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# Project Nexus Allocation Update

Demand Estimation Sub-Committee

11 February 2013



# Project Nexus Allocation - Approach

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- Work on Project Nexus allocation algorithm commenced in earnest in February 2012 at TWG
- Working on 3 leading options
- Aim to analyse all LDZs for 3 Gas Years for each option and compare key statistical indicators

# Latest Position

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- Progress to date
  - Option A – scaled up Smart meter data
    - analysed WM LDZ for 3 Gas Years
  - Option C – regression analysis against weather data items
    - analysed WM LDZ for 1 Gas Year
  - Option E – amend current algorithm to use actual v SN weather
    - analysed all LDZs for 3 Gas Years
  - Summary of impacts of each option on UNC drafted
- Option A and C – estimate completion by end of Feb 2013
- Next TWG meeting 4 March
- Final decision at that meeting is unlikely

# DESC Checkpoint

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- Discussion at TWG on 28 Jan
  - Lack of available data for Option A
  - Considerable effort required for Option C
  - Pressure to make a recommendation to support Project Nexus legal drafting
  - Is it appropriate to cease analysis and recommend Option E
- TWG view – prefer to continue with analysis – raise at DESC to gain views
- DESC views now welcome