

UNC Demand Estimation Sub-Committee Minutes

Monday 10 July 2017

Xoserve Limited, Lansdowne Gate, 65 New Road, Solihull, B91 3DL

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Andy Smith	(AS)	British Gas
Anupa Purewal	(AP)	E.ON UK (DESC TWG)
Dean Pearson	(DP)	Northern Gas Networks (Alternate)
Fiona Cottam	(FC)	Xoserve (Alternate for Cadent)
Hilary Chapman	(HCh)	Scotia Gas Networks (Member)
Ian Tanner*	(IT)	RWE Npower (Alternate)
Jason Blackmore	(JB)	British Gas (Member)
Joseph Lloyd	(JL)	Xoserve
Mandeep Pangli	(MPa)	Xoserve
Phil Clough	(PC)	National Grid NTS (Member)
Robert Wigginton	(RW)	Wales & West Utilities (Member)
Sallyann Blackett	(SB)	E.ON UK (Member)
Tony Davey	(TD)	SSE (Member)

Members not present

Chris Warner	(CW)	Cadent (Member)
Fiona Speak	(FS)	RWE npower (Member)
Joanna Ferguson	(JF)	Northern Gas Networks (Member)
Dr Xiaolin Chen	(XC)	EDF Energy (Member)

* via teleconference

Copies of papers are available at: <http://www.gasgovernance.co.uk/DESC/100717>

1. Introduction and Status Review

1.1. Apologies for absence

None pre-advised.

1.2. Note of Alternates

Ian Tanner (RWE npower) for Fiona Speak, Shipper

Dean Pearson (Northern Gas Networks) for Joanna Ferguson, Transporter

Fiona Cottam (Xoserve) for Chris Warner, Transporter

1.3. Review of Minutes (15 February 2017)

The minutes of the previous meeting were approved.

1.4. Review of Actions Outstanding

DESC 0201: To ensure the NDM sample size is more representative Shippers are to provide daily consumption for Domestic 01B sites (March 16 – March 17) for all LDZs except EA, EM, SO, WN. More details are available in the Third Party NDM Sample Data v4.0 at www.gasgovernance.co.uk/DESC

Update: FC confirmed that Xoserve have not been provided with sufficient NDM sample data. She recalled that one offer had been made for the provision of data noting that the

request for additional NDM sample data was voluntary.

RW enquired if there should be rules around the types of data accepted, to ensure some meter types were not over or under represented which could possibly skew the analysis, particularly from one party and/or Smart meter data.

SB suggested that all data provided would be representative as it would illustrate actual usage and populations. FC re-assured members explaining statistical tests were previously undertaken to determine the suitability of data and to make sure it would not bias data or swamp Xoserve collected data.

RW challenged the best way to communicate with all shippers the requirement for data provision and questioned what other forums could be approached to request data. It was suggested a permissions modification could address the right to access, to use DCC data, which would help although it was noted that this would need to be a Cross Code change. FC suggested for 2018/19, Class 3 data could be used from UK Link on a sample basis. It was agreed to close this action, with a view that to progress this issue, if voluntary data is not provided, a modification would be required to enable the correct permissions and technical ability to extract data from directly from the DCC. **Closed**

New Action DESC 0701: Xoserve to provide an update on the NDM data sample size and how much Shipper data is being obtained at the November meeting, with a view to considering a Cross Code Modification if deemed necessary.

DESC 0202: WWW (RW) to update the DESC and DESC TWG TOR and provide an updated version for approval by members/representatives via email.

Update: Completed and published. **Closed**

DESC 0203: Xoserve to provide information of the Unidentified Gas Confidence intervals by LDZ.

Update: Completed and published. **Closed**

2. Review and approval of 2017/18 NDM Algorithms as per recommendation by TWG

Following the recommendation from the DESC Technical Workgroup, DESC Members approved the Non-Daily Metered (NDM) Demand Estimation proposals and agreed to proceed to the next stage, inviting representations from the wider industry. The representation period will close on Friday 21 July 2017. DESC will consider any representations on 26 July 2017.

3. Communication of Key Messages

See Item 2.0. No additional Key messages were deemed necessary.

4. Any Other Business

4.1. Implementation of Modification 0432 UK Link Replacement

FC reported that Modification 0432 - Project Nexus Gas Demand Estimation, Allocation, Settlement and Reconciliation reform, had now been implemented.

SB enquired about Unidentified Gas (UIG) and the resolution review group. FC explained that Xoserve are working on an analysis summary, working with one Shipper as a test case, to see if there are any differences in the interpretation of data.

