Network Code Development

0739: New Seasonal Demand Derivation and Associated AQ Impacts (Simon Howe (RWE Npower Plc) For) v1.0

Representation For. 0739

"New Seasonal Demand Derivation and Associated AQ Impacts" Version 1.0

Date of Communication: 03/03/2005

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Slant: For **Strictly Confidential:** No

Abstract

Thank you for inviting us to comment on this modification proposal. RWE npower support the implementation of this Modification Proposal.

It is a requirement of the Network Code to review Composite Weather Variables (CWV) after 5 years. This proposal seeks to address some of the known issues with AQs and, importantly, allows for the adjustment of all AQs in this year?s review.

The analysis that has been undertaken by the Demand Estimation Sub Committee (DESC) has been of great interest to us. The results of this exercise clearly show that the revised methodology has removed bias and slightly improved attribution, which was very apparent in spring (overestimating) and autumn (underestimating).

It is our opinion that this initiative of the DESC must be applied across all meters during AQ review and that all AQs reflect the new methodology. Integral to achieving this objective is to ensure that those meters that fail the current criteria for AQ review (i.e. those meters with insufficient or inaccurate meter reads) are also be factored during this years review. Modification Proposal 739 addresses both of these issues and achieves a desirable "all or nothing" approach to AQ calculation.

We hope that these views are constructive and would be happy to discuss the issues further.