For discussion at DESC – 10th November 2009:

Simon Geen, National Grid NTS has proposed the following amendments to the DESC minutes for 2^{nd} October 2009.

Page 3 paragraph 3

Paragraph 4: "....Under EP2 a warming element was applied to SN an average base and the methodology was differently applied. This gives a small difference but because it is derived slightly differently the mathematical difference is has the potential to be quite large. Using a single set of increments will give a result skewed across 36 years and would give a significantly bigger difference."

This follows on from something I said earlier in the paragraph. The end of this paragraph refers to comments made by Sallyann Blackett. Sallyann stated in the meeting that her corrections were to what she had said. This should be made clear as in

SB commented that using a single set of increments will give a result skewed across 36 years and would give a significantly bigger difference.

I want it made clear that I did not say: "using a single set of increments will give a result skewed across 36 years and would give a significantly bigger difference." This was said by **SB**. I also noticed that my comments could be made clearer although I appreciate that it may now be too late to change them. If not I propose that the paragraph reads

Looking back to the graph, MP asked was it the expectation that it would be somewhere between the two lines? SB believed that it may be quite close to the bottom line (3600). SG commented that the way the base period temperature is calculated gives the difference between the two methodologies; applying increments to the gas industry history would be the xoserve approach. Under EP2-a **the same** warming element was applied to an average base-and the methodology was differently applied calculated **using a different methodology**. This gives a **In a few LDZs the** small difference-but because it is derived slightly differently the mathematical difference has the potential to be quite large **between the two base periods is significant compared to the EP2 warming values**.

SB commented that using a single set of increments will give a result skewed across 36 years and would give a significantly bigger difference.

Page 4 paragraph 1

JA commented that the history of weather data held by National Grid was derived

data and had many gaps; this data must have been cleaned/modified in some

way. Shippers would not be able to replicate it by buying it. SG responded that

new weather station histories had been created for DESC and equations etc, had

also been presented. If these had been kept up to date then Shippers should be

able to match the data. When a weather station changes a new CWV is created

and a history provided (back to 1928) to Shippers. SB pointed out that the issue

was that a SN could not be derived from CWVs under the current approach.

Suggested changes:

JA commented that the history of weather data held by National Grid was derived

data and had many gaps; this data must have been cleaned/modified in some

way. Shippers would not be able to replicate it by buying it. SG responded that, when a weather station had changed in the past,

new weather station histories had been created for DESC and **the** equations **used** had

also been presented.-If these had been kept up to date then Shippers should be

able to match the data. Shippers who purchased temperatures and wind speeds from the Met Office would have been able to use these equations to create their own backfilled temperature and wind speed histories. When a weather station changes a new CWV is created

and a history provided (back to 1928) to Shippers. SB pointed out that the issue

was that a SN could not be derived from CWVs under the current approach.

Page 4 Last paragraph

SG disagreed with this view and stated

that the WP8 report made it clear that the SN base period values were

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calculated separately from the increments, and did not rely upon historical data used in EP2.

Suggested changes:

SG disagreed with this view and stated

that the WP8 report made it clear that the SN base period values **for specific weather stations** were

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calculated separately from the increments, and did not rely upon **the** historical data **for UK climate districts** used **to calculate the increments**-in EP2.