authority and authorised for that purpose