

UNC Demand Estimation Sub-Committee (DESC) Minutes
Tuesday 17 January 2023
via Microsoft Teams

Attendees

Helen Cuin (Chair)	(HCu)	Joint Office
Vera Li (Secretary)	(VLi)	Joint Office

Shipper Members (Voting)

Anupa Purewal	(AP)	E.ON
Cosmin Popovici	(CP)	Total Energies
Dan Stenson	(DS)	Brook Green Trading
Katherine Uzzell	(KU)	SSE
Mark Linke	(ML)	Centrica

Transporter Members (Voting)

David Mitchell	(DM)	Scotia Gas Networks
Paul O'Toole	(EB)	Northern Gas Networks
Murugan Babumohanan	(MB)	National Grid
Neil Stovold	(NS)	Wales & West Utilities
Sanjeev Loi	(SL)	Cadent

Observers (Non-Voting)

Cindy Ioja-Yang	(CIY)	Corona Energy
Gregory Hill	(GH)	Wales & West Utilities
Jonathan Freeman	(JF)	Representative of Xoserve
Mark Perry	(MP)	Representative of Xoserve
Michael Maguire	(MM)	Representative of Xoserve
Simon Cardy	(SC)	SSE
Simon Geddes	(SG)	National Grid

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.

Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of papers are available at: <https://www.gasgovernance.co.uk/Desc/170123>

1. Introduction and Status Review

Helen Cuin (HCu) welcomed everyone to the meeting.

Post Meeting Note: Please note that Dan Stenson has recently changed organisations retaining his DESC Membership and Mark Linke has been appointed as a DESC member filling the final vacancy.

1.1. Apologies for Absence

Emma Buckton – Transporter Member

1.2. Note of Alternates

Paul O'Toole, on behalf of Emma Buckton (Northern Gas Networks)

1.3. Quoracy Status

The meeting was noted as being quorate.

1.4. Approval of Minutes (13 December 2022)

The minutes of the previous meeting were approved.

1.5. Approval of Late Papers

It was noted there were three late papers published.

1.6. Review of Outstanding Actions

0704: CDSP (MP) to consider providing DESC Members with a list of data sets which would assist reviewing EUC definitions.

Update: Update due March. **Carried Forward**

1003: CDSP (SB) to share ideas on the Review of Existing Cleansing and Validation processes in December meeting.

Update: Update due March. **Carried Forward**

1201: Xoserve/Joint Office to add NDM Algorithms Update for Gas Year 2022/23 as Standard Agenda Item to all forthcoming DESC Meeting whilst significant NDM allocation continues to be an issue.

Update: Update due March. **Carried Forward**

1202: Xoserve to provide update on unexpected results for WS 02BNI, in Strand 3 NDM Algorithm Performance investigation

Update: Update due March. **Carried Forward**

2. Climate Change Methodology – Technical Requirements

MP explained the purpose of this meeting is to seek approval from DESC for the Technical Requirements document and if any parties are interested in convening Technical Workgroup meetings to oversee the required procurement activities.

Michael Maguire (MM) provided a presentation explaining the annual modelling cycle relating to the Seasonal Normal Review, which sits outside the annual cycle of work.

MM provided a timetable of the CDSP/DESC obligations and background outlined within the UNC TPD Section H.

MP confirmed that the Composite Weather Variable (CWV) and Seasonal Normal basis are normally reviewed every 5 years. This would mean the next Seasonal Normal basis is scheduled to take effect from 01 October 2025.

MP explained that DESC have the option of using a Climate Change Methodology (CCM) to adjust historical data, confirming DESC procured a Weather Station Substitution Methodology (WSSM) document and datasets from the Met Office in 2012 which became the basis of the new gas industry weather history.

MM presented the Timeline for the review of the new CWV formula for the period 2025-2030.

MM then presented to the Committee the Climate Change Methodology Technical Requirements Draft v0.1 which can be found <https://www.gasgovernance.co.uk/DESC/170123>

MM provided an overview on the objectives and the Development of the Climate Change Methodology (CCM).

Helen Cuin (HCu) checked with the Committee if they have read the document and if there are issues or any suggestion they would like to raise.

Discussions were centred on the Scope of Methodology and that a Service Provider will be procured to develop the Methodology based on the optional data items.

Dan Stenson (DS) enquired about Precipitation and Solar Radiation and the impact on the CWV formula.

Katherine Uzzell (KU) noted that precipitation data varies in different locations (LDZs) and should take into consideration the Weather Stations used.

MM/MP explained that separate quotes will be obtained for the various requirements.

Simon Cardy (SC) asked if there is shortlist of potential service providers. MP confirmed that a Change Proposal had been raised for the procurement exercise, however a decision on the correct procurement route and therefore on whether to target certain providers had not yet been decided.

