

UNC Demand Estimation Sub-Committee Minutes
Wednesday 06 October 2021
via Microsoft Teams

Attendees

Lorraine O'Shaughnessy (Chair)	(LO)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office

Shipper Members (Voting)

Anupa Purewal	(AP)	E.ON
Daniel Stenson	(DS)	Centrica
John Jones	(JJ)	ScottishPower
Katherine Uzzell	(KU)	SSE

Transporter Members (Voting)

Robert Longwe	(RL)	National Grid Alternate
David Mitchell	(DM)	SGN
Paul O'Toole	(POT)	Northern Gas Networks Alternate
Sanjeev Loi	(SL)	Cadent
Smitha Coughlan	(SC)	Wales & West Utilities

Observers (Non-Voting)

Fiona Cottam (<i>AOB item only</i>)	(FC)	Correla on behalf of Xoserve
Jordan Bignell	(JB)	Correla on behalf of Xoserve
Joseph Lloyd	(JL)	Correla on behalf of Xoserve
Mark Perry	(MP)	Correla on behalf of Xoserve
Michael Maguire	(MM)	Correla on behalf of Xoserve
Luke Reeves	(LR)	EDF Energy
Penny Griffiths	(PG)	Correla on behalf of Xoserve
Simon Bissett	(SB)	Correla on behalf of Xoserve

Copies of papers are available at: <https://www.gasgovernance.co.uk/desc/061021>

1. Introduction and Status Review

Lorraine O'Shaughnessy (LO) welcomed everyone to the meeting and especially the new DESC Member, Katherine Uzzell from SSE.

LO also reminded Members of the need to ensure that they formally 'accept' the meeting invites in order that the Joint Office can recognise their intention to attend the meeting.

1.1. Apologies for Absence

Abbie Sheppard, National Grid

1.2. Note of Alternates

Robert Longwe, National Grid for Abbie Sheppard

Paul O'Toole, Northern Gas Networks for Emma Buckton

1.3. Quoracy Status

LO advised that the meeting was quorate.

1.4. Approval of Minutes (21 July 2021)

The minutes of the previous meeting were approved.

1.5. Approval of Late Papers

None to consider.

1.6. Review of Outstanding Actions

DESC0701: Reference *UNC Request 0754R Workgroup Report submission deadline* – Joint Office (RH) to seek a 6 month extension to the current Panel reporting deadline at the August 2021 Panel meeting.

Update: LO explained that at the 05 October 2021 0754R Workgroup meeting parties in attendance had requested that Panel are asked to consider granting a 12 month extension to the current reporting date, in order to enable a more thorough review to be undertaken.

It is noted however, that in granting an unusually large extension, Panel may request the provision of an ‘interim’ report or reports as part of the process.

In light of the above, when asked DESC Members in attendance agreed that the action could now be closed. **Closed**

DESC0702: Reference *the Wales North UIG Error – Wales & West Utilities (AH)* to investigate what happened and what corrective actions were undertaken by WWU to resolve the issue and provide an update as soon as practicably possible (and before the October 2021 DESC meeting).

Update: When LO noted that Mark Perry (MP) had issued an email update on 29 July 2021 whilst at the same time contacting Wales & West Utilities directly, who have now responded, DESC Members in attendance agreed that the action could now be closed. **Closed**

DESC0703: Reference *the Wales North UIG Error – Wales & West Utilities (AH)* to liaise with L Beccano to ensure that this matter is considered at the August 2021 Performance Assurance Committee meeting.

Update: When LO advised that this matter had been discussed at the 17 August 2021 PAC meeting which included discussions on the creation of a new ‘tracker’ style mechanism (ref: AOB item 6.1 below), DESC Members in attendance agreed that the action could now be closed. **Closed**

2. 2021/22 NDM Algorithms Update

Michael Maguire (MM) provided a brief overview of the ‘2021/22 NDM Algorithms Update’ presentation during which the following key points were noted (by exception):

- *Demand Estimation Timetable – 2021, slide 5*
 - Reference the 14 December 2021 date for the ‘*NDM Algorithm Performance – Strands 1 to 3 reviewed (DESC)*’ - more detail is provided under the item 3 presentation below;
- *Demand Estimation Timetable – 2022, slide 11*
 - The ‘*Final Approval of Gas Demand Profiles*’ date of 21 July 2022 has been moved to 19 July 2022;

