

UNC Demand Estimation Sub-committee Technical Workgroup Minutes
Wednesday 22 May 2013
Consort House, 6 Homer Road, Solihull B91 3QQ

Attendees

Helen Cuin (Chair)	(HC)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Chris Hill*	(CH)	Cornwall Energy
Colin Thomson*	(CT)	Scotia Gas Networks
Fiona Cottam	(FC)	Xoserve
James Hanks*	(JH)	EDF Energy
Joseph Lloyd	(JL)	Xoserve
Louise Gates*	(LG)	EDF Energy
Mandeep Pangli	(MPa)	Xoserve
Mark Perry	(MP)	Xoserve
Matt Jackson	(MJ)	British Gas
Mo Rezvani	(MR)	SSE
Sallyann Blackett	(SB)	E.ON UK
Zoe Ireland*	(ZI)	British Gas

*via teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/desc/220513

1. Introduction**1.1 Confirmation of Representation and apologies for absence**

No apologies were received.

2. Review of Minutes and Actions from the previous meeting(s)**2.1 Minutes**

The minutes of the previous meeting (24 April 2013) were accepted.

2.2 Actions

DTW0401: Large NDM Sample Data - Xoserve to investigate the increased number of failures and establish what can be done with service providers to boost positive outcomes of the sample.

Update: FC confirmed that the validated dataset had been reviewed. Xoserve and the Transporters will be focusing on sites with zero consumption. Priority will be given to those located in LDZs/Bands that are underperforming. A more realistic view of sample sizes may need to be developed going forward. It will be at least 6-12 months before the benefits from this work will start to become evident. A report on sample sizes will be made in November.

Complete

DTW0402: Large NDM Aggregations – Xoserve to review its systems and consider if pairing aggregations could be accommodated/included as a future improvement, and what impacts there might be.

Update: FC confirmed that this had been examined, however it was not feasible at the moment. The suggestion has been added to the Improvements Log for future consideration.

Complete

DTW0403: 'Improvements Log' - Xoserve to update for review at the DESC meeting on 10 July 2013.

Update: The Improvement Log had been updated published with today's papers. DESC will review the items and consider priority at the meeting on 10 July 2013. **Carried Forward**

3. Progress on Single Year Modelling results – Small and Large NDM (2012/13 data)

MP outlined the purpose of NDM modelling and reminded the group of the changes made to UNC TPD Section H following implementation of Modification 0331 and the responsibilities that had devolved to DESC. The 2013 Workplan timetable was revisited.

The key objective of the meeting was to review and confirm the results of the single year EUC Modelling and to seek the DESC TWG's agreement to the single year models, before progressing with the next phase.

Responding to a question regarding warm-weather cut offs, FC explained this had been in place since 2003 (before the advent of Xoserve). MR suggested that this might need review to establish if still appropriate. FC suggested that, as a first step, Scaling Factors could be revisited to see if any trends were evident, before addressing collars/cut offs and reasons for those. MR suggested adding this topic to the Improvements Log for further consideration, and FC indicated that she might try and establish the historical background to the original application decisions made in this area. The modelling methodology was described in greater detail in Appendices 3 and 4 of the NDM Report.

MP explained the purpose of the analysis and the tools used, including the use of Indicative Load Factors (ILFs) and Load Factors (LFs). Analysis content and format improvements were highlighted. JL confirmed that all coefficients were significant and gave a brief explanation.

3.1 Discussion of results and confirm way forward

MP confirmed that all of the sample data used will be available to Users and is expected to be published on the Xoserve website by the end of next week. This will be available on Xoserve's UKLink Documentation secure website; once this is ready an email will be issued confirming the exact location of all the files.

Small NDM Analysis (<2,196 MWh)

A summary of the data was presented and considered.

EUC Band 1 – Results were comparable to the previous year.

EUC Band 2 – Results satisfactory.

EUC Band 3 - Model comparison results (WS and WS/SW combined) were considered and discussed. JL explained the use of the T-Statistic. Given there was no marked improvement evident by aggregating WS and SW, the consensus view of the TWG was to retain individual modelling of LDZs rather than in combination. It was therefore agreed to model WS separately rather than combine with SW.

EUC Band 4 - Results satisfactory.

