



DESC Update: Volatility Analysis

DESC 2nd June 2008

DESC: Volatility Analysis: Band 1 Domestic

- Analysis has been undertaken on a sample of the band 1 domestics in the NDM Demand Estimation Sample in regards to AQs and their historic volatility
 - An estimated AQ was calculated by weather-correcting the actual March to March consumption
 - These AQs were compared for the analysis years 2006, 2007 and 2008
- Any AQs that changed by at least 25% from year to year were excluded as it was felt that the fluctuation indicated a change of usage patterns
 - Excluded for this reason: 310
- Remaining sites used for analysis: 1485

DESC: Volatility Analysis: Band 1 Domestic

Average Percentage Changes by LDZ (by analysis years)

LDZ	Analysis years (2006-2007)	Analysis years (2007-2008)
EA	-5%	2%
EM	-4%	-2%
NE	-4%	-2%
NO	-5%	-3%
NT	-4%	1%
NW	-2%	-2%
SC	-3%	-1%
SE	-4%	1%
SO	-3%	-2%
SW	-5%	-2%
WM	-4%	-1%
WS	-3%	-4%

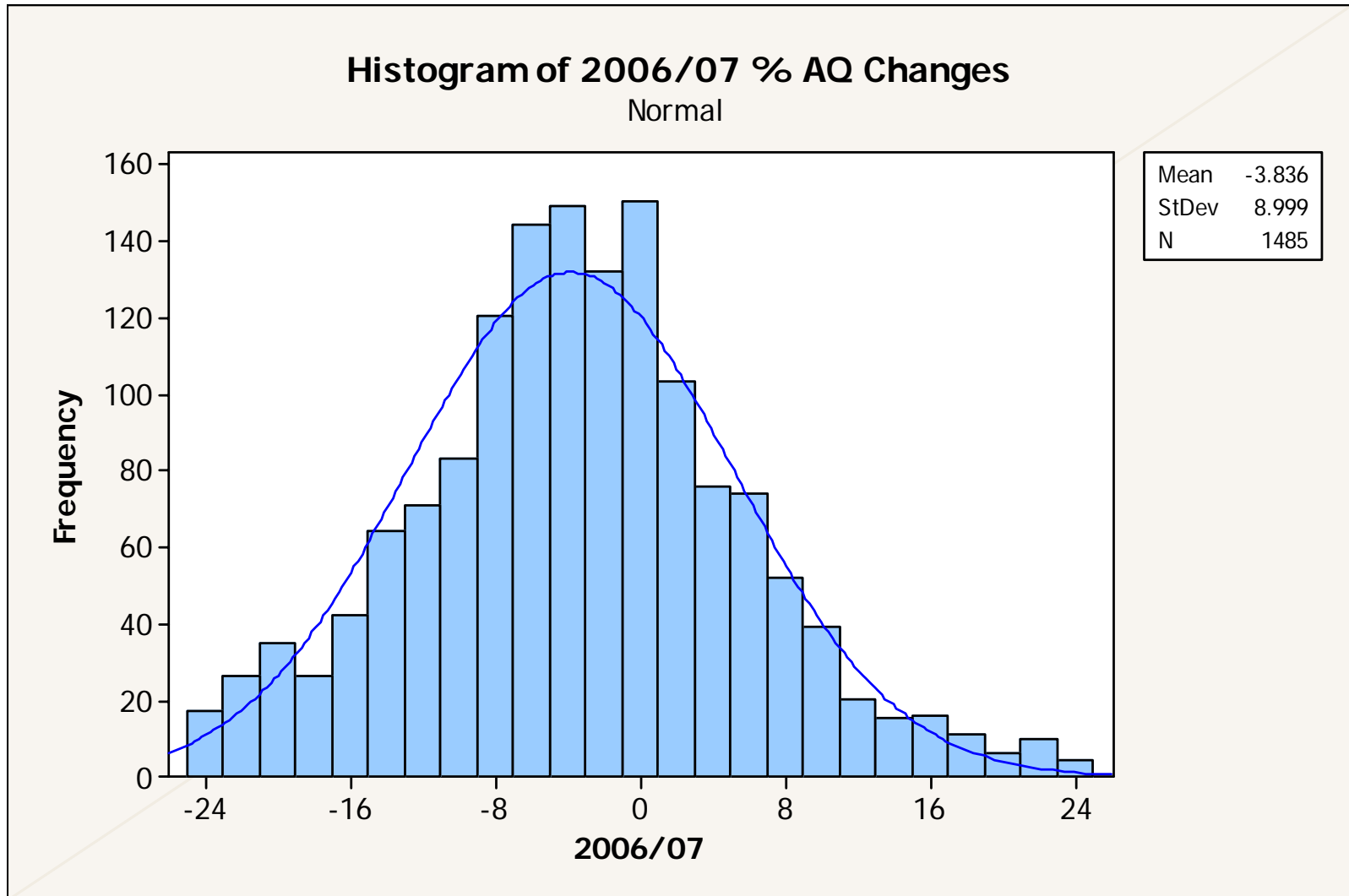
DESC: Volatility Analysis: Band 1 Domestic

AQ Trends across the three years

Trend	Count of sites
Up-Up	170
Down-Down	493
Up-Down	261
Down-Up	465
No change	96

Sites have been classed as “No change” where the variation has been less than 3% between both years

Distribution of changes between 06 and 07 analysis years



Distribution of changes between 07 and 08 analysis years