3. Ad-hoc Workplan Update

Michael Maguire (MM), Simon Bissett (SB) and Penny Griffiths (PG) provided a combined overview of the ‘*Adhoc Workplan Update*’ presentation during which the following key points were noted (by exception):

- *COVID-19 Impact Timeline – Gas Year 2020/21, slide 5*
- *Strand 1, 2 and 3 timescales for discussion at the 14 December Meeting. slide 6*

- *NDM Sample Data: Pre-Payment, slide 10*
 - In noting that the 'original' UNC Modification 0654S '*Mandating the provision of NDM sample data*' related information is now potentially out of date, parties are asked to consider whether the data / information remains appropriate and whether providing updated data would be beneficial. This will be discussed further at the 14 December 2021 DESC meeting with a decision required in March 2022, when the modelling approach for Gas Year 2022/23 will be needed.
- *Work in Progress: slide 11*
 - To help DESC make decisions on the absence of prepayment sample data, It was suggested that selection of a preferred option could be heavily dependant upon who is able to provide meaningful pre-payment data;
 - A cross market spread of request responses for the provision of the data could be beneficial;
 - Suggestion is to issue the request before deciding upon a preferred option;
 - Correla have been promoting the provision of sound data (i.e. data that covers an extended period – monthly / annually);
 - It is felt that if Parties which were impacted by the implementation of 0654S could provide some sample data which along with Class 3 (flagged as pre-payment) data provision, confidence in the underlying data model would improve;
 - It was noted that Correla had already written to industry parties requesting PPM related data and the closeout for submission / provision is 07 October 2021;
 - Parties are requested where possible / available to look to provide pre-payment data which could then feed into the 2022 Modelling;
 - It was pointed out that 2 million PPM's represents circa 10% of the market which is a large portion of the NDM sector to use a demand model with such old data;
 - The recently introduced I&C EUC in Band 1 has improved the accuracy of the NDM allocation which, as a consequence will contribute to reducing UIG;
 - The existing 10 year old pre-payment data remains a concern which would suggest that Option 3 might not be the favoured option;
 - Any feedback on Option 3 would be welcomed;
 - March 2022 might be the date at which Option 3 is invoked, if needed;
 - It was pointed out that all of this data is already available within the DCC and the real question surrounds whether the information can be shared or not, and with whom;

New Action DESC0901: *Reference DCC Pre-Payment Meter related information – Correla (MP) to investigate what data is retained and whether it is suitable for sharing, and if so, between which parties.*

- *Modelling Approach 2022*
 - Following a review of each of the current Holiday Codes and rules which have been in place since 2011, for each holiday period, a discussion on the approach going forward was discussed.
- *Holiday Code Review: Approach, slide 16*

- Q1 - Which holiday periods do DESC particularly think should be reviewed?
 - During discussions, it was suggested that both the May Bank Holiday and January New Year (inc. Scottish provision) requirements should be considered further;
 - Whole year requirements to also be assessed;
 - It was noted that the UNC Request 0754R 'Investigate Advanced Analytic Options to improve NDM Demand Modelling' Workgroup are considering improvements to the models;
 - Flexibility is already present within the system to cater for GB wide holiday requirements;
 - Existing Correla models are more 'generic' in nature;
- Q2 - Which days do DESC members think should be considered for inclusion in a revised definition of the period?
 - See above Q1 comments / observations / suggestions;
- Q3 – Within the preferred definition of the period above, which (if any) reallocations of the current holiday codes should be considered?
 - See above Q1 comments / observations / suggestions;
- Q4 – Any suggestion should be expressed in a way that can be applied to any given past or future year
 - See above Q1 comments / observations / suggestions;

In concluding the discussions, If anyone thinks of anything in the next few weeks, please feedback to PG direct:

- *Sample Handling System Update, slide 19*
 - It was pointed out that the new SAS system would run in parallel with the old database in the initial transition period.

