

UNC Demand Estimation Sub-Committee Minutes
Wednesday 02 March 2022
via Microsoft Teams

Attendees

Yvonne Reid-Healy (Chair)	(YRH)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office

Shipper Members (Voting)

Anupa Purewal	(AP)	E.ON
John Jones	(JJ)	ScottishPower
Katherine Uzzell	(KU)	SSE

Transporter Members (Voting)

Andrew Hayes	(AH)	Wales & West Utilities Alternate
David Mitchell	(DM)	Scotia Gas Networks
Paul O'Toole	(POT)	Northern Gas Networks Alternate
Sanjeev Loi	(SL)	Cadent
Simon Geddes	(SG)	National Grid Alternate

Observers (Non-Voting)

Darrin Prescott	(DP)	Correla on behalf of Xoserve
Cosmin Popovici	(CP)	Total Energies
Jordan Bignell	(JB)	Correla on behalf of Xoserve
Joseph Lloyd	(JL)	Correla on behalf of Xoserve
Mark Perry	(MP)	Correla on behalf of Xoserve
Michael Maguire	(MM)	Correla on behalf of Xoserve
Penny Griffiths	(PG)	Correla on behalf of Xoserve
Simon Bissett	(SB)	Correla on behalf of Xoserve

Copies of papers are available at: <https://www.gasgovernance.co.uk/DESC/020322>

DESC meetings will be quorate where there are at least four Voting Members or their alternates, of which at least two shall be Users and two Transporters are in attendance.

1. Introduction and Status Review

Yvonne Reid-Healy (YRH) welcomed everyone to the meeting.

1.1. Apologies for Absence

Louise Hellyer, Shipper Member

1.2. Note of Alternates

Andrew Hayes, Transporter Member (Wales & West Utilities)

Paul O'Toole, Transporter Member (Northern Gas Networks)

Simon Geddes, Transporter Member (National Grid)

1.3. Quoracy Status

YRH advised that the meeting was quorate.

1.4. Approval of Minutes (14 December 2021)

The minutes of the previous meeting were approved.

1.5. Approval of Late Papers

There were no late papers to consider.

1.6. Review of Outstanding Actions

DESC 0901: *Reference DCC Pre-Payment Meter related information – Correla (MP)* to investigate what data is retained and whether it is suitable for sharing, and if so, between which parties.

Update: Mark Perry (MP) confirmed that the action was originally raised in October 2021 focusing attention on a lack of daily reads.

In more recent times, he has been discussing the matter with Xoserve contacts and has concluded that the Smart Energy Code Section E clearly defines the CDSP role as being 'restricted' to providing registration details only, and as a consequence, the DCC pre-payment meter related information, is unavailable.

MP went on to explain that in order to access such data, a change to the Smart Energy Code would be required. However, a model could be developed which would rely on an alternate source of information.

DESC Members in attendance agreed that the action could now be closed. **Closed**

2. Update on Ad-hoc Work Plan Items

Mark Perry (MP) provided a brief overview of the 'Update on Ad-hoc Work Plan Items' presentation, during which attention was focused mainly on the 'DESC Agreed Work Plan Items – Progress' slide 4 and 'DESC and TWG Timetable for 2022' slide 5.

At the end of the presentation, there were no adverse comments forthcoming from Committee Members in attendance.

The presentations discussed in the meeting are published on the meeting page and can be accessed via the link: <https://www.gasgovernance.co.uk/desc/020322>

2.1. Holiday Codes Review

Penny Griffiths (PG) provided an overview of the background to the 'DESC - Holiday Codes Review' presentation, during which the key discussion points are noted (by exception), as follows:

Modelling Approach 2022 – Holiday Code Review: Approach – slide 5

In referring to the 3 EUC Bands bullet, PG advised that beyond level 05, the data swings can be extreme, and have therefore not been utilised.

Limitations and COVID-19 Impact Timelines – slide 6

As far as the full lockdown from 06 January 2021 was concerned, this was 'limited' to mainly offices and schools.

