

DEMAND ESTIMATION SUB COMMITTEE

Minutes

Friday 3rd June 2005

10 Old Bailey, London

Attendees

Tim Davis	Joint Office of Gas Transporters
Dennis Rachwal	Joint Office of Gas Transporters
Sallyann Blackett	xoserve
Rohan Desilva	NGT Transmission
Mike Dennis	NGT Transmission
Jacqueline Clark	Scottish Power
Sandra Spence	Scottish Power
Steve Sayles	NGT Distribution
Steve McCaffrey	NGT Distribution
Mo Rezvani	SSE
Michael Potter	EON
Mark Palmer	Shell
Philipa Langford	EdF Energy
Mandeep Singh	Npower
Simon Baker	BGT
Nicholas Rubin	Ofgem
Steve Taylor	BGT
Daron Redwood	BGT
Brian Stoneman	Northern Gas Networks
Anthony Giles	SSE
Tom Bradbury	Ofgem

1. Introduction of Joint Office

The Joint Office were introduced and the DESC were advised that going forward the Joint Office would chair the DESC and the UNC [Chairmans Guidelines](#) will now be used. xoserve and their agents will continue to provide Demand Estimation services for gas transporters as set out in the published UNC [Agency Services Agreement](#).

2. Planned consultation process

xoserve summarised the consultation process as follows:-

Technical Forum / DESC meeting	(H 1.8.1)	3 rd June
NDM proposals published	(H 1.8.1)	30 th June
Close-out for Users representations	(H 1.8.3)	15 th July
Consultation via DESC meeting	(H1.8.4/5/6)	25 th July
Final proposals published	(H 1.9.1)	15 th August (or earlier)

The process also permits the Transporter or User to apply to Ofgem for disapproval of the final proposals within 5 business days of publication. Ofgem has 5 business days to make a determination on such application if this arises.

3. Issues raised at the Technical Forum (morning session)

Slides from the morning Technical Forum are attached to these minutes.

There were no major issues for development of the proposals for this year but there were a number of elements that attendees felt should be considered for the longer term. These included:-

- Options for addressing the decline in the datalogger based sample serving large NDM modelling
- Presentation of sample size relative to the population post AQ changes
- The effects of downward revision of AQ on the bands that sample points fall into
- Discussion of the effectiveness of the Market Sector Flag and implications for analysis Strategy for potential split of 732-2196 MWh band if spring 2006 data and analysis indicates a potential need for this

It was agreed that sample issues would be considered further at the September meeting of DESC.

Action: xoserve agreed to provide information on current population counts by LDZ and SNCWV, SNET information. (Attached – **action closed**)

Action: Ofgem agreed to issue their definition of what constituted a Domestic consumer. [Post meeting note: Ofgem notified that ..the definition found in the Gas Transporters Standard Licence Conditions - i.e. a "premises at which a supply is taken wholly or mainly for domestic purposes." **Action closed.**]

4. Specific Modelling Proposals

To facilitate model accuracy and robustness DESC was asked to consider the following two specific proposals.

4.1 Large NDM Data Aggregation (slide 37)

There was a consensus to proceed with this proposal.

	Cons. Band Analysis	WAR Band Analysis
	(last year)	(last year)
Band 05	By LDZ	By 5 LDZ Groups
(2196 - 5860 MWh pa)	(By LDZ)	(By LDZ)
Band 06	By LDZ	By 3 LDZ Groups
(5860 - 14650 MWh pa)	(By LDZ)	(By 4 LDZ Groups)
Band 07	By 5 LDZ Groups	National
(14650 - 29300 MWh pa)	(By 5 LDZ Groups)	(By 2 LDZ Groups)
Band 08	By 4 LDZ Groups	National
(29300 - 58600 MWh pa)	(By 3 LDZ Groups)	(National)
Band 09	National	--
(> 58600 MWh pa)	(National)	

4.2 Small NDM Proposed Data Aggregation (Slide 91)

This is no change from the currently applied basis of banded aggregation. There was a consensus to proceed with this proposal.

0 – 73.2 MWh pa	Analyse by LDZ (domestic sites only)
73.2 – 293 MWh pa	Analyse by LDZ
293 – 2196 MWh pa	WAR band analysis by LDZ Consumption Band analysis by LDZ (split 293-732 & 732-2196 MWh pa for consumption band analysis)

5. Schedule of Planned Future meetings

25 July 2005 Consultation on 2005 proposals

19 September 2005 - to include consideration of longer term developments.

14 November 2005

12 December 2005