Demand Estimation Update

September 2025

Dear Customers and Industry Colleagues,

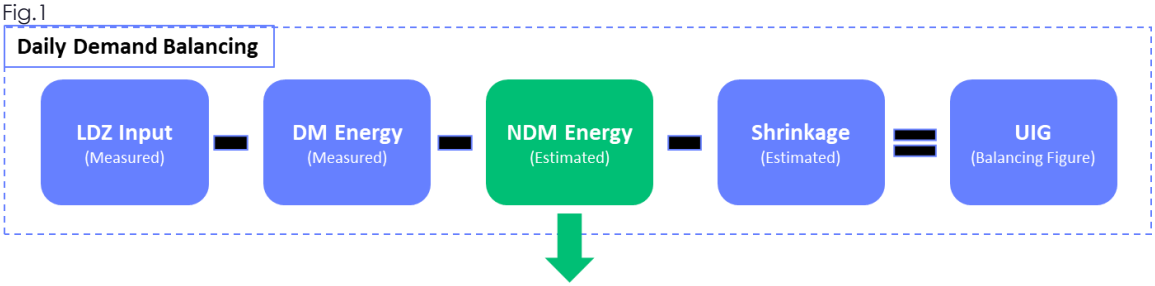
Xoserve would like to share an update regarding key Demand Estimation parameters, used in daily demand balancing calculations – particularly to support the estimation of Non-Daily Metered (NDM) demand (see Fig.1).

These parameters are the **End User Categories (EUCs**) and **Gas Demand Profiles** which are due to be refreshed on the commencement of the new Gas Year on 01 October 2025.

The article reflects on any notable outcomes from this year's annual demand modelling cycle and where to find the information relating to the new Gas Year 2025/26.

The Demand Estimation Sub Committee (DESC) are responsible for overseeing the production of EUCs and Gas Demand Profiles required for calculating NDM Energy.

Fig.1



Non-Daily Metered (NDM) energy estimation is calculated using an algorithm requiring:

- End User Categories to represent the multiple types of gas consumer groups
- Gas Demand Profiles for each EUC, which, along with NDM Energy estimation, are used in AQ Calculation and Transportation Capacity Invoicing processes.

Gas Demand Profiles are represented as:

- **Annual Load Profile (ALP)**: view of an EUC's typical gas consumption profile
- **Daily Adjustment Factor (DAF)**: view of EUC's typical weather sensitivity reaction
- **Peak Load Factor (PLF)**: view of EUC's typical reaction to extreme cold weather

End User Categories (EUCs) and Gas Demand Profiles – Gas Year 2025/26

Each Spring, DESC set out the methodology for how the EUCs and Gas Demand Profiles will be derived in their Modelling Approach document. The final approved version for 2025 is available here.

Following this year's Demand Modelling process, DESC have **not changed** the underlying EUC definitions and so the current set of 39 EUCs per Local Distribution Zone (LDZ) will persist for Gas Year 2025/26. The assignment of EUCs to NDM Supply Meter Points will continue to be based on geographical location, Annual Quantity (AQ) kWh boundaries, Winter Consumption, Market Sector Code, Meter Type and Payment Method.

The alphanumeric descriptions associated to the latest EUC definitions, incorporating references to the new Gas Year and latest Winter Annual Ratios (WAR), were shared with Gas Shippers electronically via the .EUC file issued on 22 August 2025.

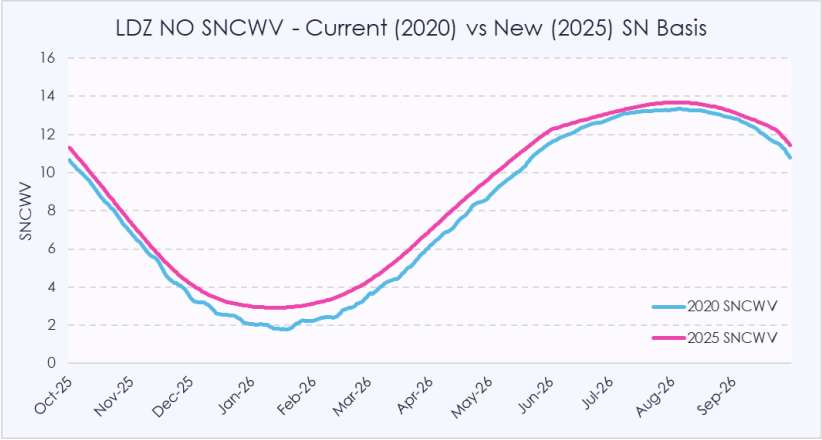
The EUC definitions and Gas Demand Profiles for Gas Year 2025/26 are also available on the secure area on Xoserve.com, explained further on the Demand Estimation webpage here.

Notable updates from this year's Demand Modelling process are:

- Following the completion of DESC's Seasonal Normal Review in late 2024, the output from this process, (i) new Composite Weather Variable (CWV) definitions and (ii) the basis for determining average weather (SNCWV), have been used in this year's demand modelling and derivation of Gas Demand Profiles.

  For the majority of LDZs the new Seasonal Normal Composite Weather Variable is notably warmer and has a smoother profile compared to the current version – see example below for LDZ: NO (Fig.2)

Fig.2



For more information on how the current and new SNCWV profiles compare across all LDZs please find a summary shared at DESC earlier this year here.

The implementation of a new SNCWV has changed the shape of the Annual Load Profile (ALP) in the Spring (particularly May) for those weather sensitive EUCs such as Domestic consumers. As explained earlier, the ALP represents "the view of EUC's typical gas consumption profile" which is calculated using the Seasonal Normal weather basis so changes to this will ultimately be observed in the ALP.

This topic was discussed during the industry consultation phase and further information can be found here.

- Another notable update from this year's Demand Modelling process was DESC's decision to not use the underlying data collected and proposed for the Domestic Non-Prepayment EUC ("02BND").

  This was because during modelling discussions, at its May meeting, it became apparent there was evidence that some of the sample data collected for this EUC were in fact Industrial and Commercial properties and so not suitable in generating a Domestic profile.

  As a result of these inaccuracies, caused by unreliable Market Sector Code (MSC) information, DESC decided that the Domestic models derived for its equivalent in Band 1 ("01BND") should therefore be used for the Band 2 profiles as well. DESC also issued a key message reminding the industry of the importance of maintaining an accurate view of the "MSC" given its role in accurate NDM allocation.

Further Information

For further information please take a look at Xoserve's dedicated Demand Estimation web page here.

For any follow up queries for the Demand Estimation Team please raise a Help and Support request here.