

# **UIG Task Force**

## **Simulation of Impact of ALP and DAF Uplift Factors to UIG**

**22 August 2018**

# Background

- Demand Estimation Sub-Committee has responsibility for development of NDM Algorithm Parameters, including Annual Load Profiles and Daily Adjustment Factors (ALPs and DAFs)
- Separate parameters are produced for each day in a Gas Year and for each End User Category
- Parameters are used in daily allocation of NDM Energy
- NDM Allocation is one of the key elements of the calculation of daily UIG

# Changes for Gas Year 2018/19

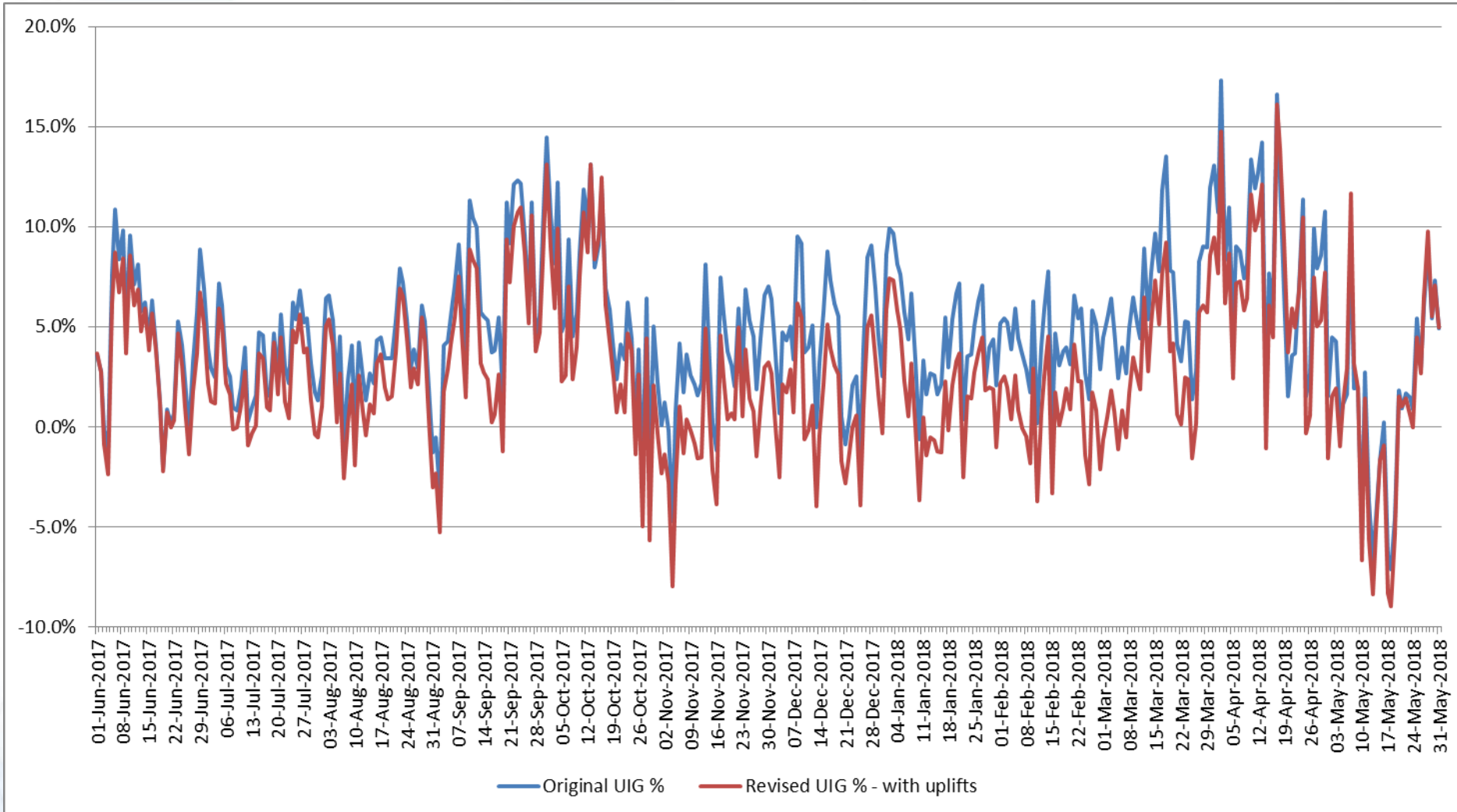
- In July 2018 DESC agreed to apply a set of “uplift factors” for Gas Year 2018/19 only
- Main aim was reduce volatility of UIG (rather than absolute levels)
- Separate factors for each LDZ:
  - Apply to EUC01B ALPs only – separate winter and summer factors
  - Apply to all DAFs – across all EUCs
  - Used for NDM Allocation but not for AQ calculation
- Details can be found in the UNC Related Document – Demand Estimation Methodology
  - <https://www.gasgovernance.co.uk/reldocs>
- File of uplifted 2018/19 ALPs and DAFs can be found in Xoserve UKLink docs secure area – Folder 18

# Overview of Simulation

- Xoserve has modelled the levels of daily gas allocation and UIG that would have been seen for the period 1 June 2017 to 31 May 2018 if the uplift factors had been applied
- This is based on the actual data for those days, e.g. **LDZ total, DM energy, NDM AQs** and **actual weather**
- High level result is that UIG would have been 2.5% national average for that period instead of the actual 5.1% which was seen
- Limitations of this simulation
  - Based of the actual data as highlighted above
  - Uses the prevailing ALPs and DAFs plus Uplift Factors – Gas Year 2018/19 will use new ALPs and DAFs as per standard process
  - Actual outcomes are heavily dependent on actual weather

# Actual v Simulated National UIG – percentages

- Period of graph – 12 months following Project Nexus implementation
- Note – based on actual data, e.g. weather, AQs etc but with 2018/19 Uplift Factors applied



# Actual v Simulated National UIG – kWh

- Period of graph – 12 months following Project Nexus implementation
- Note – based on actual data, e.g. weather, AQs etc but with 2018/19 Uplift Factors applied
- First actual benefits would be seen in October 2018

