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23 January 2007

**National Grid Gas System Operator Quality of Information Incentives:  
December 2006 performance update**

On 5 December 2006 we published our initial proposals consultation 'National Grid Electricity Transmission and National Grid Gas System Operator Incentives from 1 April 2007'. Appendix 11 of that consultation provided an overview of NGG's performance with regard to its quality of information incentives in the first month of their operation<sup>1</sup>.

In that document, we committed to publish performance data relating to NGG's quality of information incentives on a monthly basis through winter 2006/07 (as and when it becomes available).

We are now pleased to provide you with an overview of NGG's performance with regard to its quality of information incentives during December 2006.

If you have any questions or would like to discuss these issues please contact me on the above number, or alternatively contact Carlos Martinez on 020 7901 7070.

Yours Sincerely,

**Sonia Brown**  
**Director, Wholesale Markets**

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<sup>1</sup> The Initial proposals document and its appendices can be found at  
[http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/17936\\_208\\_06.pdf?wtfrom=/ofgem/work/index.jsp&section=/areasofwork/wholesalemarketmonitoring](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/17936_208_06.pdf?wtfrom=/ofgem/work/index.jsp&section=/areasofwork/wholesalemarketmonitoring)  
[http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/17951\\_Initial\\_proposals\\_appendices\\_final\\_revised.pdf?wtfrom=/ofgem/work/index.jsp&section=/areasofwork/wholesalemarketmonitoring](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/17951_Initial_proposals_appendices_final_revised.pdf?wtfrom=/ofgem/work/index.jsp&section=/areasofwork/wholesalemarketmonitoring)

## National Grid Gas System Operator Quality of Information Incentives - December Overview

### Demand Forecast data

Table 1 below shows the accuracy of NGG's D-1 demand forecast (published by 14:00) in the three first months of operation of the quality of information incentive scheme. Error figures show the absolute difference between forecast and actual demand as a percentage of the latter.

As illustrated in the table below, the December error was 2.83%. This constitutes an improvement over October and November 2006 performance and a significant improvement over December 2005 performance. The cumulative error for October to December 2006 is 3.12%. This is below the "benchmark" demand forecasting error of 3.6% specified for Winter 2006/07 as a whole.

**Table 1: Summary of Monthly Average Absolute D-1 UNC 14:00 Demand Forecast Error (%)**

Month	Monthly MAPE - 05/06	Monthly MAPE - 06/07	Cumulative MAPE - 06/07	% Monthly Improvement on 05/06
October	3.35%	3.52%	3.52%	-5.07%
November	2.60%	3.09%	3.29%	-18.65%
December	4.63%	2.83%	3.12%	38.97%
January	3.92%			
February	2.73%			
March	4.02%			

Notes: MAPE = mean absolute percentage error, defined as total absolute forecast error divided by total D+5 actual demand for the period concerned

### Website performance data

Table 2 below shows NGG's website performance data over December 2006, in terms of availability and timeliness in publication of the reports covered by the website performance incentive<sup>2</sup>.

In terms of NGG's website availability incentive, average downtime of 518 minutes was accrued for the four monitored data fields in December. This resulted from a one-off website problem over the weekend of 9/10 December. This means that NGG will not be able to earn incentive payments for the website availability component of the incentive for this winter (as cumulative downtime now exceeds the benchmark of 362 minutes).

In terms of timeliness of information publication, NGG outperformed the incentive benchmark in December 2006. NGG's average performance across the four monitored data fields for this component of the incentive in December was 99.33% (whereas for Winter 2006/07, the timeliness benchmark is for 51.5% of data postings to be "timely").

<sup>2</sup> For definitions of the terms in this table, please refer to the glossary of 'Potential new System Operator quality of information incentive schemes for National Grid Gas: 14 July 2006', [http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/15751\\_12206.pdf](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/15751_12206.pdf).

**Table 2: NGG Website Timeliness and Availability Report – December 2006 Data**

<b>National Grid Incentive Timeliness and Availability Report - Base Data</b>													Period: 01-Dec-06 to 31-Dec-06			
Date	Availability: Downtime (Minutes)				Availability: Uptime (%)				Timeliness: Publication Times Exceeded (All Reports #/24 / SISRO3 #/6)				Timeliness: Publications On Target (%)			
	NTSAFF	NTSAPF	NB92	SISRO3	NTSAFF	NTSAPF	NB92	SISRO3	NTSAFF	NTSAPF	NB92	SISRO3	NTSAFF	NTSAPF	NB92	SISRO3
01/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
02/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
03/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
04/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
05/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
06/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	1	100.00	100.00	100.00	83.33
07/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
08/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
09/12/2006	161	101	157	168	88.81	92.95	89.12	88.36	0	0	0	0	100.00	100.00	100.00	100.00
10/12/2006	348	262	380	428	75.82	81.82	73.59	70.29	0	0	0	0	100.00	100.00	100.00	100.00
11/12/2006	0	4	0	0	100.00	99.74	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
12/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
13/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
14/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
15/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
16/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
17/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
18/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
19/12/2006	0	0	0	4	100.00	100.00	100.00	99.70	4	4	4	0	83.33	83.33	83.33	100.00
20/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
21/12/2006	0	0	0	5	100.00	100.00	100.00	99.65	0	0	0	0	100.00	100.00	100.00	100.00
22/12/2006	4	0	4	0	99.70	100.00	99.70	100.00	0	0	0	0	100.00	100.00	100.00	100.00
23/12/2006	4	0	0	0	99.70	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
24/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
25/12/2006	0	0	0	4	100.00	100.00	100.00	99.70	0	0	0	0	100.00	100.00	100.00	100.00
26/12/2006	9	0	4	9	99.92	100.00	99.99	99.91	0	0	0	0	100.00	100.00	100.00	100.00
27/12/2006	4	0	0	0	99.70	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
28/12/2006	0	0	9	0	100.00	100.00	99.40	100.00	0	0	0	0	100.00	100.00	100.00	100.00
29/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	0	0	100.00	100.00	100.00	100.00
30/12/2006	0	0	0	4	100.00	100.00	100.00	99.70	1	1	1	0	95.83	95.83	95.83	100.00
31/12/2006	0	0	0	0	100.00	100.00	100.00	100.00	0	0	1	0	100.00	100.00	95.83	100.00
<b>Total</b>	<b>530</b>	<b>367</b>	<b>554</b>	<b>622</b>					<b>5</b>	<b>5</b>	<b>6</b>	<b>0</b>				
<b>Average</b>					<b>98.83</b>	<b>99.18</b>	<b>98.77</b>	<b>98.62</b>					<b>99.33</b>	<b>99.33</b>	<b>99.19</b>	<b>99.46</b>
	WAPNNt	WAPNAt	WAPLt	WAPDFt									WTPNNt	WTPNAt	WTPLt	WTPDFt