DSC Change Proposal Document

Customers to fill out all of the information in the sections coloured

Xoserve to fill out all of the information in the sections coloured

# A1: General Details

|  |  |
| --- | --- |
| Change Reference: | XRN5584 |
| Change Title: | Procurement of Climate Change Methodology for Demand Estimation Purposes |
| Date Raised: | 02/11/2022 |
| Sponsor Representative Details: | Organisation: | Xoserve  |
| Name: | Paul Orsler |
| Email: | paul.orsler@xoserve.com |
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| Xoserve Representative Details: | Name: | Mark Perry |
| Email: | Mark.j.perry@correla.com  |
| Telephone: | n/a |
| Business Owner: | n/a |
| Change Status: | [x]  Proposal | [ ]  With DSG | [ ]  Out for Review |
| [ ]  Voting | [ ]  Approved | [ ]  Rejected |

# A2: Impacted Parties

|  |  |  |
| --- | --- | --- |
| Customer Class(es): | [x]  Shipper | [x]  Distribution Network Operator |
| [ ]  NG Transmission | [ ]  IGT |
| [ ]  All | [ ]  Other <Supplier, CDSP> |
| Justification for Customer Class(es) selection | Service Area 5 – Demand Estimation Obligations – co-funded and co-benefitting to both parties highlighted |

# A3: Proposer Requirements / Final (redlined) Change

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| Problem Statement: | Under the Uniform Network Code (UNC), the Demand Estimation Sub Committee (DESC) are responsible for reviewing the Composite Weather Variable (CWV) and the Seasonal Normal equivalent, which is often referred to as the SNCWV.Reviews of the CWV formula and Seasonal Normal basis are ordinarily carried out by DESC every 5 years – this is due to the time taken to perform the review and the need for stability. The next Seasonal Normal basis is scheduled to take effect from 1st October 2025. DESC have the option of using a ‘Climate Change Methodology’ (CCM) to adjust historical weather data when deriving the Seasonal Normal basis. In 2012, following a tender process, DESC procured a Climate Change Methodology (CCM) document and associated datasets from the Met Office. The datasets included 10 years of forecast temperature increments (based on the Climate Change Methodology) up to and including September 2025, meaning no data exists for the new Seasonal Normal effective period. Given the impacts of climate change on the average temperate across Great Britain, where we have experienced eight of ten warmest Gas Years in CWV history have been experienced since 2000/01, with six of those years occurring since Gas Year 2013/14, DESC have endorsed that an updated Climate Change Methodology be used to support derivation of Seasonal Normal basis that comes into effect from 1st October 2025. In order to support this, Xoserve will need to procure a new Climate Change Methodology, associated datasets and expertise from a recognised weather data specialist organisation.  |
| Change Description: | Procurement of a new Climate Change Methodology which enables CDSP to gain the following capabilities;Capability to reflect climate change information more accurately into the derivation of Seasonal Normal Basis – allowing for a more reflected dataset to be used in a host of downstream processes.These processes include but are not limited to the following;* NDM Allocation
* Peak Day demand estimation
* Annual Quantity processes
* Reconciliation

CDSP will achieve the above by working with specialist Climate Change expert to help with obtaining the relevant datasets and use their expertise, in conjunction with the Demand Estimation Sub Committee, to develop and deliver a new Climate Change Methodology.   |
| Proposed Release: | Adhoc ReleaseProcurement to be in place by mid-2023 – in readiness for the development of a new Climate Change Methodology and associated datasets by mid-2024 which will allow the production of new SNCWV values by end of 2024, all in readiness for developing profiles by mid-2025 that will take effect from 1st October 2025  |
| Proposed Consultation Period: | [ ]  10 Working Days | [ ]  15 Working Days |
| [ ]  20 Working Days | [x]  Other [Not Applicable] |

# A4: Benefits and Justification

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| --- | --- |
| Benefit Description: | Benefits to all associated processes of having an up to date and accurate Climate Change Methodology which will be used to support the derivation of Seasonal Normal basis. In turn this should improve the accuracy of the values being calculated, using up to date weather data as part of the process.  |
| *What, if any, are the tangible benefits of introducing this change? What, if any, are the intangible benefits of introducing this change?* |
| Benefit Realisation: | Benefits will begin to be realised following the successful appointment of the Climate Change expert, and will ultimately be realised following the definition of a new Climate Change Methodology.  |
| *When are the benefits of the change likely to be realised?* |
| Benefit Dependencies: | N/A |
| *Please detail any dependencies that would be outside the scope of the change, this could be reliance on another delivery, reliance on some other event that the projects has not got direct control of.* |

# A5: Final Delivery Sub-Group (DSG) Recommendations – Removed (see Section C for DSG recommendations)

# A6: Service Lines and Funding

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| --- | --- |
| Service Line(s) Impacted - New or existing  | Service Area 5 – Demand Estimation Obligations |
| Level of Impact | Low – existing service line in Service Description Table  |
| If None please give justification |  |
| Impacts on UK Link Manual/ Data Permissions Matrix  | N/A |
| Level of Impact |  |
| If None please give justification  |  |
| Funding Classes: | Customer Classes/ Funding | Delivery of Change | On-going Budget Amendment  |
| [x]  Shipper | 50 % | 0 % |
| [ ]  National Grid Transmission | 0 % | 0 % |
| [x]  Distribution Network Operator | 50 % | 0 % |
| [ ]  IGT | 100 % | TBC |
| [ ]  Other <please specify> | 0 % | 0 % |
| ROM or funding details: | N/A |
| Funding Comments: | As per DSC Budget and Charging Methodology |

Please send the completed forms to: uklink@xoserve.com

Version Control

# Document

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| --- | --- | --- | --- | --- |
| Version | Status | Date | Author(s) | Remarks |
| 1.0 | Approved | 03/11/22 | P.Orsler | Baselined ahead of Nov22 ChMC |