Demand Estimation Sub-Committee Teleconference – Weather Station Substitution Methodology

18 October 2012

DESC: Objectives of Meeting

- Key objectives of today's meeting:

  - Inform DESC of provisional costs for Weather Station Substitution Methodology and Dataset

  - Provide summary of various cost scenarios

- Desired outcome – obtain DESC confirmation of scope of weather data requirements (stations and data items) to confirm to service provider

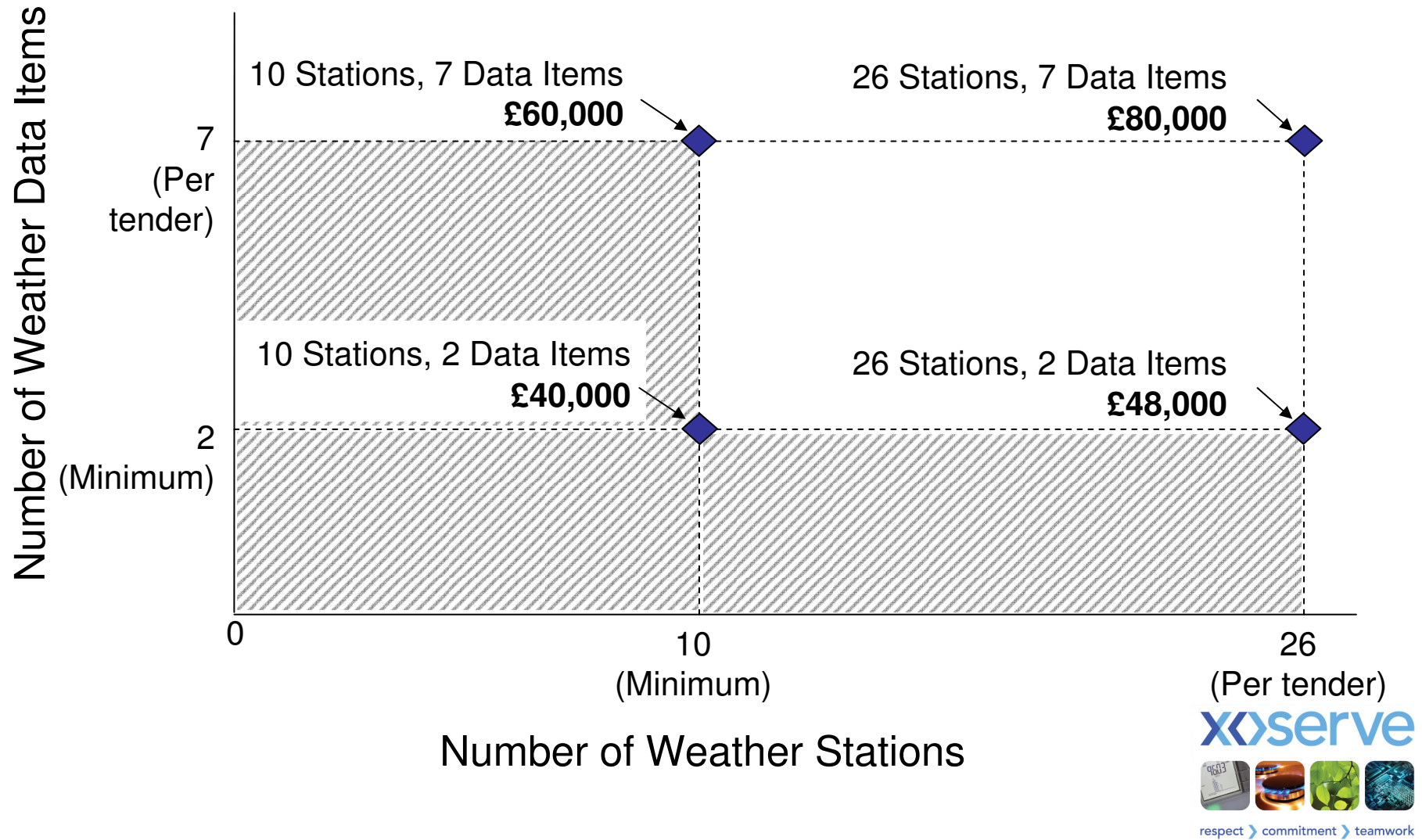xoserve

respect 〉 commitment 〉 teamwork

Background

- Mod 330 introduced Weather Station Substitution Methodology into UNC

- Requirement on Transporters to procure a service provider to:
  - Develop a Methodology
  - Provide a revised industry Dataset

- Technical requirements agreed by DESC

- Xoserve conducted a procurement exercise

- Preferred supplier now selected

Weather Station Substitution Methodology - Costs

- Mod proposal suggested an estimated service provider cost of £20,000

- All bidder costs were significantly higher but …

- Technical requirements included more data items and more weather stations than currently in use

- Bidders were asked to cost various scenarios to help assess impact of additional data …
    - Reduced data requirements would also reduce methodology costs

xoserve

respect 〉 commitment 〉 teamwork

Weather Station vs Data Items Cost Matrix – Approximate total contract costs

Number of Weather Data Items (y-axis)

10 Stations, 7 Data Items **£60,000**

26 Stations, 7 Data Items **£80,000**

7 (Per tender)

10 Stations, 2 Data Items **£40,000**

26 Stations, 2 Data Items **£48,000**

2 (Minimum)

0 | 10 (Minimum) | 26 (Per tender)

Number of Weather Stations

xoserve

respect › commitment › teamwork

Weather Station Substitution Methodology – Next Steps

- Mod Proposal specifies User Pays split 50:50 Transporters: Shippers

- View now requested from DESC – continue with previous scope or reduce data items/and or weather stations to reduce costs

- If DESC is not quorate or cannot reach agreement – scope will have to stay as-is

- Xoserve will hold further negotiations with preferred Supplier – name announced once contract signed

    – Note: these costs exclude Xoserve direct costs

Appendix – Scope of Request per Technical Requirements

- Weather Stations

  - Aberdeen 03091
  - Aberporth 03502
  - **Albemarle 03238**
  - Aviemore 03063
  - Benson 03658
  - **Bristol 03628**
  - Charlwood 03769
  - Church Fenton 03355
  - **Coleshill 03535**

  - **Edgbaston 99028**
  - Edinburgh 03166
  - **Glasgow 03134**
  - **Heathrow 03772**
  - Linton-on-Ouse 03266
  - **Manchester 99029**
  - Marham 03482
  - Plymouth 03827
  - Rhyl 03313

  - **Southampton 99079**
  - **St Athan 03716**
  - **Watnall 03354**
  - Wattisham 03591
  - Woodford 03348
  - Yeovilton 03853
  - Lerwick 03005
  - Stornoway 03026

- Data items
  - **Temperature in °C**
  - **Wind speed in meters per second**
  - Wind direction in °
  - Cloud cover
  - Solar radiation in joules per cm2 (or other specified measure)
  - Relative humidity in %
  - Precipitation in millimetres

Items in bold are minimum current requirements

xoserve

respect 〉 commitment 〉 teamwork