Summary of Key Messages from DESC TWG on 24th May 2021

Agenda Item Outcomes

2.0 Review of Single Year Modelling Results – Small and Large NDM (2020/21 data)

- DESC TWG reviewed the End User Category (EUC) demand modelling results for the latest analysis period of 1st April 2020 to 31st March 2021.

  As expected, the vast majority of EUCs, predominantly Industrial & Commercial, have been significantly impacted by the various COVID-19 lockdowns/restrictions. The Domestic Band 1 EUC results were generally in line with previous years with minimal COVID-19 impacts present.

- Following the review of the results DESC TWG agreed:

  The demand models reflecting the latest analysis period **WILL** be used for the **Domestic Band 1 EUC ("01BND")**. This will be combined with the data from the most recent 2 years (18/19 and 19/20) in the next phase which is 'model smoothing' (effectively an 'averaging').

  For **ALL** other EUCs, the demand models derived from the latest analysis period **WILL NOT** be used. This will mean the demand models from last year's process, which was based on 17/18, 18/19 and 19/20, will be used.

  For the avoidance of doubt, those EUC Bands where Winter Annual Ratios (WAR) apply (293 to 58,600 MWh pa), new WAR thresholds based on the most recent winter period will be used.

- The first draft Gas Demand Profiles are expected to be published in early June which will signal the start of the industry consultation process, firstly with DESC followed by the wider industry.

- Material presented to DESC is available here.