
UNC Demand Estimation Sub-committee Minutes
Monday 29 April 2013
via teleconference

Attendees

Helen Cuin (Chair)	(HC)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Catrina Johnson	(CJ)	Met Office
Colin Thomson	(CT)	Scotia Gas Networks (Member)
Dave Parker	(DP)	EDF Energy (Alternate)
Fiona Cottam	(FC)	Xoserve (Alternate)
James Hanks	(JH)	EDF Energy
Joanna Ferguson	(JF)	Northern Gas Networks (Member)
Louise Gates	(LG)	EDF Energy (Member)
Mark Perry	(MP)	Xoserve
Matt Jenks	(MJ)	RWE npower (Member)
Matthew Jackson	(MJa)	British Gas (Member)
Matthew Perry	(MPe)	Met Office
Richard Bennett	(RB)	Met Office
Richard Pomroy	(RP)	Wales & West Utilities (Member)
Sallyann Blackett	(SB)	E.ON UK (Member)

Meeting papers are available at www.gasgovernance.co.uk/desc/290413

1. Introduction

1.1 Confirmation of membership and apologies for absence

Note of alternates

Dave Parker for Louise Gates (EDF Energy) and Fiona Cottam for Chris Warner (National Grid Distribution) and Paul Tuxworth (National Grid NTS).

Apologies for absence

Paul Tuxworth (National Grid NTS).

2. Review of Minutes and Actions from the previous meeting(s)

2.1. Minutes

The minutes from the previous DESC meeting (08 April 2013) were approved.

2.2. Actions

DE0202: *Modification 0330* - DESC members to provide suggestions for potential service providers.

Update: It was agreed to leave this action open until a final decision is made regarding a Service Provider. **Carried Forward**

DE0401: *Climate Change Methodology Technical Requirements* - Xoserve to produce a provisional timeline clarifying projected progress/conclusion of tender negotiations and data delivery dates.

Update: Under preparation; to be reviewed at the next DESC meeting on 10 May 2013. **Carried Forward**

DE0402: Review the DESC Technical Workgroup ToR and provide comments to the Joint Office if appropriate.

Update: To be reviewed at the next DESC meeting on 10 May 2013. **Carried Forward**

3. **Met Office Update on Weather Station Methodology**

FC confirmed the intention of this meeting was to give the Met Office an opportunity to provide an update on its analysis, with a deadline for any further DESC comments set at Friday 03 May 2013. The documents referred to were published on the Xoserve secure UKLink Docs website (in folder 18 under Weather Station Substitution Methodology). The final review and approval would take place via teleconference on 10 May 2013.

MPe summarised the three key areas the Met Office had been asked to re-assess, giving an overview of each issue and an explanation of the outcomes obtained, together with a recommendation where appropriate.

Shape-Adjusted Interpolation Method – Following feedback on the original proposal this alternative method had been developed and verification tested. It was recommended that this be adopted alongside the linear interpolation method and utilised as appropriate.

Single or Multiple Substitute Stations – MPe outlined the case studies used and the variables tested. The results (tables and graphs) were explained. Having examined the use of single and multiples the Met Office recommended that only one substitute station be used for each weather variable in the generation of complete datasets. A further recommendation was to change the method used for wind speed (linear regression exhibited the inherent effect of smoothing extreme values) to the second best method - Method 3.

Ranking of Substitute Stations for each Weather Variable - Case studies had been included in the report and the data in Table 8 was explained. Differences were due to differences in data availability; some were caused by differences in the ranking of the substitute stations between the weather variables. MPe indicated it was possible to either continue with the original proposed approach (ranking substitute stations independently for each weather variable) or, alternatively, to tie the ranking to that of temperature (this would require more analysis).

CJ explained the options in more detail and FC clarified understanding with further examples. A brief discussion ensued and various views were expressed. FC reiterated that DESC was looking to approve a methodology for an automated process to develop an appropriate dataset. Some members believed it would be good to have a numerical method – the examples of inappropriate winds were slightly concerning. There was then some suggestion that it might be better to go with the original proposal, and it became clear that further thought was required before a preference could be expressed and a decision reached. CJ indicated she was keen to establish something in which the DESC could have confidence. SB commented that it was not immediately obvious which was the better option; making temperature the driver was giving parties pause for thought.

Decisions

The DESC unanimously agreed to adopt the Met Office's recommendations relating to the Shape-Adjusted Interpolation Method and to the Single or Multiple Substitute Stations.

However, no consensus could be reached at this meeting regarding the Ranking of Substitute Stations for each Weather Variable. FC therefore requested that DESC give further consideration to the Met Office's conclusions and recommendations and

submit any comments, together with an indication of the preferred option, by Friday 03 May 2013. Xoserve will write out after the meeting to members summarising the position.

Action DE0403: *Ranking of Substitute Stations for each Weather Variable - DESC to give further consideration to the Met Office's conclusions and recommendations and submit any comments, together with an indication of the preferred option, to Xoserve by Friday 03 May 2013.*

4. Any Other Business

Referring to the Climate Change Methodology Technical Requirements document that had been published, MJa asked if this was final or if it could be amended. FC confirmed that DESC had unanimously approved the document on 08 April, however any feedback on the documents could be considered before finalising the document on/around 10 May 2013 to allow the procurement process to begin.