Explanation of Results Presented – slide 9

The percentage residual calculation in essence identifies the error involved, whilst also confirming that the Christmas value was circa 15% too low from an allocation perspective.

CHRISTMAS AND NEW YEAR

Focus and Considerations – slide 11

The final proposed option involves 8 – 9 data sets.

Proposed Changes – slide 12

The '*Proposed Holiday Code Rules – England and Wales*' and the '*Proposed Holiday Code Rules – Scotland*' statements could be subject to change depending upon the final Committee vote later in the meeting.

Comparison of Holiday Factors – 02BNI – slide 19

Includes I&C site information.

Impact on Residuals – 02BNI – slide 21

The 2019/20 data is pre-COVID.

Impact on Residuals – 05B – slide 26

Includes businesses that stayed open during the lockdown period(s).

Impact on Residuals – 05B – slide 27

The utilisation of EA, NW and SW LDZs ensures a good geographical spread is involved in the assessment.

Impact on Residuals – 05B – slide 28

When asked, Anupa Purewal (AP) confirmed that the information provided to this point had answered her concerns.

EASTER

No exceptional items to note.

EARLY MAY

Proposed Changes – slide 35

It was noted that the 8th, 9th and 10th May 2020 were the Friday, Saturday and Sunday.

Impact on Residuals – 02BNI – slide 42

The North / South divide used in the calculations has not revealed a great deal, so perhaps consider an East / West split next time.

Impact on Residuals – 05B – slide 46

PG apologised for a missing bar chart.

LATE MAY

Focus and Considerations – slide 48

In reference to the recommendation based around the inconclusive results, it is suggested that the holiday codes for late May are reviewed again in a couple of years' time, once COVID impacts have flowed through.

GENERAL SUMMER HOLIDAY

Impact on Residuals – 02BNI – slide 52

The 2019/20 '25/07/20' and '26/07/20' daily results are poor.

AUGUST BANK HOLIDAY

Comparison of Holiday Factors – 01BND – slide 57

The SW LDZ data reflects the fact that this is predominately a holiday area which results in a slightly larger apparent impact.

Impact on Residuals – 02BNI – slide 64

The first day increases are strange, especially when compared to the rest of the data that is in the green and showing improvements.

Impact on Residuals – 05B – slide 69

The 'Aug-20' and 'Sep-20' results reflect less of an improvement, whilst the 'Aug-21' results indicate a better summer was involved.

Impact on Residuals – 05B – slide 70

PG apologised for displaying the incorrect values (i.e. 02BNI) in the chart for the '2019/20 Selected LDZs'.

Impact on Residuals – 05B – slide 71

The '30/08/21' days data in the 'SC 2020/21' chart represents a circa 20% improvement in the residual.

ST ANDREWS DAY

No exceptional items to note.

DOMESTIC CODES

Focus and Considerations – slide 75

Red values denote poorer performance.

CONCLUSIONS & OPTIONS FOR DESC

Conclusions – slide 77

PG provided an overview of the information.

Options for 2022/23 Gas Year Modelling – DESC Decision – slide 79

When MP explained that in each of the three (3) voting areas there is always the option to do nothing and observed that it would be interesting to know Committee Members views on how their data and results correlate to Xoserve's, both Anupa Purewal and John Jones took the opportunity to thank Xoserve, and Penny Griffiths in particular for all the hard work that had gone into analysing the information and providing the summary presentation, especially during the difficult COVID period.

Following a brief discussion on the various options available for each area, DESC Members present undertook a vote and **by majority voted in favour of option 1** (7 out of 8) for each of the three (3) areas (Christmas and New Year, Early May Bank Holiday and August Bank Holiday).

For the avoidance of doubt, in all three cases, option 1 is to accept all proposed changes.

2.2. Prepayment EUC Focus

Simon Bissett (SB) provided an overview of the 'Pre-Payment EUC Focus' presentation during which there were no adverse comments forthcoming from those DESC Members in attendance.

Thereafter, DESC Members present undertook a vote and by **a unanimous decision** (8 out of 8) approved the move from the 'MOD451AV model' to the 'Class 3 data based model', resulting in a single year model derived from March 2021 to March 2022 data.

