

Demand Estimation Technical Forum Minutes
Friday 10 June 2011
at ENA, 52 Horseferry Road, London SW1P 2AF

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Tim Davis (Secretary)	(TD)	Joint Office
Bairavi Varatharajan	(BV)	Corona Energy
Gareth Lloyd	(GL)	National Grid NTS
Joseph Lloyd	(JL)	Xoserve
Linda Whitcroft	(LW)	Xoserve
Louise Gates	(LG)	EDF Energy
Louise Hellyer	(LH)	Total Gas & Power
Mark Perry	(MP)	Xoserve
Matt Jackson	(MJ)	British Gas
Mo Rezvani	(MR)	SSE
Paul Tuxworth	(PT)	National Grid NTS
Sallyann Blackett	(SB)	E.ON UK
Paolo Agnolucci	(PA)	Centrica
Steve Baker	(SB1)	RWE Npower
Tom Young	(TY)	E.ON UK

Meeting papers are available at www.gansgovernance.co.uk/desc/100611

1. Introductions

BF welcomed all to the meeting.

2. Progress on Non-Daily Metered (NDM) profiling and capacity estimation algorithms for 2011/12 – Small NDM

MP presented the Transporters' proposed approach. MP confirmed that within this years modelling the holiday code applied to the additional bank holiday for the Diamond Jubilee on Tuesday 5th June would be the same as that used for the Spring Bank Holiday Monday (i.e. 4th June). MR questioned the treatment of the Wednesday following the Bank Holiday Tuesday, and MP confirmed the standard treatment would apply, recognising the Spring Bank Holiday week had been moved forward.

MR asked about the tools used to conclude that there were no compelling grounds to further subdivide the bands. MP confirmed the usual tests used for DESC purposes were used, such as root mean squared error. All of the results had been published and any feedback would be welcome.

When considering the additional sub band analysis for Band 1 MJ asked how to interpret the small NDM Indicative Load Factors, and MP confirmed the higher the value the closer average consumption is to peak consumption. SB mused whether the data suggested further disaggregation might be justified. MP felt this could be revisited when consideration is given to next steps and any requirement for further adhoc analysis in the Autumn.

The impacts of including non-domestic sites on the smoothed model weekend effects were presented. SB asked to see the estimated effect on Scaling Factor results for EUC Band 01B where non-domestic sites had been included, which MP agreed to provide.

TY asked for clarification on how the 4 non-domestic sites were selected for each LDZ. MP agreed to clarify the selection process.

Action 0601: Xoserve (MP) to provide estimated effect on Scaling Factor results for EUC Band 01B where non-domestic sites have been included

Action 0602: Xoserve (MP) to confirm how 4 non-domestic sites are selected.

When considering the results for Consumption Band Analysis 732-2196 MWh pa and the potential of splitting this band at 1465 MWh pa TY asked whether the EM and NT data suggested there were large differences in some years and whether this was an indicator of anything. SB questioned whether Band 4 should be disaggregated. MP explained that, when looking at the smoothed data, the issue was whether there was any clear pattern over the period and this had not been revealed. However, it may be different when an additional year's data is added. MP also explained that the RMSE analysis should be considered which shows that splitting the band would not improve the goodness of fit. SB noted the risk that it would be four years before any correction is introduced. SB thought a trend of reducing AQs meant the results were plausible. MR added that general consumption is coming down such that the appropriateness of model smoothing may be reduced. MP suggested that the key was response to weather variation rather than the level of demand. There would, however, be an opportunity as part of the autumn review of model smoothing to consider whether adopting a single year would be preferable. Concerns in splitting bands were also raised regarding the implications for systems and processes and it was recognised that this may be a more realistic option for future years.

Action 0603: Xoserve (MP) to provide details of previous Technical Forum analysis of splitting band 3 and 4

PA suggested that demand reductions might be temporary, being driven by the present economic circumstances. MR accepted this, although disaggregating the variations to assess underlying drivers was yet to be done. MR continued that, while he had no solution, it might be worthwhile revisiting the smoothing rules. For example, increasing the weight attached to later years might be more appropriate if clear trends are demonstrated. His presumption was that peak demand would be falling less than average consumption, for a variety of reasons.

There was some debate around how to explain the observations of actual against modelled demand in recent winter conditions, with no clear conclusion. When considering the graph for SC LDZ for Small NDM WAR Band 4 where some lower than expected demands had been pointed out SB asked if, being outliers, these data points had been excluded from the analysis. MP confirmed they had been left in, and it was noted that this would pull the regression line down. MR suggested repeating the analysis with the points excluded in order to see the change in coefficients. GL noted that this

had not been the approach adopted in previous years, and removing four points was unlikely to make a significant difference. MP agreed to take this away and consider what reassurance could be provided.

Action 0604: Xoserve (MP) to consider providing an estimated impact of removing the 4 gas days from the discussed model

MP then summarised the recommendations that would be put to DESC seeking agreement to their adoption, as set out in his presentation.

3. Progress on Non-Daily Metered (NDM) profiling and capacity estimation algorithms for 2011/12 – Large NDM

JL presented the Transporters' proposed approach.

PA asked if consideration had been given to disaggregation rather than grouping LDZs in the Band 5 WAR analysis. JL indicated that sample sizes precluded this.

JL then summarised the recommendations that would be put to DESC seeking agreement to their adoption, as set out in his presentation.

DESC agreed to the recommended approach for data aggregations and EUC models and as such MP confirmed that the early preview of ALPs, DAFs, Load Factors, agg. NDM SND and WSENS and model parameters would be available on the secure xoserve website immediately following the meeting.

4. AOB

MR asked if a table could be provided showing the sample size and population by WAR band and by LDZ, which MP agreed to look in to.

Action 0605: Xoserve to consider providing population figures by WAR band and LDZ

MR asked about the implications of AMR rollout on samples. AMR would provide additional data, but could also skew the sample since behaviour could change. LW clarified the approach taken by Xoserve to establish the sample. It was recognised that this would need further consideration.

ST questioned whether demand had fallen where smart gas meters had been installed, and LW asked whether this was a consistent year on year fall rather than a step change. MR confirmed that studies he had seen showed that there were indeed continuing reductions in demand.

5. Date of Next Meeting/Diary Planning

The Demand Estimation Technical Forum is expected to meet again in June 2012.

Action Log: Demand Estimation Technical Forum

Action Ref*	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
DETF06 01	10/06/11	2	Xoserve (MP) to provide estimated effect on Scaling Factor results for EUC Band 01B where non-domestic sites have been included	Xoserve (MP)	DESC to be updated
DETF06 02	10/06/11	2	Xoserve (MP) to confirm how 4 non-domestic sites are selected.	Xoserve (MP)	DESC to be updated
DETF06 03	10/06/11	2	Xoserve (MP) to provide details of previous Technical Forum analysis of splitting band 3 and 4	Xoserve (MP)	DESC to be updated
DETF06 04	10/06/11	2	Xoserve (MP) to consider providing an estimated impact of removing the 4 gas days from the discussed model	Xoserve (MP)	DESC to be updated
DETF06 05	10/06/11	4	Xoserve to consider providing population figures by WAR band and LDZ	Xoserve (MP)	DESC to be updated