It was acknowledged that there are a number of DM sites for which Xoserve are able to load actual reads, through the normal processes. This has been discussed at the Performance Assurance Committee (PAC), and the DSC Contract Management representatives have been asked to provide updates. An Xoserve task force is trying to facilitate the provision of information.

RW enquired if this was any worse than was anticipated. SB believed there were some positive values and this is less variable than expected but it is hard to pick out what improvements have been made.

RW asked if there was a lack of interaction with some of the smaller supplier/shippers. FC explained from an I&C position, the same algorithms and same calculations are taking place; Nationally UIG is around 5-6% of throughput. FC clarified there is no one single cause, but until the industry are able to strip away the DM issues, it won't really know what UIG will look like on a per LDZ basis.

RW questioned a communication issued from Xoserve suggesting UIG could be anticipated as 1%. He challenged that this was not in-line with DESC's expectations. It was agreed that DESC did not anticipate UIG only being 1%.

FC explained that UIG is an accounting transaction (accounting for gas). It was recognised that Shippers need to establish from their gas nominations and gas allocation, the amount of gas they need to purchase. Potentially Shippers will be getting some money back from the UIG reconciliation.

SB enquired what was happening with the issue resolution group. FC confirmed Xoserve are communicating with Shippers and encouraging parties to undertake their own modelling. With the analysis undertaken Xoserve have been able to prove that the algorithms work.

SB enquired about the validations undertaken within Gemini when Shippers are entering their gas nominations, challenging whether the system would reject a single gas nomination for a Shipper if it was equivalent to the entire gas usage for one day.

The committee considered if DESC was the appropriate forum to consider the implications of incorrect Shipper Gas Nomination Data into Gemini.

It was recognised that an incorrect nomination would result in the shipper being hit with scheduling charges, and if an incorrect entry is made this would affect other parties and have implications for UIG.

It was agreed that Xoserve would look into the repercussions of incorrect gas nominations and confirm what Gemini validations take place with a view to discussing this further.

Action DESC0702: Xoserve to confirm what validations are undertaken for Nominations entered into Gemini.

4.2. Publication of Load Factors and WAR Bands

RW provided a paper for the Committee to consider, regarding the publication of Load Factors and WAR bands. He confirmed that details of load factors and WAR bands had been taken out of the Transporter Charging statements and removed from the ENA website, and a number of parties have enquired if this information can be published in a public area rather than within the Xoserve restricted area.

SB suggested that the demand estimation modelling work should be stored within the secured area. However, there was no expressed views as to why the load factors and WAR band data could only be provided via the Xoserve secured area.

RW concluded that he would relay to the Transporter Pricing Managers that there were no perceived issues with releasing the information and that the Transporters could include this data within future Charging Statements.

5. Diary Planning

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

DESC and DESC Technical Workgroup Meetings 2017

Time/Date	Venue	Meeting	Programme
10:00, Wednesday 26 July 2017	Teleconference	DESC Teleconference	<ul style="list-style-type: none"> • Review industry representations • Agree Ad hoc work plan • Current Weather Station review • Seasonal Normal • Communication of Key Messages

10:00, Wednesday 15 November 2017	Solihull (<i>venue to be confirmed</i>)	DESC	<ul style="list-style-type: none"> • Ad hoc analysis progress and NDM sample update • Communication of Key Messages
10:00, Monday 11 December 2017	Solihull (<i>venue to be confirmed</i>)	DESC	<ul style="list-style-type: none"> • Evaluation of Algorithm Performance for GY 16/17 • Communication of Key Messages

DESC Action Table (as at 10 July 2017)					
Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
DESC0201	15/02/17	5.0	To ensure the NDM sample size is more representative Shippers are to provide daily consumption for Domestic 01B sites (March 16 – March 17) for all LDZs except EA, EM, SO, WN.	All Shippers	Closed
DESC0202	15/02/17	7.0	WWU (RW) to update the DESC and DESC TWG TOR and provide an updated version for approval by members/representatives via email.	WWU (RW)	Closed
DESC0203	15/02/17	10.1	Xoserve to provide information of the Unidentified Gas Confidence intervals by LDZ.	Xoserve (MPa)	Closed
DESC0701	10/07/17	1.4	Xoserve to provide an update on the NDM data sample size and how much Shipper data is being obtained at the November meeting, with a view to considering a Cross Code Modification if deemed necessary.	Xoserve (FC)	Pending
DESC0702	10/07/17	5.1	Xoserve to confirm what validations are undertaken for Nominations entered into Gemini.	Xoserve (FC)	Pending