

UNC Demand Estimation Sub-committee Technical Workgroup Minutes

Friday 04 April 2014

via teleconference

Attendees

Helen Cuin (Chair)	(HC)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Christian Ivaha	(CI)	British Gas
Dave Parker	(DP)	EDF Energy
Fiona Cottam	(FC)	Xoserve
Joseph Lloyd	(JL)	Xoserve
Mark Perry	(MP)	Xoserve
Mo Rezvani	(MR)	SSE
Penny Rowland	(PR)	E.ON UK

Copies of papers are available at: www.gasgovernance.co.uk/DESC/040414

1. Introduction

The meeting was declared quorate.

1.1. Apologies for absence

S Blckett (E.ON UK), J Hanks (EDF Energy), R Malin (National Grid Distribution), R Pomroy (Wales & West Utilities), C Thomson (Scotia Gas Networks).

1.2. Note of Alternates

FC (Xoserve) for R Malin (National Grid Distribution), R Pomroy (Wales & West Utilities), C Thomson (Scotia Gas Networks).

2. Status Review

2.1. Minutes

The minutes from the previous Technical Workgroup (25 March 2014) were approved.

2.2. Actions

DTW1102: b) Xoserve to provide a view on how long it would take to fill the gaps in historical weather data, and by when.

Update: Item deferred. **Carried Forward**

DTW0201: E.ON (SB) to provide a copy of the E.ON overnight temperature behavioural pattern data to Xoserve for their consideration.

Update: Item deferred. **Carried Forward**

DTW0301: E.ON to test the accuracy of the gap interpretation methodology and provide an explanation/document of how it is to be applied.

Update: Item deferred. **Carried Forward**

DTW0302: *Autumn 2014 Composite Weather Variable (CWV) Review - Proposed Approach* – Review document and provide final comments to Xoserve by 31 March 2014.

Update: MP confirmed final comments had been communicated to all representatives.

Complete

3. CWV Optimisation Review and Update

MP reminded parties of the objective to discuss the approach document to CWV Optimisation and gain approval before the work commences later this year. MP confirmed Xoserve had received some comments on the document:

E.ON had confirmed that they would like to see some flex in the shaping of Pseudo SNET to allow for warmer temperatures reducing demand. They believed that this may be obtained by not constraining ET max to be outside the 'deemed' warm weather flattening period – i.e. when scaling the Pseudo SNET is scaled to a wider range, and potentially the average ET that is forced would sit marginally warmer.

They also expected to see this variance reflected in the outcomes of V1 and V2, however these will be influenced by the initial shaping for the Pseudo SNET so getting a wider range to cover warmer temperatures is key to allowing a demand reduction over the warm periods. British Gas concurred with E.ON on this point.

EDF accepted the document as-is, however they believed it would be interesting to follow up on the suggestions regarding different pseudo SNET calculation. James Hanks did question if Xoserve would be able to compare some results using both versions of the pseudo SNET calculation to confirm which would be the best approach.

DP questioned how much difference it would make. FC explained the difficulty with being able to compare the different pseudo SNET calculations once the extra 5 years of weather had been added and whether it may be difficult to reconcile the two.

MR questioned the benefit of using the weather series from 1996 onwards to create a long run series and what the point of having EP2 and climate change adjusted.

FC explained the aim of the CWV Optimisation phase is to find the best parameters and develop the value of pseudo SNET. FC confirmed the CWV is about building relationships between historic demand and historic weather and part of the testing is to ascertain the optimal relationships and whether it would be best to bolt on the five extra years of history or shift forwards by five years. The calculation of Seasonal Normal is a separate exercise and will look to use the outputs from the Climate Change Methodology, i.e. a forward view of future weather trends.

PR explained the main issue for E.ON is that they see a reaction beyond the CWV cut off and would like to try and capture this better. FC confirmed part of the process is testing and retesting the cut off points to find the best fit for demand. When optimising demand the methodology will optimise weather against total NDM demand not just against small supply point demand. JL further explained that the process is looking for the best fit average between CWV and demand over the years and to look at the history to find the best to apply going forward.

FC stated that pseudo SNET will naturally change due to the extra four years and will vary across the LDZs. She suggested that when Xoserve are undertaking the trial the data can be made available for parties to look at and provide feedback.

MR asked to what extent and what form Xoserve will present the information and whether this would include the actual equations, coefficients, key stats. MP explained that Xoserve provided a [CWV Optimisation presentation](#) at the February meeting which covered the extent of the information to be provided.

CI recognised the vast amount of work that goes into the analysis however British Gas would still like to see a simple comparison if there is the time and manpower.

FC stated that Xoserve could ask for views on the first trial runs and suggested if Shippers could provide their views on how they believe the shape of the pseudo SNET should look, this could be a useful reference when conducting the analysis. She reminded parties that the pseudo is only around 30% of the current CWV formula.

PR was keen to see information from Xoserve particularly where the results aren't as expected.

Following discussion and further clarification of the process it was concluded there was no significant challenge to the document which could now be considered as signed off and that work required will be picked up in June/July.

(Post meeting note: immediately following the meeting, both E.ON and British Gas rescinded their initial approval for the document until further consideration of their respective concerns was undertaken. Following further discussion between the interested parties and Xoserve, agreement has once again been given for the document)

Xoserve agreed to update the timetable.

MP reminded the group of the need to sign off the gap interpretation methodology (produced by E.On) on 28 April 2014 in order that it can be applied to get the data sets ready for the full optimisation phase later in the year.

4. Any Other Business

None.

5. Diary Planning

Meetings will take place as follows:

DESC and DESC Technical Workgroup Meetings 2014

Time / Date	Venue	Meeting	Programme
09:30 Friday 04 April 2014	Teleconference	DESC TWG	CWV Optimisation - Review and Approval of approach
10:30 Monday 28 April 2014	Teleconference	DESC TWG	Confirm modelling runs
10:30 Wednesday 21 May 2014	31 Homer Road, Solihull B91 3LT	DESC TWG	Review modelling results and approve commencement of model smoothing stage
10:30 Wednesday 25 June 2014	Teleconference	DESC TWG	Review responses to draft NDM proposals and agree key messages for DESC
10:30 Wednesday 09 July 2014	31 Homer Road, Solihull B91 3LT	DESC	Review and approval of 2014/15 NDM Algorithms
10:30 Wednesday 30 July 2014	Teleconference	DESC	Review representations (if any) and consider response
10:30 Wednesday 12 November 2014	Energy Networks Association (ENA), 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	DESC	Evaluation of Algorithm Performance: Strand 1 – SF and WCF

Action Table: Demand Estimation Sub-committee – Technical Workgroup

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
DTW1102	27/11/13	3.1	a) Xoserve to provide a workplan with timelines to include an investigation	Xoserve (FC/JL)	Complete
Revised	15/01/14		b) Xoserve to provide a view on how long it would take to fill the gaps in historical weather data, and by when.	Xoserve (FC/JL)	Carried forward
DTW0201	12/02/14	3.2	To provide a copy of the E.ON overnight temperature behavioural pattern data to Xoserve for their consideration.	E.ON UK (SB)	Carried forward
DTW0301	25/03/14	2.2	E.ON to test the accuracy of the gap interpretation methodology and provide an explanation/document of how it is to be applied.	E.ON UK (SB)	Carried forward
DTW0302	25/03/14	3.0	<i>Autumn 2014 Composite Weather Variable (CWV) Review - Proposed Approach</i> – Review document and provide final comments to Xoserve by 31 March 2014.	ALL	Closed