

## UNC Demand Estimation Sub-committee Minutes

### Friday 10 May 2013

### via Teleconference

#### Attendees

Helen Cuin (Chair)	(HC)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Catrina Johnson	(CJ)	Met Office
Colin Thomson	(CT)	Scotia Gas Networks (Member)
Dave Parker	(DP)	EDF Energy
Fiona Cottam	(FC)	Xoserve (Alternate)
Louise Gates	(LG)	EDF Energy (Member)
Mandeep Pangli	(MPa)	Xoserve
Mark Perry	(MP)	Xoserve
Mark Russell	(MRu)	RWE npower (Alternate)
Matthew Jackson	(MJa)	British Gas (Member)
Matthew Perry	(MPe)	Met Office
Mo Rezvani	(MR)	SSE (Member)
Richard Bennett	(RB)	Met Office
Sallyann Blackett	(SB)	E.ON UK (Member)

Copies of all papers are available at: [www.gasgovernance.co.uk/DESC/100513](http://www.gasgovernance.co.uk/DESC/100513)

#### 1. Introduction

The meeting was declared quorate.

##### 1.1. Apologies for absence

M Jenks (RWE npower)

##### 1.2. Note of Alternates

M Russell for M Jenks (RWE npower) and F Cottam for C Warner (National Grid Distribution).

#### 2. Status Review

##### 2.1. Minutes

The minutes from the previous DESC meeting (29 April 2013) were approved.

##### 2.2. Actions

**DE0202: Modification 0330** - DESC members to provide suggestions for potential service providers.

**Update:** It was agreed to leave this action open until a final decision is made regarding a Service Provider. **Carried Forward**

**DE0401: Climate Change Methodology Technical Requirements** - Xoserve to produce a provisional timeline clarifying projected progress/conclusion of tender negotiations and data delivery dates.

**Update:** FC provided some slides illustrating the interdependencies and a provisional timeline for the procurement of the climate change methodology. FC suggested setting a concise and reasonable timeframe within the Technical Requirements in which the Service Provider should carry out the work, as an output was needed by mid summer

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next year and Xoserve would need to do further work. MP added that wind speed and temperature could be prioritised, leaving other data items as a lower priority if necessary. The DESC considered this to be appropriate. **Complete**

**DE0402:** Review the DESC Technical Workgroup ToR and provide comments to the Joint Office if appropriate.

**Update:** No comments were received; see 4.0, below. **Complete**

**Action DE0403:** *Ranking of Substitute Stations for each Weather Variable* - DESC to give further consideration to the Met Office's conclusions and recommendations and submit any comments, together with an indication of the preferred option, to Xoserve by Friday 03 May 2013.

**Update:** See item 3.0 below. **Complete**

**Action DE0404:** *Climate Change Methodology Technical Requirements (List of Weather Stations)* - DESC to give further consideration to the list and any 'at risk' weather stations and submit any comments to Xoserve prior to the meeting on Friday 10 May 2013.

**Update:** MJ had provided comments to Xoserve and these had been circulated to Members for consideration. MJ briefly summarised his concerns, which related to weather stations 'at risk' and coverage across LDZs. Members considered the positions of Church Fenton and Hulme Library weather stations.

*Church Fenton* - It was agreed this should remain, as it was useful to retain its history and no suitable replacement had been identified; the substitution methodology would be used at the appropriate time.

*Hulme Library*- This had no definite closure date but was still considered a serious risk (its nearest replacement station was also at risk, though in the longer term.) There was reluctance to drop this weather station as it was still in use, and it was suggested that its replacement should be approached in a controlled fashion at the start of the gas year 2014, perhaps replacing with Rostherne or Hawarden, depending on the circumstances of either site at the time. Following a brief discussion it was agreed to add in Hawarden and remove Aviemore.

*LDZ Coverage* - MJ observed that EM and NO LDZs only have one weather station and no cover in the list. Whilst acknowledging the risks, Members recognised there were no real alternatives to offer as additional cover for these LDZs and it was agreed that this situation would remain.

*Other weather stations at risk* – Members noted there were other weather stations at less serious risk, and parties would try to obtain more certainty from the Met Office in respect of this continual problem.

Xoserve will procure against the updated list of weather stations, having replaced Aviemore with Hawarden, as agreed in these discussions. **Complete**

### 3. Ratify Weather Station Substitution Methodology

Referring to the additional work undertaken by the Met Office, which DESC had considered at its last meeting, FC recapped on the current position. There had been no comments on the outcomes of the first two pieces of work. However closer consideration of the third piece of work (making temperature the lead data item for all substitutions) led to a number of parties inclining towards asking the Met Office to do the extra analysis required to implement this change to the Methodology, which the Met Office has indicated would require approximately an extra 2 weeks.

MR asked about the costs and impacts of this extra work to the Climate Change Methodology (CCM) and SB asked about the impacts to a new seasonal normal basis.

FC re-iterated that the procurement for the CCM work could not commence until the WSSM had been ratified by DESC. FC estimated an 8 – 10 week procurement process with an estimated delivery early summer 2014, with the new Seasonal Normal basis being available for 2015.