MJa then explained he had some concerns regarding weather stations that were flagged as 'at risk' on the "**Land Networks Quarterly Report - Utilities (Issued: April 2013)**" and where there potentially would not be sufficient cover in certain areas. FC observed that only 10 of the 25 listed weather stations were used in gas demand. Once the Weather Station Substitution Methodology was approved and applied the most appropriate replacements could be identified. MJa was concerned that this was starting off at a disadvantage – perhaps consideration should be given to excluding the 'at risk' ones, or adopting more to replace them. DP observed that identifying replacements at this stage could be a longwinded process. FC suggested keeping the approach high level whereby the number of weather stations was specified (rather than named); if temperature does get adopted as the driver then less analysis was required. A separate exercise could be carried out to decide preferred substitutes for 'at risk' weather stations. If more weather stations were to be added this might incur more cost (increased scope).

MJa briefly outlined the analysis and its results that had given rise to his concerns. DP believed that because of time pressures there was greater risk associated with delaying the process, rather than in being temporarily without alternative stations. SB stated that she would prefer not to delay any longer. FC reiterated that Xoserve hoped to start the procurement process following the meeting on 10 May 2013; comments received after that point would delay the process. It was suggested that DESC review the weather station list in advance of the meeting and provide any comments and that this section of the document can be reviewed at the DESC meeting on 10 May 2013.

Action DE0404: *Climate Change Methodology Technical Requirements (List of Weather Stations) - DESC to give further consideration to the list and any 'at risk' weather stations and submit any comments to Xoserve prior to the meeting on Friday 10 May 2013.*

5. Diary Planning

Meetings will take place as follows:

DESC and DESC Technical Workgroup Meetings 2013

Date	Time	Venue	Meeting	Programme
Friday 10 May 2013	09:30	Teleconference	DESC	Ratify Weather Station Substitution Methodology DESC TWG ToR approval

Wednesday 22 May 2013	10:30	Consort House, 6 Homer Road, Solihull B91 3QQ	DESC TWG	Review single year modelling results and provide approval to commence model smoothing stage
Wednesday 26 June 2013	09:30	Teleconference	DESC TWG	Review all responses to draft NDM proposals and agree key messages for DESC
Wednesday 10 July 2013	10:30	Consort House, 6 Homer Road, Solihull B91 3QQ	DESC	Review and Approval of 2013/14 NDM Algorithms as recommended by TWG To discuss NDM proposals review and NDM report seeking approval to prepare publication for wider industry
Wednesday 31 July 2013	09:30	Teleconference	DESC	<i>(If required)</i> Review industry representations to 2013/14 NDM algorithms and consider response
Wednesday 13 November 2013	10:30	Energy Networks Association (ENA), Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	DESC	- Evaluation of Algorithm Performance: Strand 1 - SF and WCF - Re-Evaluation of Model Smoothing methodology

Action Table: Demand Estimation Sub-committee

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
DE0202	11/02/13	5.	<i>Modification 0330</i> - Members to provide suggestions for potential service providers.	DESC Members	Carried Forward
DE0401	08/04/13	3.	<i>Climate Change Methodology Technical Requirements</i> - Xoserve to produce a provisional timeline clarifying projected progress/conclusion of tender negotiations and data delivery dates.	Xoserve (FC)	Carried Forward
DE0402	08/04/13	5.	Review the DESC Technical Workgroup ToR and provide comments to the Joint Office if appropriate.	DESC Members	Carried Forward

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
DE0403	29/04/13	3.	<i>Ranking of Substitute Stations for each Weather Variable</i> - DESC to give further consideration to the Met Office's conclusions and recommendations and submit any comments, together with an indication of the preferred option, to Xoserve by Friday 03 May 2013.	DESC Members	Pending
DE0404	29/04/13	4.	<i>Climate Change Methodology Technical Requirements (List of Weather Stations)</i> - DESC to give further consideration to the list and any 'at risk' weather stations and submit any comments to Xoserve prior to the meeting on Friday 10 May 2013.	DESC Members	Pending

Action Table: Demand Estimation Sub-committee – Technical Workgroup

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
DTW0301	19/03/13	4.2	<i>Project Nexus New Allocation Algorithm</i> - Xoserve to provide a report to the DESC summarising the recommendation of the DESC Technical Workgroup (TWG), including supporting evidence and an assessment of the potential impact on UNC.	Xoserve (FC/MP)	Complete
DTW0401	24/04/13	3.1	<i>Large NDM Sample Data</i> - Xoserve to investigate the increased number of failures and establish what can be done with service providers to boost positive outcomes of the sample.	Xoserve (FC/MP)	Pending
DTW0402	24/04/13	3.2	<i>Large NDM Aggregations</i> – Xoserve to review its systems and consider if pairing aggregations could be accommodated/included as a future improvement, and what impacts there might be.	Xoserve (FC/MP)	Pending
DTW0403	24/04/13	4	<i>'Improvements Log'</i> - Xoserve to update for review at the DESC meeting on 10 July 2013.	Xoserve (FC/MP)	Pending