

Demand Estimation Sub-Committee Minutes
Thursday 08 November 2018
Via Teleconference

Attendees

Chris Shanley (Chair)	(CS)	Joint Office	
Kully Jones (Secretary)	(KJ)	Joint Office	
Chris Warner	(CW)	Cadent Gas	Voting Member
Dave Mitchell	(DM)	SGN	Voting Member
Edd Fyfe	(EF)	SGN	
Emma Buckton	(EB)	NGN	Voting Member
Fiona Speake	(FS)	NPower	
Jason Blackmore	(JB)	British Gas	Voting Member
John Jones	(JJ)	Scottish Power	
Joseph LLoyd	(JL)	Xoserve	
Lorraine Edgcumbe	(LE)	E.ON	Voting Member
Louise Hellyer	(LH)	Total Gas & Power	Voting Member
Mark Jones	(MJ)	SSE	Voting Member
Mark Perry	(MPe)	Xoserve	Voting Member Alternate
Mark Palmer	(MPal)	Orsted	
Neil Crompton	(NC)	(SSE)	
Nick Pollard	(NP)	NGN	

Apologies

Smitha Coughlan	(SC)	WWU	Voting Member
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**via teleconference*

Copies of papers are available at: <http://www.gasgovernance.co.uk/DESC/081118>

1. Introduction and Status Review**1.1. Apologies for Absence**

Please refer to the above table.

1.2. Note of Alternates

Mark Perry for Smitha Coughlan

2. Approval of proposed changes to the NDM Demand Estimation Methodology

Mark Perry (MPe) provided a walkthrough of a presentation setting out the objective, background and approach to the changes to the Demand Estimation Methodology (DEM). He confirmed that the key change is the inclusion of 2 additional weather items – precipitation and solar radiation.

MPE then took DESC members through the change marked version of the DEM document which is available on the website (see address above). He clarified that the DEM is a 'UNC related document' and Section H 1.13.4 determines that DESC should provide the final approval of any changes.

He also highlighted that Total Gas & Power had provided some general comments in advance of the meeting raising a slight concern that the removal of the detail of interval could leave industry open to using less data. MPE highlighted that the revised approach was not to be specific about the frequency in the methodology and it would be down to DESC to decide. He went on to clarify that this could mean the frequency of data use could be greater than now and LH accepted this and re-iterated her support for the proposed changes.

Chris Shanley (CS) provided a final reminder of the changes in the DEM before seeking DESC members approval of the changes. All 8 voting members present were in support of the changes.

DESC members unanimously voted for the changes to the Demand Estimation Methodology to include 2 additional weather items – precipitation and solar radiation.

Xoserve will provide Joint Office with an updated (clean) version of the DEM for publication.

In response to a question from EB, LE stated that UNC 0659S – *Improvements to the Composite Weather Variable* is likely to be withdrawn following the DESC decision to change the DEM.

3. **XRN4772 Composite Weather Variable (CWV) Improvements**

MPE introduced this agenda item stating that it is linked to agenda item 2.0 and that the Change Management Committee (ChMC) have asked DESC to review the capture document which has been produced as a result of the change proposal 4772 being raised.

The change proposal is about ensuring the relevant systems and processes are ready to deal with any change in the CWV formula should DESC decide to change it next year and use the additional weather data items agreed as part of agenda item 2.0 in the DEM.

MPE provided a detailed walkthrough of the capture document XRN4772 - Composite Weather Variable (WV) Improvements seeking comments from DESC members to feedback to the DSC Change Committee.

LE asked what the costs are likely to be for the CDSP contract with weather providers. MPE clarified that this is provided in the high-level cost section on page 6 under the additional operation costs which are estimated to be £0-25k. In response to a further question from LE, CS confirmed that detailed delivery plans will be developed as part of the change proposal process/when the change is allocated to a Release.

DESC members had no further comments on the capture document and this will now be progressed. An update on progress of the change will be provided as part of future DESC meetings.

4. **Modification 0654 / Change Proposal XRN4770 Delivery of NDM Sample Data (E.ON Kirsty Dudley)**

MPE stated that UNC 0654 - *Mandating the provision of NDM sample data* relates to Shippers having to support the demand modelling by providing data from their portfolio assuming they meet the appropriate criteria. The change proposal (XRN4770) relates to the reports necessary to support the monitoring of this obligation.

