# **Seasonal Normal Review Update**

September 2020

Dear Customers and Industry Colleagues,

As we approach 1<sup>st</sup> October 2020 and the start of a new Gas Year, the Xoserve Demand Estimation Team would like to share with you the final update on the Seasonal Normal Review process.

For those who haven't been following the various news articles and Industry forum updates on this subject over the past 12 months, here's a quick overview:

From 1st October 2020 -

- The Composite Weather Variable (CWV) formula will change to include a 'Solar Radiation term'
- The Seasonal Normal Composite Weather Variable (SNCWV) values will change to represent a revised value of 'normal' using a more appropriate set of Climate Change inputs
- Yeovilton Weather Station will be the primary source of all weather observations (Temperature, Wind Speed and Solar Radiation) for the South West (SW) LDZ and Durham Weather Station will be the primary source of Solar Radiation observations for the Northern (NO) LDZ
- Class 3 and 4 NDM Nominations and Allocations will be using CWVs based on the new formula and the revised SNCWV values
- All Rolling AQs / SOQs for Class 3 and 4 Supply Meter Points will reflect the new view of Seasonal Normal weather

The rationale behind the changes to the gas industry weather variable (CWV) have previously been investigated and approved by the Demand Estimation Sub Committee (DESC) during 2019 and has been explained in the October 2019 and December 2019 news articles.

In summary, this review is about ensuring the gas industry maintains a weather variable which continues to represent an optimal relationship between weather and gas demand. This allows robust gas demand models to be produced which help support processes such as Non-Daily Metered (NDM) Allocation and Annual Quantity (AQ) calculations.

## Class 3 and 4 NDM Nominations and Allocations - Update

On the morning of 1<sup>st</sup> October 2020 the 'Actual CWV' will calculate in UK Link for Gas Day 30<sup>th</sup> September 2020, this will be the final time using the current CWV formula and associated optimised parameters. Following this the UK Link system will be updated with the revised optimised parameters which will 'bring to life' the CWV formula system changes implemented as part of the major June release earlier this year.

As we make this transition from one formula to another it will mean that the 'Day Ahead' Forecast CWVs calculated on 30<sup>th</sup> September for Gas Day 1<sup>st</sup> October will have used the current formula whereas the 'Within Day' Forecast CWVs calculated on 1<sup>st</sup> October for Gas Day 1<sup>st</sup> October will use the

new formula. This may explain any larger than normal differences in the observed NDM Nomination values published in Gemini over these days (this could be particularly noticeable in LDZ 'SW' which is switching weather stations).

## Class 3 and 4 AQ calculations - Update

As explained in our <u>August 2020</u> news article, there were some system updates required in readiness for the September AQ calculations and annual End User Category (EUC) processes.

Following this work we are pleased to confirm that all Live Class 3 and 4 Supply Meter Points have a new AQ with an effective date of 1<sup>st</sup> October 2020 either from a pair of meter readings using the monthly rolling AQ calculation process or via the application of the Seasonal Normal Ratio - details of all these will have been made available to you via your NRL and NNL files issued on 22<sup>nd</sup> September.

## Class 3 and 4 Read Estimation - Update

In line with the AQ calculation process, any instances where read estimation has been necessary in UK Link since 28<sup>th</sup> August have used the latest version of the Weather Adjusted Annual Load Profiles (WAALPs).

#### **Data Publication**

As a reminder Xoserve have made the following **re-stated** parameters available to you on our UK Link Secured Documentation area\* in the following location:

Folder 18: NDM Profiling and Capacity Estimation Algorithms



- 1. Annual Load Profile (ALP) and Daily Adjustment Factor (DAF)
  - a. Files: SN20\_ALPDAF1314 to SN20\_ALPDAF1920 (Gas Years 2013/14 to 2019/20.

Note: The ALPDAF file for Gas Year 2020/21 is located in Folder 3. Demand Estimation Parameters / a. End User Categories and Derived Factors

- 2. Seasonal Normal Composite Weather Variable (SNCWV)
  - a. Files: **SN20\_SNCWV1314** to **SN20\_SNCWV1920** (Gas Years 2013/14 to 2019/20)
  - b. File: **SN20\_SNCWV20** (Gas Year 2020/21)

- 3. Composite Weather Variable (CWV)
  - a. File: **SN20\_CWV6019** (Gas Years 1960/61 to 2018/19)
  - b. File: SN20\_CWV1920 (Gas Year 2019/20)\*

\*Note: Each Monday an updated version of this file containing the previous seven gas days will be published until the end of the current Gas Year. The final version will be published on Thursday 1st October.

- 4. Seasonal Normal Ratios
  - a. File: SN20\_AQ\_CONVERSION\_FACTORS

\*To arrange access to the secured area, please ask your Local Security Officer (LSO) to complete and submit a **Secure Site Access Request Form**.

## **Further Information**

Alongside the various news articles there are a 'core' set of slides which can be used for you and your colleagues should you want more information on the Seasonal Normal Review. These are available here.

If you have any questions or comments on any aspect of the Seasonal Normal Review, please contact us at Xoserve.demand.estimation@xoserve.com

Kind regards,

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