In order to avoid further delay DP asked if DESC could ratify the Weather Station Substitution Methodology at this meeting on the basis that DESC agree to the document being changed to reflect temperature as the lead variable when selecting substitute stations. MR and SB confirmed they would be happy with this approach. FC expressed concern in respect of an audit trail, and explained that, to be ratified, the methodology document would first need to be updated to describe and reflect what was being agreed (i.e. temperature as lead variable) before it could be formally approved/signed off. CJ observed that the weather station substitution table and several sections within the report would need to be updated, and it would take a few weeks for 'the paperwork' to reflect what had been agreed. FC added there would be work to do to update the methodology and the Met Office tools, so there would be a 3-4 week delay in starting on the datasets.

Satisfaction with the principles put forward was expressed, and a general consensus to agree the methodology on the understanding that there will be a four/five week delay before the updated WSSM document will be updated followed by the commencement of the derived dataset work. All participant Members/Alternates voted in favour.

*Next Steps*

FC confirmed that Xoserve will instruct the Met Office to update the Weather Station Substitution methodology and will provide a new document (reflecting these discussions) and then look to commence dataset preparations.

**Action DE0501: Xoserve to instruct the Met Office to update the Weather Station Substitution methodology, and provide a new document.**

CJ expressed the Met Office's appreciation to the DESC for their support and contributions to the work in hand.

**4. DESC TWG Terms of Reference (ToR) Approval**

No comments had been received regarding the proposed changes.

The revised ToR were approved by DESC and will be published on the Joint Office website.

**5. Any Other Business**

None raised.

**6. Diary Planning**

Meetings will take place as follows:

**DESC and DESC Technical Workgroup Meetings 2013**

Date	Time	Venue	Meeting	Programme
Wednesday 22 May 2013	10:30	Consort House, 6 Homer Road, Solihull B91 3QQ	DESC TWG	Review single year modelling results and provide approval to commence model smoothing stage
Wednesday 26 June 2013	09:30	Teleconference	DESC TWG	Review all responses to draft NDM proposals and agree key messages for

				DESC
Wednesday 10 July 2013	10:30	Consort House, 6 Homer Road, Solihull B91 3QQ	<b>DESC</b>	Review and Approval of 2013/14 NDM Algorithms as recommended by TWG  To discuss NDM proposals review and NDM report seeking approval to prepare publication for wider industry
Wednesday 31 July 2013	09:30	Teleconference	<b>DESC</b>	<i>(If required)</i> Review industry representations to 2013/14 NDM algorithms and consider response
Wednesday 13 November 2013	10:30	Energy Networks Association (ENA), Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<b>DESC</b>	Evaluation of Algorithm Performance: Strand 1 - SF and WCF  Re-Evaluation of Model Smoothing methodology

**Action Table: Demand Estimation Sub-committee**

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
<b>DE0202</b>	11/02/13	5.	<i>Modification 0330</i> -Members to provide suggestions for potential service providers.	DESC Members	<b>Carried Forward</b>
<b>DE0401</b>	08/04/13	3.	<i>Climate Change Methodology Technical Requirements</i> - Xoserve to produce a provisional timeline clarifying projected progress/conclusion of tender negotiations and data delivery dates.	Xoserve (FC)	<b>Complete</b>
<b>DE0402</b>	08/04/13	5.	Review the DESC Technical Workgroup ToR and provide comments to the Joint Office if appropriate.	DESC Members	<b>Complete</b>
<b>DE0403</b>	29/04/13	3.	<i>Ranking of Substitute Stations for each Weather Variable</i> - DESC to give further consideration to the Met Office's conclusions and recommendations and submit any comments, together with an indication of the preferred option, to Xoserve by Friday 03 May 2013.	DESC Members	<b>Complete</b>

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
DE0404	29/04/13	4.	<i>Climate Change Methodology Technical Requirements (List of Weather Stations)</i> - DESC to give further consideration to the list and any 'at risk' weather stations and submit any comments to Xoserve prior to the meeting on Friday 10 May 2013.	DESC Members	Complete
DE0501	10/05/13	3.	Xoserve to instruct the Met Office to update the Weather Station Substitution methodology, and provide a new document.	Xoserve (FC)	Pending

**Action Table: Demand Estimation Sub-committee – Technical Workgroup**

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
DTW0301	19/03/13	4.2	<i>Project Nexus New Allocation Algorithm</i> - Xoserve to provide a report to the DESC summarising the recommendation of the DESC Technical Workgroup (TWG), including supporting evidence and an assessment of the potential impact on UNC.	Xoserve (FC/MP)	Complete
DTW0401	24/04/13	3.1	<i>Large NDM Sample Data</i> - Xoserve to investigate the increased number of failures and establish what can be done with service providers to boost positive outcomes of the sample.	Xoserve (FC/MP)	Pending
DTW0402	24/04/13	3.2	<i>Large NDM Aggregations</i> – Xoserve to review its systems and consider if pairing aggregations could be accommodated/included as a future improvement, and what impacts there might be.	Xoserve (FC/MP)	Pending
DTW0403	24/04/13	4	<i>'Improvements Log'</i> - Xoserve to update for review at the DESC meeting on 10 July 2013.	Xoserve (FC/MP)	Pending