He reported that this agenda item is being considered by DESC because of a DSC Change Management Committee action in relation to some queries regarding the validation that DESC will be performing on the Shipper data.

MPE confirmed that the validation checks will be identical to those performed on the sample data from Transporters. He also confirmed that there are no plans to apply different validations on the Shipper data.

CS reported that the DSC Change Management Committee have closed this action at their meeting on 7 November 2018 as they were aware it was to be covered today, and the committee just wanted DESC to clarify the position. He also stated that currently only 3-4 shipper parties provide NDM sample data, but the expectation is that when more parties provide data there will be some good practice on data quality to be shared to ensure as much of the data can be used as possible.

5. **Future of DE NDM Snapshot report**

MPE provided a presentation titled - *DE NDM Snapshot Report*. The purpose of the brief presentation was to seek feedback on the effectiveness of the report CDSP currently provides to the industry to identify their share of the NDM sample population managed by Xoserve and Transporters.

He highlighted that the purpose of the report was to help minimise daily meter reading equipment (owned by Xoserve and 3rd parties) being removed from sites following visits from gas meter engineers. However, since the introduction of the report in 2010 there has not been a reduction in the number of equipment losses, raising questions about the effectiveness of the report.

FS reported that she had consulted within her organisation and the feedback suggested that the report is not being used and she would be happy for the report to no longer be provided.

MJ queried if the issue is a communication breakdown to the field gas engineers.

DM asked if the equipment can be labelled so that it is not removed. MPE confirmed that Xoserve equipment is labelled but despite this it is removed and disposed of.

New Action 1101: DESC Shipper members to consider the implications of removal of the DE NDM snapshot report with the view to reaching a decision on the future of the report at the December meeting.

New Action 1102: Xoserve to provide more background information (particularly data on the numbers and trends in equipment losses) to support the discussion at the December meeting.

6. Any Other Business

None.

7. Diary Planning

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

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10:00 Monday 10 December 2018	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Evaluation of Algorithm Performance Modelling Approach – Spring 2019 Seasonal Normal Review Update Future of DE NDM Snapshot Report Communication of Key Messages
10:00 Monday 11 February 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Agenda items TBC
10:00 Tuesday 24 April 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Agenda items TBC
10:00 Wednesday 15 May 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Agenda items TBC
10:00 Monday 08 July 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Agenda items TBC
10:00 Monday 22 July 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Agenda items TBC
10:00 Monday 07 October 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Agenda items TBC
10:00 Monday 09 December 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Agenda items TBC

Action Table (as at 08 November 2018)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
DESC 0201	13/02/18	2.0	Xoserve (MA) to provide reconciliation analysis for the SSPs and LSP's (any additional months) for the next meeting.	Xoserve (MA)	Carried Forward
DESC 0703	24/07/18	4.0	All to provide feedback on whether any of the current information is no longer required and what Users would like to see considered in the system going forward. Please send suggestions to the box account: Xoserve.demand.estimate@xoserve.com .	Xoserve (MPe)	Carried Forward
DESC 1001	08/10/18	9.0	DESC members to review the representatives for the DESC Technical Workgroup with the view of providing alternative representatives with appropriate expertise.	DESC Members	Pending
DESC 1002	08/10/18	9.0	DESC members to review the approach documents: Summary of CWV Review 2015; and Final Approach to Seasonal Normal Basis 2015 via the Xoserve secured website (https://www.xoserve.com/index.php/our-systems/extranet-secured-sites). For any enquires contact: xoserve.demand.estimate@xoserve.com .	DESC Members	Pending
DESC 1101	08/11/18	5.0	DESC Shipper members to consider the implications of removal of the DE NDM snapshot report with the view to reaching a decision on the future of the report at the December meeting.	DESC Members	Pending
DESC 1102	08/11/18	5.0	Xoserve to provide more background information (particularly data on the numbers and trends in equipment losses) to support the discussion at the December meeting.	Xoserve (MPe)	Pending