Summary of Key Messages from DESC on 22nd July 2019

Outcomes

3.0 2019/20 NDM Algorithms: Response to Industry Representations

 As there were no additional comments provided by the wider industry, DESC voted to approve this year's Derived Factors, known as the Annual Load Profiles (ALPs), Daily Adjustment Factors (DAFs) and Peak Load Factors (PLFs) for Gas Year 2019/20 – this year's values include parameters for the new End User Categories (EUCs) in Bands 1 and 2 (0 to 293 MWh pa).

A note has been issued to the industry confirming the Derived Factors for Gas Year 2019/20 are now final and where to find them.

In addition to the above news, DESC also confirmed it was happy with its decision from
earlier in the year to apply an 'uplift' to the DAFs only for Gas Year 2019/20 – details of
the uplift values to be applied can be viewed in the approved Demand Estimation
Methodology document here. As referred to in earlier updates, DESC felt it was not
appropriate to continue with the uplift to the 01B ALPs given the impacts this has had
on UiG and reconciliation during Gas Year 2018/19.

4.0 Decision on CWV Formula definition

• Following the decision made on 8th July to approve the definition of the Composite Weather Variable (CWV) formula to include a 'term' relating to Solar Radiation, DESC voted to approve the proposal for an additional 'term' relating to precipitation.

These decisions on the CWV formula will be fed into change proposal XRN4772 in readiness for Gas Year 2020/21