



Demand Estimation Sub Committee

6.0 Draft Modelling Approach 2023

13th December 2022

Overview



- An overview of the Demand Estimation process and output can be found [here](#)
- Annual modelling cycle of activities are represented in diagram opposite
- This presentation relates to the “Modelling Approach” phase of the Demand Model cycle

CDSP / DESC Obligations and Timetable: October 2022 to September 2023

Milestone	UNC H Ref	10/22	11/22	12/22	01/23	02/23	03/23	04/23	05/23	06/23	07/23	08/23	09/23
DESC Membership confirmed	1.12	✓											
NDM Sampling: Data Collection and Validation	1.6	✓						✓					
NDM Algorithm Performance for Gas Year 2021/22	1.8			✓								✓	
DESC Adhoc Workplan	1.7	✓		✓			✓						
DESC Modelling Approach – EUCs and Demand Models	1.7			✓			✓						
Single Year EUC Demand Modelling	1.7								✓				
Model Smoothing and Draft Gas Demand Profiles	1.7									✓			
Industry Consultation	1.8									✓	✓		
Gas Demand Profiles finalised and Core systems updated	1.9											✓	
Climate Change Methodology progressed (SN Review 2025)	1.4			✓			✓		✓		✓		

Background

- The process for determining the EUCs and Demand Models for the following Gas Year begins with the production of a Modelling Approach document
- The Modelling Approach document provides an overview of the EUC definitions and how the modelling shall be performed, from collecting daily gas consumption data from a sample of NDM supply points through to the industry consultation of the proposed gas demand profiles
- At December's DESC meeting 'version 0.1' of the document is shared, which essentially reflects the previous year's approach but updated to reflect the new dates
- DESC is asked to formally approve the document at its meeting in the first quarter of each year, ahead of the modelling process starting in the Spring

Demand Estimation Changes

Modelling Approach 2023 is required ultimately to deliver a set of Gas Demand Profiles, for use in Gemini and UK Link for Gas Year 2023/24. Any changes to the key modelling principles need to be formally agreed at the next DESC meeting in March.

Possible changes to current approach could be:

- DESC will need to consider how the data for the latest analysis period (April 22 to March 23) is utilised, given current changes in behaviour associated with high energy prices, particularly in the Domestic market
- Changes proposed as a result of the Adhoc workplan items, e.g. EUC review