Small NDM Analysis (<2,196 MWh) – WAR Band Analysis

The WAR Bands were discussed and members questioned whether the "UK Link Replacement Programme" (formerly Project Nexus) was reviewing EUC and WAR Band boundaries. FC responded that work was being done by Xoserve under an Adhoc piece of analysis, on reviewing the current EUC Bandings, but not on WAR Bands at present. The subject of whether winter consumption should be actual or seasonal normal in the WAR calculation was raised. Pointing out that the difficulty was in knowing what weather correction to use, FC explained current use. (The choice of EUC/WAALPs and the number of months' consumption can determine the output.) WAR Bands may require more thought in the future, but a change cannot be effected for this year.

A summary of the data was then presented and considered. The TWG agreed to move to model smoothing.

Large NDM Analysis (>2,196 MWh)

FC confirmed that ad hoc analysis on the EUC Bands was being carried out and will be reported on in the summer. EUC Bands may well be rationalised and become more flexible in the future (this level of detail was lower than that needed under UK Link Replacement or UNC requirements). There was no plan to get rid of the NDM regime and DESC will still be required to oversee and agree any changes. FC briefly explained what the future process was expected to deliver. The potential enhancements and additional flexibility were being considered by Xoserve internally (EUC Bands are no longer prescribed).

A summary of the data was then presented and considered.

EUC Band 5 - Results were comparable to the previous year.

EUC Band 6 - Results were comparable to the previous year.

EUC Band 7 - Model comparison results (by 5 LDZ groups and by 4 LDZ groups) were considered and discussed. The consensus view of the TWG was to follow Xoserve's recommendation. It was therefore agreed to proceed with modelling the 4 LDZ groups where SC Demand is combined with NO, NW and WN.

EUC Band 8 - Model comparison results (by 4 LDZ groups and by 3 LDZ groups) were discussed, and the evidence for improvements together with the potential detrimental effects on other groupings was given close consideration. The consensus view of the TWG was that the 4 LDZ grouping was slightly better. This would also be consistent with the previous year's modelling. It was therefore agreed to proceed with modelling the 4 LDZ groups where EA, NT and SE form one group and WS, SO and SW form another.

EUC Band 9 - Results satisfactory.

Large NDM Analysis (>2,196 MWh) – WAR Band Analysis

A summary of the data was presented. It was noted that the new aggregations suggested for WAR Band 5 could not be accommodated.

Results for all Bands were considered to be satisfactory. The TWG agreed to move to model smoothing.

Next Steps

Noting the agreements reached in the course of the discussions, MP confirmed that Xoserve would now commence the model smoothing, and contact the TWG as appropriate should other interim decisions be required.

4. Any Other Business

4.1. Day of the Week Patterns and Scaling Factors

SB enquired whether there was any evidence to support that putting in different profiles was having an effect. Responding that no evidence had been apparent so far, FC explained the next step was to review actual NDM sample gas usage and that she was hoping to detect any trends.

4.2. Change to Gas Day

SB drew attention to EU proposals to change the Gas Day times from 06:00 to 05:00 to align with the European market, and that DESC might need to identify and consider any impacts and respond to this major change.

4.3. Weather Station Substitution Methodology

Noting that this was a matter for the DESC and this was for the DESC TWG's information only, FC advised the TWG that in the course of completing the final piece of work, the Met Office had raised a further question: Should any station that does not record an hourly temperature be excluded as a substitute, or can the Met Office build a correlation based on other factors?

FC confirmed that she would be sending a note to DESC members seeking views on a preferred approach, and was expecting to hold a further meeting in June to finalise acceptance of the Weather Station Substitution Methodology document, and to consider the replacement for Hulme Library weather station.

5. Diary Planning

The following meetings have been planned.

DESC and DESC Technical Workgroup Meetings 2013

Date	Time	Venue	Meeting	Programme
Tuesday 18 June 2013	09:30	Teleconference	DESC	Acceptance of the final Weather Station Substitution Methodology document Replacement for Hulme Library
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	DESC	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	DESC	<i>(If required)</i> Review industry representations to 2013/14 NDM algorithms and consider response
Wednesday 13 November 2013	10:30	Energy Networks Association, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	DESC	Evaluation of Algorithm Performance: Strand 1 - SF & WCF Re-Evaluation of Model Smoothing methodology

Action Table: Demand Estimation Sub-committee – Technical Work Group

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
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)	Complete
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)	Complete

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
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)	Carried Forward

Action Table: Demand Estimation Sub-committee

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
DE0202	11/02/13	5.	<i>Modification 0330</i> - Members to provide suggestions for potential service providers.	DESC Members	Carried Forward