

# UNC Demand Estimation Sub-committee Technical Workgroup Minutes

## Wednesday 24 April 2013

### via teleconference

#### Attendees

Helen Cuin (Chair)	(HC)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
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
Roy Malin	(RM)	National Grid Distribution
Sallyann Blackett	(SB)	E.ON UK

Copies of all papers are available at: [www.gasgovernance.co.uk/desc/240413](http://www.gasgovernance.co.uk/desc/240413)

#### 1. Introduction

##### 1.1 Confirmation of Membership and apologies for absence

Apologies had been received from P Tuxworth (National Grid NTS) and C Thomson (Scotia Gas Networks). Both parties had appointed F Cottam (Xoserve) as their Alternate.

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

##### 2.1 Minutes

The minutes of the previous meeting (19 March 2013) were accepted.

##### 2.2 Actions

**DTW0301: Project Nexus New Allocation Algorithm** - 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.

**Update:** FC confirmed that the Project Nexus NDM Estimation Formula - DESC Recommendations report had been approved by DESC and provided to the Project Nexus Workgroup on 23 April 2013. National Grid Distribution have since raised UNC Modification 0453 – Project Nexus – Demand Estimation to take this forward.

**Complete**

#### 3. Spring Analysis – Phase 1: Data Validation and Aggregations

MP outlined the objectives of the meeting, which was to inform the TWG of numbers of validated data sets collected, and to consider the most appropriate data sets and aggregations to apply to the most recently available sample data. TWG agreement was being sought prior to commencing next phase of Modelling, regarding sample sizes, agreed aggregations and WAR Band Limits.

Attention was drawn to the inclusion of the timetable in the Spring Approach document. MP recapped on the purpose and basis of the 2013 NDM modelling, and the timetable.

A summary of the data was presented, and reference was made to spreadsheet information previously provided to parties in advance of the meeting.

### 3.1 Background and Summary of Validated Sample Data

The committee noted that the Large NDM sample had seen a significant reduction in numbers. SB asked if Xoserve was concerned that there were more failing on consecutive zeroes, particularly for large NDMs. FC confirmed that Xoserve are reviewing inactive sites presented with a zero consumption and will inform the Transporters for further investigation. MP explained sometimes equipment is removed, but the site remains on the reads file. SB asked if there was a concern with more missing reads. Xoserve reassured the committee that they are discussing improvements to boost the sample sizes and data quality with service providers.

SB expressed concerned about the number of gaps. FC explained that some sites would not be included until a full year's data had been acquired. FC confirmed that the data had only just been made available and it was still being assessed. MP reassured the committee where a site has not sent in data this would trigger an investigation. FC responded that investigating large NDMs involved the cooperation of numerous parties and so resolution is that much more difficult. SB suggested splitting out sites not valid for half the year from the others. It was noted that there had been a decrease in 'spikes' and that was positive.

**Action 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.***

### 3.2 Small NDM – Proposed Aggregations and WAR Band Limits

MP proposed two modelling runs for Band 3 WS LDZ, WS on its own, and combined with SW. Based on the results obtained no changes to EUC definitions for Gas Year 2013/14 were proposed. Separate ad hoc analysis was being performed outside of the formal modelling cycle, to see if better groupings might be obtained.

It was proposed to merge Band 3 and Band 4 data, modelling all LDZs separately except for NW and WN which would be combined, and WS and SW which would be combined. TWG participants agreed to the ratios proposed.

### 3.3 Large NDM – Proposed Aggregations and WAR Band Limits

Proposed Aggregations - Xoserve suggested doing two modelling runs for Band 8, for 3 groups of LDZs and for 4 groups of LDZs. SB preferred a bigger number of groups where possible. MP agreed to undertake a couple of extra modelling runs for Bands 7 and 8.

The WAR Band groupings for EUC Band 5 were discussed and new pairings were suggested. FC explained that the developing and testing of different aggregations not currently coded would be quite challenging. SB preferred individual modelling or by pairs, not to group LDZs because of geographical differences and believed some of the LDZs could be run on their own for example NE, EM and WM. FC believed it may be feasible to separate LDZs, but creating new aggregations at short notice would be more difficult. Xoserve agreed to review the feasibility of individual LDZs and log pairings as a future consideration. MP noted pairings for consideration: EA and NT, SE and SO, WS and SW, NO and NW and WN. Scotland would be kept separate where possible.

**Action 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.***

TWG participants agreed to the ratios proposed.

For Band 6, 3 groups of LDZs and WAR Band ratios were agreed. For Bands 7 and 8, no comments were received.

MP summarised that:

- the proposals had been accepted for Small NDMs, and that extra modelling runs would be done as discussed
- Large NDM EUC 5 WAR Bands - LDZs would be modelled as groups and as individuals, and that the impacts of various pairings would be assessed

- Bands 6, 7 and 8 – the proposed ratios and groupings had been accepted.

#### 4. Next Steps

Xoserve will commence single year modelling, and may contact the TWG via email (rather than convening a specific meeting) for any decisions that are required at short notice. The results will be presented to the TWG on 22 May 2013.

Following discussions, Xoserve agreed to update the 'Improvements Log', for review at the DESC meeting on 10 July 2013.

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

#### 5. Any Other Business

None raised.

#### 6. Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/Diary](http://www.gasgovernance.co.uk/Diary)

#### DESC and DESC Technical Workgroup Meetings 2013

Date	Time	Venue	Meeting	Programme
Monday 29 April 2013	09:30	Teleconference	DESC	MET Office methodology update
Friday 10 May 2013	09:30	Teleconference	DESC	Ratify Weather Station Substitution Methodology DESC TWG ToR approval
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	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	(If required) 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
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

#### 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
DE0301	11/03/13	4.1	Xoserve to revise draft Climate Change Methodology Technical Requirements document for further consideration.	Xoserve (FC)	Closed
DE0401	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)	Pending
DE0402	08/04/13	5.	Review the DESC Technical Workgroup ToR and provide comments to the Joint Office if appropriate.	DESC Members	Pending