3. Modelling Approach 2022 Update

Penny Griffiths (PG) provided an overview of the 'DESC – Approach to EUC Gas Demand Modelling 2022' presentation, during which she explained that this is a refined version of the presentation provided previously.

During consideration of the information provided in the presentation, PG reminded DESC Members of the yearly modelling approach whereby they are formally asked to approve the document at their meeting that takes place in the first quarter of each year, ahead of the modelling process that commences in the Spring.

In considering the recommendation to include that data collected for the analysis period 2021/22, as outlined on the 'COVID-19 Impacts' slide 10, PG enquired whether any DESC Member in attendance had any concerns, to which there were no adverse comments / responses forthcoming.

Thereafter, DESC Members present undertook a vote and by a **unanimous decision** (8 out of 8) approved the principles as set out in the Modelling Approach 2022 document, the final version of which would also include the two (2) decisions already undertaken earlier in the meeting.

4. NDM Algorithm Review Update

Joseph Lloyd (JL) provided a brief verbal update, during which the following key items were noted:

- Closely links to the work being undertaken within UNC Request 0754R 'Investigate Advanced Analytic Options to improve NDM Demand Modelling' with the next Workgroup meeting scheduled for Tuesday 22 March 2022;¹
- A summary of the 30 November 2021 Workgroup meeting outputs suggests:
 - Further consideration of the methodology for EUCs;
 - Deep dive into the output (inc. algorithm assessment run aspects) to reveal areas of success and for improvement (e.g. individual months, weekdays, holiday codes etc.) including winter / summer / full year aspects;
 - Calculation of Indicative Load Factors (ILFs), and
 - Development of, and appreciation of, modelling requirements such as neural networks and key understandings.

5. DESC Survey Update

Simon Bissett (SB) provided a brief overview of the 'December 2021 DESC Survey Results' presentation, during which there were no adverse comments provided by those DESC Members in attendance at the meeting.

6. Any Other Business

6.1. DESC & DESC Technical Workgroup Meeting Consideration

When MP pointed out that he was under the impression that (similar to previous years) the next DESC meeting scheduled to take place on Wednesday 27 April 2022 (and 24 May 2022) would take the form of a DESC Technical Workgroup meeting, and therefore by inference, the Joint Office web site Events calendar could be wrong, YRH suggested that they look to discuss the matter in more detail (including consideration of a (revised) 2022 timetable) via an offline discussion after the meeting.

7. Communication of Key Messages

The DESC Summary of Key Messages document will be provided as a post meeting update and will be published at: <https://www.gasgovernance.co.uk/desc/summarykeymessages>

8. Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Time / Date	Paper Publication Deadline	Venue	Workgroup Programme
10:00 Wednesday 27 April 2022	5pm Tuesday 19 April 2022	Microsoft Teams	DESC Technical Workgroup

¹ Please note: copies of the various UNC Request 0754R related documentation and meeting materials can be viewed and/or downloaded from the Joint Office web site at: <https://www.gasgovernance.co.uk/0754>

10:00 Tuesday 24 May 2022	5pm Monday 16 May 2022	Microsoft Teams	DESC Technical Workgroup
10:00 Thursday 07 July 2022	5pm Wednesday 29 June 2022	Microsoft Teams	DESC
10:00 Tuesday 19 July 2022	5pm Monday 11 July 2022	Microsoft Teams	DESC
10:00 Wednesday 05 October 2022	5pm Tuesday 27 September 2022	Microsoft Teams	DESC
10:00 Tuesday 13 December 2022	5pm Tuesday 03 December 2022	Microsoft Teams	DESC

DESC Action Table (as at 02 March 2022)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Target Date	Status Update
DESC 0901	06/10/21	3.	<i>Reference DCC Pre-Payment Meter related information – Correla (MP) to investigate what data is retained and whether it is suitable for sharing, and if so, between which parties.</i>	Correla (MP)	02/03/22	Update provided. Closed