

Notes from Losses Workshop 2 Dec 2011

1. Actions

Action	Responsible
Northern Powergrid to provide a worked example of how they monitor negative EACs to ensure that they are not double counted if they turn positive. Northern Powergrid (and ENWL if possible) to circulate list of negative EACs being used so that suppliers can compare with their own datasets.	NP
Circulate evidence of changes to high positive EACs.	ELEXON; suppliers
Circulate evidence of negative EACs getting through to settlement data.	Suppliers
Opportunity to submit an alternative 'normal' period for populating the questionnaire. The selection of this period should be justified with evidence and submitted in the form of an updated questionnaire. The deadline for submissions is 20 Dec.	DNOs
Questionnaire responses should highlight confidential information. DNOs should make clear if settlement day or run date is being used for reporting purposes.	DNOs
Redact confidential information when publishing questionnaires.	Ofgem
Confirm intended meaning of consultation paragraph 5.9 regarding the calculation of ACL2.	Ofgem
Ofgem to consider how to provide clarity around the handling of the PPL term that is to be recovered from the 2012-13 regulatory year.	Ofgem

2. Points for Ofgem to note

Data cleansing consultation

2.1. There was discussion on the pros and cons of both methodologies. A particular focus of discussion was that the CE methodology corrects large negative EACs but not large positive EACs because there were reasons to suppose that the increased use of GVC etc had given rise to more large negative EACs but had not given rise to more and larger positive EACs.

2.2. P222s are only available on request and therefore do not represent a comprehensive record of negative EACs.

- 2.3. Does it matter whether or not 2009-10 data is adjusted for data cleansing for the purposes of DP5 target setting? (SP)
- 2.4. What is your assessment of materiality for customers of different approaches? (Consumer Focus)
- 2.5. If publishing questionnaires, then include comments box at top and redact any confidential information.
- 2.6. ENW estimated a couple of months for re-statement of 2009-10 based on their experience with the CE methodology.

PPL

- 2.7. Concern about action removing DNO ability to change forecasts and charges.
- 2.8. Suggestion of spreading the interaction adjustment element of LRRM beyond DP5 (in-line with reporting years).

Data collection

- 2.9. The bottom section of the data collection spreadsheet will need to be clarified.
- 2.10. A formal data request may require up to a month to respond to due to internal clearance procedures.

Cap and collar

- 2.11. Option 1 leads to a discrepancy between reported performance and revenues which could be confusing.

Next meeting

- 2.12. February, following decision on consultation.