4. NDM Algorithm Review Update

In providing a verbal update which focused on the progress of UNC Request 0754R, Joseph Lloyd (JL) noted the following key items:

- The Request Workgroup was established at the 18 February 2021 Panel meeting¹ with an initial reporting date back to Panel of 18 November 2021;
 - A request to extend the reporting deadline by a further 12 months will be made at the 21 October 2021 Panel meeting;
 - It is anticipated that due to the extension duration, Panel might request an 'interim' report;
- Request is looking at improvements and machine learning developments;
 - Including advances in understanding analysis and machine learning techniques;
 - Including building ALPs & DAFs going forward;
 - DAF consideration ongoing;
 - Weather correction methodology (for DAF purposes) consideration also ongoing;
 - Request is also looking at improvements within the modelling process;

¹ A copy of the 18 February 2021 Panel meeting minutes are available to view and/or download from the Joint Office web site at: <https://www.gasgovernance.co.uk/panel/180221>

- The next Request Workgroup meeting will be scheduled for 30 November 2021, and
 - Any party wishing to attend the meeting please email the Joint Office.

Concluding discussions, JL requested that parties should have a look at the information provided on the Joint Office web site, as this matter also 'links in' to the previous discussions on holiday periods under item 3 above. If anyone has any feedback or comments, please contact him directly.

5. DESC Survey Update

Simon Bissett (SB) provided a brief overview of the '*Demand Estimation Survey Results*' presentation compiled from responses provided at the July 2021 DESC meeting, during which the following key points were noted (by exception):

- *Question 4: slide 4*
 - Demonstrates an improvement from previous survey;

Concluding the consideration of the survey summary results, SB thanked all parties who took the time and effort to provide feedback, before advising that the matter would be considered again at the 14 December 2021 DESC meeting.

6. Any Other Business

6.1. Prototype UIG Allocation Issues 'Tracker' – for discussion

Fiona Cottam (FC) provided a brief overview of the '*draft UIG Allocation Tracker*' document during which she explained that following the recent instances of large Unidentified Gas (UIG) spikes over the Summer caused by large LDZ input errors, and the discussions on this matter at the July DESC and subsequent Performance Assurance Committees (PAC) meeting², a draft prototype of a UIG Allocation Issues Tracker has been created.

When asked, FC confirmed that the tracker would NOT include kWh views.

In providing a brief explanation of the tracker table, FC then advised that she would now look to add two new items to cover the 2018/19 ALP/DAF uplifts and that the proposal is to maintain (and provide regular updates to) the tracker on the Xoserve web site.

When asked, parties indicated that the proposed approach meets with their approval.

Moving on, FC provided an example of the potential lead time aspects, noting that should a 'live' issue become recognised today, it would first be broadcast on the Xoserve News Portal and not necessarily immediately added to the tracker – once the matter is resolved, it would then be added to the tracker list as part of a regular (weekly) update cycle.

When asked, FC advised that she hopes to formally launch the tracker within the next few weeks.

7. Communication of Key Messages

LO advised that the DESC Summary of Key Messages document to be supplied by MP post meeting, would be published on the Joint Office website at:

<https://www.gasgovernance.co.uk/desc/summarykeymessages>

8. Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Time / Date	Venue	Workgroup Programme
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² For more information relating to this item please refer to Action PAC0802 raised at the 17 August 2021 meeting for details. A copy of the PAC meeting minutes can be viewed and/or downloaded from the Joint Office web site at: <https://www.gasgovernance.co.uk/PAC/170821>

10:00 Tuesday 14 December 2021	Microsoft Teams	DESC
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DESC Action Table (as at 06 October 2021)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Target Date	Status Update
DESC 0701	21/07/21	4.	<i>Reference UNC Request 0754R Workgroup Report submission deadline – Joint Office (RH) to seek a 6 month extension to the current Panel reporting deadline at the August 2021 Panel meeting.</i>	Joint Office (RH)	06/10/21	Update provided. Closed
DESC 0702	21/07/21	7.1	<i>Reference the Wales North UIG Error – Wales & West Utilities (AH) to investigate what happened and what corrective actions were undertaken by WWU to resolve the issue and provide an update as soon as practicably possible (and before the October 2021 DESC meeting).</i>	Wales & West Utilities (AH)	06/10/21	Update provided. Closed
DESC 0703	21/07/21	7.1	<i>Reference the Wales North UIG Error – Wales & West Utilities (AH) to liaise with L Beccano to ensure that this matter is considered at the August 2021 Performance Assurance Committee meeting.</i>	Wales & West Utilities (AH)	06/10/21	Update provided. Closed
DESC 0901	06/10/21	3.	<i>Reference DCC Pre-Payment Meter related information – Correla (MP) to investigate what data is retained and whether it is suitable for sharing, and if so, between which parties.</i>	Correla (MP)	14/12/21	Pending