

Seasonal Normal Demand (SND) 2007/08 Problem – Summary of Resolution – March 2008

Background

At the January 2008 Demand Estimation Sub-Committee (DESC) meeting Centrica raised concerns about unusual fluctuations in the values of the Weather Correction Factor (WCF) and Scaling Factor (SF) since 1 October 2007 in certain LDZs.

In our response dated 31 January xoserve confirmed that the fluctuations were caused by a day-of-the-week phasing error in the calculation of two Networks' forecast Non-Daily Metered Seasonal Normal Demand ("SND"). Our investigations also confirmed that the phasing error was confined to the period October to December 2007 and that the corrections would flow automatically through reconciliation in due course.

We had also identified an error in the modelling of Easter 2008 in LDZs NE, NO, SC, SE and SO. We stated that we needed to agree any corrective action with the two affected Networks.

Prospective Correction of the Easter 2008 Error

xoserve can now confirm that the NDM SND and WSENS (Weather Sensitive Demand) figures have been re-modelled for the following 20 days:

- 19 to 28 March 2008 (to incorporate holiday reductions)
- 02 to 11 April 2008 (to remove holiday reductions)

in the following LDZs only:

- NE
- NO
- SC
- SE
- SO

The revised values have been implemented in the following systems:

- **Gemini** – for use in daily NDM Nominations and Allocations for Gas Days 19 to 28 March and 02 to 11 April 2008
- **Sites & Metes** – for use in the derivation of EWCF (Estimated Weather Correction Factor) and WAALPs (Weather Adjusted Annual Load Profiles) which are used in monitoring the effectiveness of the NDM Algorithms and in calculating AQtS respectively
- **SIS** and **xoserve extranet** (UKLink Documentation website) – for information purposes only

Impact on ALPs and DAFs

There has been no impact on Annual Load Profiles (ALPs).

Daily Adjustment Factors (DAFs) are derived using SND and WSENS, which means that DAFs will be slightly incorrect for the same 20 affected days. Any impacts will be minor, but cannot be quantified in advance, before the WCF for the day is known.

UNC precludes changing DAFs part-way through a Gas Year, so any discrepancies in NDM Allocations will be corrected by reconciliation.

Contacts for further information

Fiona Cottam, Performance Manager, xoserve: fiona.cottam@xoserve.com
Mark Perry, Business Analyst, xoserve: mark.j.perry@xoserve.com