



delivered by  correla

Demand Estimation Sub Committee

2.0 Review Industry Representations –
23/24 NDM Algorithms

19 July 2023

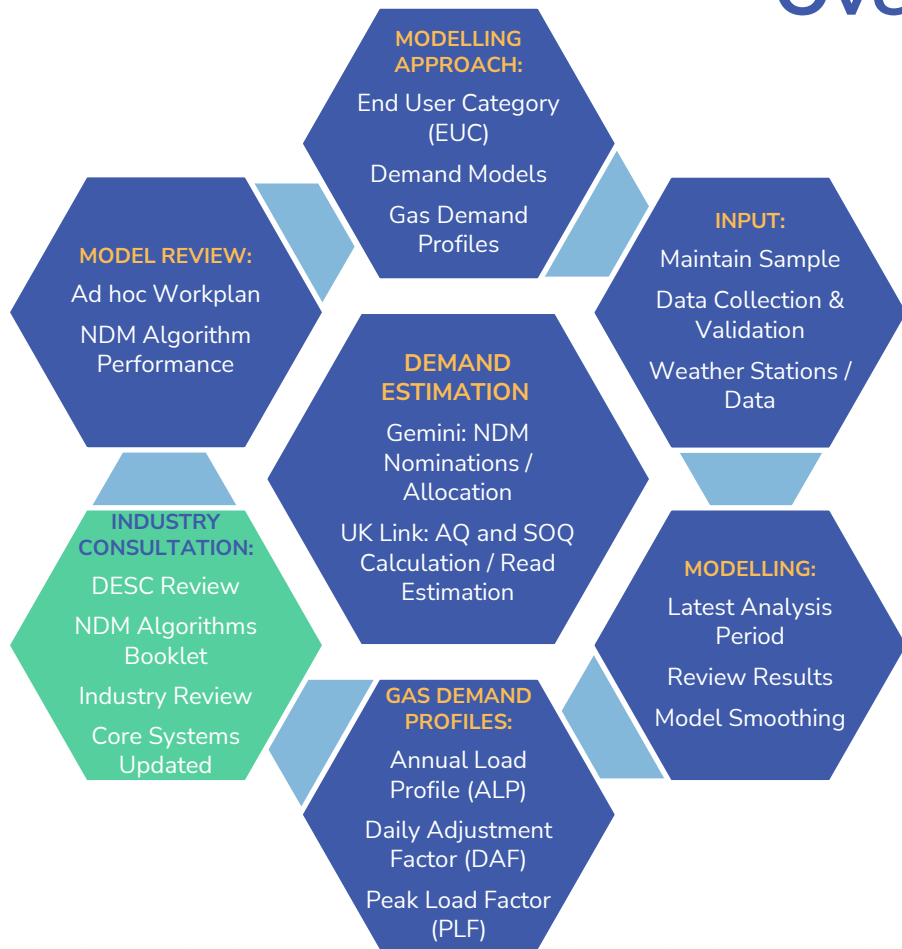
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BACKGROUND, TIMETABLE AND OBJECTIVES

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 **Industry Consultation** phase of the Demand Model cycle

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

Milestone	UNC H Ref	2022			2023									
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
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			✓			✓		✓		✓			

Objectives

- The final objective of the “Industry Consultation” phase is for DESC and the industry to review the Derived Factors – ALPs, DAFs and PLFs. Final versions will then be used in Gemini and SAP-ISU for the new Gas Year

Objective of today’s meeting is:

- For DESC members to review any representations raised by wider industry participants on the proposals for Gas Year 2023/24

- To gain DESC support to formally approve and finalise this year’s proposals

Vote
Required

- To confirm remaining activities relating to proposals for Gas Year 2023/24

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INDUSTRY RESPONSES

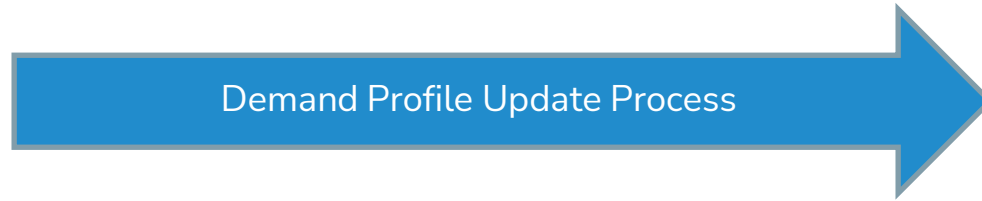
Industry Responses

- Following DESC on the 5 July, a note was issued to the industry advising that the draft proposals for Gas Year 2023/24 were available for review and comment
 - The deadline for comments is 14 July
- We can confirm that, at time of publication, there have been no additional comments received on this year's draft proposals
 - Any comments received before the deadline will be covered in additional slides, to be published prior to the DESC meeting
- If no comments are received, this now concludes the wider industry consultation window
- Are DESC members happy to approve the draft Gas Demand Profiles for Gas Year 2023/24? (Vote Required)

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NEXT STEPS

Next Steps – assuming DESC have provided Final Approval



Inform the Wider industry and Ofgem that the profiles are now formally approved

by 21 July 23

Publish Final Profiles to Industry and Submit Interface Files to Key Systems

By 9 August

Update Demand Estimation page of Xoserve website with final profiles

Early August

New Profiles Live

1st October

Reminder: Where to find Demand Estimation Data

Folder Structure on Secure Website, links to secured area and access request form can be found by following this [link](#)

18. NDM Profiling and Capacity Algorithms

2023-24 Gas Year

1 Modelling Approach

2 Demand Estimation Sample Data

3 Demand Estimation Parameters

a End User Categories and Derived Factors

b Demand Model Supporting Files

4 NDM Algorithms Booklet

- Folders highlighted in green will contain the final NDM proposals for Gas Year 2023/24
- The NDM Algorithms Booklet (summary of the end-to-end modelling process) is available in folder 4