SC suggested to the Committee it is important to include the Smoothing Techniques on temperatures at peak and trough times.

DS queried about the access of raw data. MP advised of the key data outputs highlighted within the draft document.

MM/MP asked Committee members to forward further queries and comments, confirming that they will amend the draft as per suggestions and comments raised in the meeting as "Marked Changes" draft and re-publish for approval. It was suggested that the final draft could be approved via correspondence. There were no objections to approving the document via email.

New Action 0101: Xoserve (MP) to amend the Draft Climate Change Methodology Technical Requirements and circulate to DESC members for approval.

Mark Linke (ML) enquired about the seasonal normal, weather series, the cost of the analysis and how much to spend on achieving accuracy. It was agreed to consider this further when quotes are provided and whether approval of the spend will be required by the DSC Change Management Committee.

New Action 0102: Xoserve (MP) to confirm Governance route, timelines and dependencies for the procurement of a Service Provider.

MM proposed the setting up of a Technical Workgroup to oversee the procurement of the new Climate Change Methodology. He explained the Workgroup's typical responsibilities would include:

- Providing input and insight into the requirements from an industry perspective
- Review of tender responses against an agreed scoring criteria
- Attending and participating in meetings with short-listed suppliers
- Final selection

Dan Stenson (Brook Green Energy) and Sarah Palmer (E.On) volunteered to join the Technical Workgroup.

HCu asked as there are 2 Shipper representatives in the Workgroup if any Transporters would be interested in participating. MP confirmed that this is not essential but would be preferable.

It was suggested that it would be helpful for a meteorologist to join the Workgroup.

New Action 0103: All Transporters to consider participation in the Workgroup and any meteorologist recommendations.

MM provided an overview of the next steps which included:

- Finalising the Technical Requirements document
- CDSP commencing procurement activities; and
- Consulting with interested parties at key stages for input.

HCu asked Committee members if there was any objection to passing on any required email addresses to Corella/Xoserve. No objections were expressed.

3. Any Other Business

MP advised Xoserve have published the **Modelling Approach 2023 – Draft** [here](#) which requires DESC approval at the next DESC Meeting on 01 March 2023. It was suggested all Committee Members should consider the document ahead of the meeting.

4. Communication of Key Messages

MP confirmed there will be no Key Messages for today's meeting.

5. 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 01 March 2023	5pm Tuesday 21 February 2023	Microsoft Teams	DESC agenda items TBC
10:00 Wednesday 26 April 2023	5pm Tuesday 18 April 2023	Microsoft Teams	DESC agenda items TBC
10:00 Wednesday 24 May 2023	5pm Tuesday 16 May 2023	Microsoft Teams	DESC agenda items TBC
10:00 Wednesday 05 July 2023	5pm Tuesday 27 June 2023	Microsoft Teams	DESC agenda items TBC
10:00 Wednesday 19 July 2023	5pm Tuesday 11 July 2023	Microsoft Teams	DESC agenda items TBC
10:00 Wednesday 04 October 2023	5pm Tuesday 26 September 2023	Microsoft Teams	DESC agenda items TBC
10:00 Wednesday 13 December 2023	5pm Tuesday 05 December 2023	Microsoft Teams	DESC agenda items TBC

DESC Action Table (as of 17 January 2023)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Target Date	Status Update
0704	18/07/22	4.0	CDSP (MP) to consider providing DESC Members with a list of data sets which would assist reviewing EUC definitions. PG to provide test results of proposed changes.	Representative of Xoserve (MP/PG)	01/03/23	Carried Forward
1003	05/10/22	4.1	CDSP (SB) to share ideas on the Review of Existing Cleansing and	Representative of Xoserve (SB)	01/03/23	Carried Forward

			Validation processes in December meeting			
1201	13/12/22	2.0	Xoserve/Joint Office to add NDM Algorithms Update as Standard Agenda Item to all forthcoming DESC Meeting whilst significant NDM allocation continues to be an issue.	Joint Office	01/03/23	Carried Forward
1202	13/12/22	4.3	Xoserve to provide update on unexpected results for WS 02BNI, in Strand 3 NDM Algorithm Performance investigation	Representative of Xoserve (PG)	01/03/23	Carried Forward
0101	17/01/23	2.0	Xoserve (MP) to amend the Draft Climate Change Methodology Technical Requirements and circulate to DESC members for approval.	Representative of Xoserve (MM/MP)	01/03/23	Pending
0102	17/01/23	2.0	Xoserve (MP) to confirm Governance route, timelines, and dependencies for the procurement of a Service Provider.	Representative of Xoserve (MP)	01/03/23	Pending
0103	17/01/23	2.0	All Transporters to consider participation in the Workgroup and any meteorologist recommendations	All	01/03/23	Pending