

## NE CWV Calculation Issue

### Background

An issue was identified with the weather data being supplied by a third party to the UK Link system for **NE LDZ**. For NE LDZ, weather data should have come from Nottingham Watnall Weather station for use in daily Composite Weather Variable (CWV) calculation, which uses temperature and wind speed measurements. Between **29 November 2012 and 17 February 2014**, the data received actually related to Linton-on-Ouse weather station. Linton-on-Ouse is located in NE LDZ but it is not DESC's agreed weather station for that LDZ.

Xoserve developed an approach for addressing the issue which was consulted on with the industry including with subject matter experts at the Technical Workgroup of the Demand Estimation Sub-Committee on January 15<sup>th</sup>. Approval was gained on our proposed resolution and the effective date for reverting back to Nottingham Watnall was gas day Tuesday 18<sup>th</sup> February 2014.

### Impacts

Actual weather data is not used in daily NDM Gas Allocations, so there was no direct impact on NDM Allocations. The current Weather Correction Factor compares Actual and Seasonal Normal NDM Demand, and does not refer to any weather measurements.

However, the CWV is used in the Weather Adjusted Annual Load Profiles (WAALPs), which are used in the calculation of NDM AQs. Our analysis suggested that the slight differences in observed weather between the two stations had caused very minor differences in CWVs and therefore in WAALPs. For AQs calculated during the AQ review 2013 period, in NE LDZ only, there were very minor impacts on NDM AQs whenever the Relevant Metered Quantity (RMQ) used in AQ calculation spanned the period since 29/11/12, whether in part or completely. Our analysis identified the impacts of the differences were very small and varied depending on portfolio make-up. Subsequent AQ Appeals processed before 17<sup>th</sup> February 2014 and spanning the period of the issue were also affected.

Although AQs are used in NDM Allocation, for Larger Supply Points (LSPs) the Allocation will ultimately be superseded by Meter Point Reconciliation.

### Resolution

Xoserve's approved approach to the correction of this issue was implemented as follows:

- the switch back to Watnall data for NE LDZ occurred with effect from gas day 18 February meaning that the CWV for that gas day was calculated with the correct data
- the NE WAALPs were updated on the UK Link system on calendar day 19 February to reflect the corrected cumulative position
- the historic NE WAALPs in the UKLink system were also amended to ensure that future AQ calculations are correct
- AQs and historic allocations have been left unchanged as they have already been used in billing and settlement, and will be subject to the annual review process during 2014
- the revised NE CWVs were published on the secure area of Xoserve's website:

Location: **18.NDM Profiling and Capacity Estimation Algorithms / 201314 Gas Year / 3. Supporting Files**

Filename: **NE\_CWV\_01\_VALUES.txt**

The file includes corrected CWVs for period: **29 November 2012 and 17 February 2014**

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