

UNC Demand Estimation Sub-committee Technical Workgroup Minutes

Wednesday 26 June 2013

Via Teleconference

Attendees

Helen Cuiin (Chair)	(HC)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Colin Thomson	(CT)	Scotia Gas Networks
Fiona Cottam	(FC)	Xoserve
James Hanks	(JH)	EDF Energy
Joseph Lloyd	(JL)	Xoserve
Mark Perry	(MP)	Xoserve
Matt Jackson	(MJ)	British Gas
Sallyann Blackett	(SB)	E.ON UK

Copies of all papers are available at: www.gasgovernance.co.uk/desc/260613

1. Introduction

1.1. Apologies for absence

P Tuxworth (National Grid Transmission), J Ferguson (Northern Gas Networks), R Pomroy (Wales & West Utilities).

1.2. Note of Alternates

F Cottam (Xoserve) for C Warner (National Grid Distribution), P Tuxworth (National Grid Transmission), J Ferguson (Northern Gas Networks), Richard Pomroy (Wales & West Utilities).

2. Status Review

2.1 Minutes

The minutes of the previous meeting (22 May 2013) were accepted.

2.2 Actions

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

Update: It was agreed that the Improvement Log presentation considered on the 22 May 2013 would be republished under the 10 July 2013 meeting web page. **Complete**

3. Review of TWG responses to draft NDM proposals and agree key messages for DESC

MP gave a presentation, providing a recap of the Workplan timetable, a summary of the modelling statistics for small and large NDMs and how these had changed since the previous year. Feedback on the draft NDM proposals had been received from E.ON on 25 June 2013. The group reviewed the comments provided by E.ON.

Query 1 - DAF Summer Shape

Referencing the EUCs in E.ON's document, MP indicated that the underlying characteristics of the smoothed model in each case had changed. In both cases all three of the single years contributing to the smoothed model had exhibited no cut-off, whereas in last year's smoothed model, one year had a 'best-fit' cut-off applied. The cut-off for the latest smoothed model was therefore the max CWV. This has an impact on the model and how the SND is calculated.

What drives the underlying behaviours could only be determined with a detailed further investigation of consumption of the sample sites.

However, JL indicated that in the case of both EUCs the oldest year, namely 2009/10 analysis had dropped off; it could therefore be argued that the DAF has caught up to a more realistic position reflecting the most recent behaviour.

SB asked if it would be reasonable to follow this pattern for the next year. SB believed that the modeling from Spring to Summer was not as good as Winter modeling (referred to Scaling Factor), and challenged the inherent complexities.

FC explained that Xoserve had followed the process, as described in the Spring Approach document, for examining the data available. She questioned if there was anything that needed to be considered to make the process more robust, if there was something more systematic that can be considered for the future. SB believed there was not an easy answer with looking at the numbers and overlaying rules, as the change has flattened the relationship due to the cut-off. FC also highlighted the impact of increased weather sensitivity.

MP suggested adding some general points to the workplan, regarding warm weather and how the summer is looked at, suggesting this may need some revision.

SB expressed that she was not unhappy with the answers or identifying a fundamental flaw, but felt there was a need to reassess if the views generated were right or not, and establish a realistic perception of what might be expected. She also suggested looking at how allocation of energy is affected. FC indicated that an ad hoc assignment could be added to the list: *Reviewing actual sample consumptions against summer profiles*. This will be added to the programme and assigned a level of priority at the next DESC meeting in July; DESC can discuss what analysis and tests might be required.

Query 2 – NW: 1307W04 and WN: 1307W04 have been kept high over the summer

MP pointed out that the models highlighted were identical as they were based on the same demand and CWVs. In explaining the differences in the ALP profiles MP again referred to the characteristics of the smoothed model. This particular year the smoothed model had exhibited a summer reduction whereas it had not satisfied the criteria in the previous 2 years. In addition to this the cut-off value had also reduced. MP explained the impacts to the model's SND calculation and why higher values would be seen. In last year's smoothed model there were only twelve days when the best-fit cut off CWV was used, whereas this year an additional 60+ days had been 'impacted' due to the reduction in the best-fit cut-off. JL gave an additional explanation as to why the SND had been kept artificially higher and the pattern was distinct. FC observed that it was a different level rather than a new phenomenon.

SB challenged if the weather correction continued to be as accurate, for example not including rainfall as this does have an effect.

FC referred to the cut-offs and the close alignment year on year at the point demand drops off; she observed it was fairly consistent behaviour and perhaps it was indicative of the summers the UK is experiencing.

Query 3 - Early May Bank Holiday ALP shape

MP summarised and clarified the rules regarding the Early May Bank Holiday and how they were applied. The Holiday Factors for the smoothed WS model have changed by 6% and 3% (Holiday Codes 9 and 10), and indicates a smaller reduction in demands over this period. It was difficult to know why the holiday factors resulting from the sample data was edging towards 1 for this EUC, but that was the result of applying the rules to the sample data when grouping particular Holiday Codes together. MP clarified that the 2011 Royal Wedding was classed as Holiday Code 9.

*E.ON's general comments**a) Modification 0330 – progress*

FC confirmed that Seasonal Normal could not be changed for this coming year. The tender is out with the preferred Service Provider and a response is expected this week. Xoserve had specified an end date of June next year as a target; if the Service Provider cannot meet that then DESC would reconsider the options going forward. DESC's requirements have been given to the Service Provider which includes ensuring that key DESC Stakeholders are actively involved in monitoring everything during the project once a service provider has been selected.

b) Scaling Factor - analysis of the day of the week shape

MP confirmed that data recently validated was being assessed, and nothing so far identified a cause. SB did not think it was weather-related because it was fairly consistent and wished to understand what was driving it. MP suggested the issue be added to the Workplan for wider consideration. JL explained various areas that Xoserve was looking at to try and decipher any factors that were influencing this, but so far nothing obvious had been identified.

FC asked if other TWG representatives had any questions or concerns. MJ confirmed that British Gas had looked at the proposals and had seen no causes for concern in the profiles. JH and CT also confirmed that they had no further comments.

Next Steps – DESC presentation

It was agreed that Xoserve would produce a presentation summarising the process, outputs and the TWG's recommendations in time for the DESC meeting on 10 July 2013.

MP confirmed that Xoserve would follow the same approach as last year for the NDM booklet; it will be published on the Xoserve website, under UK Link Documents, and any feedback will be addressed at the meeting on 10 July 2013.

4. Any Other Business

None raised.

5. Diary Planning

The following meetings have been planned.

DESC and DESC Technical Workgroup Meetings 2013

Date	Time	Venue	Meeting	Programme
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 and 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
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)	Complete

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