

UNC Demand Estimation Sub-committee Technical Workgroup Minutes

Monday 19 January 2015

Via teleconference

Attendees

| | | |
|--------------------------|-------|----------------------------|
| Helen Cuin (Chair) | (HC) | Joint Office |
| Lorna Dupont (Secretary) | (LD) | Joint Office |
| Christian Ivaha | (CI) | British Gas |
| Fiona Cottam | (FC) | Xoserve |
| Indre DeksnYTE | (ID) | Northern Gas Networks |
| Joseph Lloyd | (JL) | Xoserve |
| Mandeep Pangli | (MPa) | Xoserve |
| Mark Perry | (MP) | Xoserve |
| Martin Attwood | (MA) | Xoserve |
| Sallyann Blackett | (SB) | E.ON |
| Shiv Singh | (SS) | National Grid Distribution |
| Tim Wong | (TW) | British Gas |
| Tony Davey | (TD) | SSE |

Copies of papers are available at: <http://www.gasgovernance.co.uk/DESC/190115>

1. Introduction

1.1. Apologies for absence

R Nickerson (National Grid NTS) and Changbin Li (EDF Energy).

1.2. Note of Alternates

None appointed.

2. Status Review

2.1. Minutes (03 December 2014)

The minutes from the previous meeting were approved.

2.2. Actions

None outstanding.

3. Spring Approach 2015

MP gave a presentation ([Draft Spring Approach 2015 Summary](#)), describing the approach to the analysis and how it will be turned into a set of derived factors for the next year.

Attention was drawn to some industry changes that will occur on 01 October 2015. These included:

- the NDM Algorithm formula, for which DESC is responsible for providing factors. The main changes to this were that the Scaling Factor (SF) will no longer be required; the Weather Correction Factor (WCF) will be based on weather variables, so there will no longer be a requirement to create a set of pseudo SNDs; and the Daily Adjustment Factor (DAF) formula will no longer need the aggregate NDM output;
- the start of the gas Day - this will change from 06:00 to 05:00, which will impact

the temperature timeslots used in the Composite Weather Variable (CWV) calculation.

Other changes are also occurring in the Demand Estimation arena; MP recapped on those to note for 01 October 2015 (use of the output from the Weather Station Substitution Methodology in the modelling; a revised set of CWV parameter definitions and a new SN basis; and Rostherne No 2 to become the weather station for NW and WN LDZs).

Taking into account the significant changes that will be occurring Xoserve put forward the suggestion that the rest of the lower level principles remained unaltered (this will make comparison of years easier).

MP then set out the modelling approach in respect of demand data and weather data, together with the modelling principles to be followed, and the modelling outputs. Attention was drawn to the derived factors (DAF, LF, and ALP). While recognising the Daily Adjustment Factor (DAF) formula for Gas Years 2015/16 will no longer need the computations from the aggregate NDM model, it was noted that during the Spring Analysis, DAFs will also be calculated under the current methodology to aid comparison to 2014/15, as well as provide a contingency in the event of any delays to UK Link implementation. The formula for the Load Factor (LF) remains unchanged, however it was noted that the values are likely to be different from recent years due to the number of changes in the underlying data used in the calculations of estimated peak day demands. The definition of the Annual Load Profile (ALP) remains unchanged.

The fallback position was then outlined and briefly considered. SB queried whether adaption was sensible or whether the acceptance of no fallback position was more pragmatic. Should something be developed that it was known would work in Nexus, and accept there will be no other choice; would the TWG be happy to accept there would be no fallback arrangement, noting that there would be no opportunity to reject? There was a short discussion on what might be calculated/used; creating a fallback would take effort that could be expended more usefully elsewhere. Meeting participants were asked for their views, and there were no objections to the proposal of not having a fallback model this year.

MP then reiterated the reporting output that could be expected, and where this might be published and accessed. Attention was directed to Appendix 2 of the Spring Approach document, where a summary would be found of the opportunities for interaction and involvement during the modelling cycle, and participants were reminded to review their organization's TWG representation, including appointed alternates, to make sure it was still appropriate to receive email communications over the coming year. The current published list is available at <http://www.gasgovernance.co.uk/DESC/TWGRepresentatives>.

Full details can be found in the approach document published on the website: [Spring 2015 NDM Analysis - Proposed Approach](#).

No questions were raised in respect of the Spring Approach document.

4. Next Steps

MP summarised that the Spring Approach document would now be revised to take account of the agreement reached on the fallback position, and the document would then be republished. Following that, the recommendation for approval from the DESC TWG would be put forward to the DESC at its next meeting on 11 February 2015.

5. Any Other Business

None raised.

6. Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/Diary

DESC and DESC Technical Workgroup Meetings 2015

| Time/Date | Venue | Meeting | Programme |
|--|--|-----------------|---|
| 10:00 Wednesday 11 February 2015 | 31 Homer Road, Solihull B91 3LT | DESC | Evaluation of Algorithm Performance: Strands 2 and 3 - RV and NDM Sample data TWG recommendation for Spring 2015 Approach |
| 10:00 Monday 27 April 2015 | Teleconference | DESC TWG | Discuss and confirm modelling runs to take forward based on data aggregations and WAR band definitions |
| 10:00 Tuesday 19 May 2015 | ENA, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF | DESC TWG | Review single year modelling results and provide approval to commence model smoothing stage |
| 10:00 Wednesday 24 June 2015 | 31 Homer Road, Solihull B91 3LT | DESC TWG | Review TWG responses to draft proposals and agree key messages for DESC |
| 10:00 Wednesday 08 July 2015 | 31 Homer Road, Solihull B91 3LT | DESC | Review and Approval of 2015/16 NDM Algorithms as recommended by TWG |
| 10:00 Wednesday 29 July 2015 | 31 Homer Road, Solihull B91 3LT | DESC | Response to industry representations on 2015/16 NDM Algorithms |
| 10:00 Tuesday 17 November 2015 | 31 Homer Road or ENA (tbc) | DESC | Evaluation of Algorithm Performance: Strand 1 - SF and WCF |