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Theft of Gas Review

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Theft of Gas

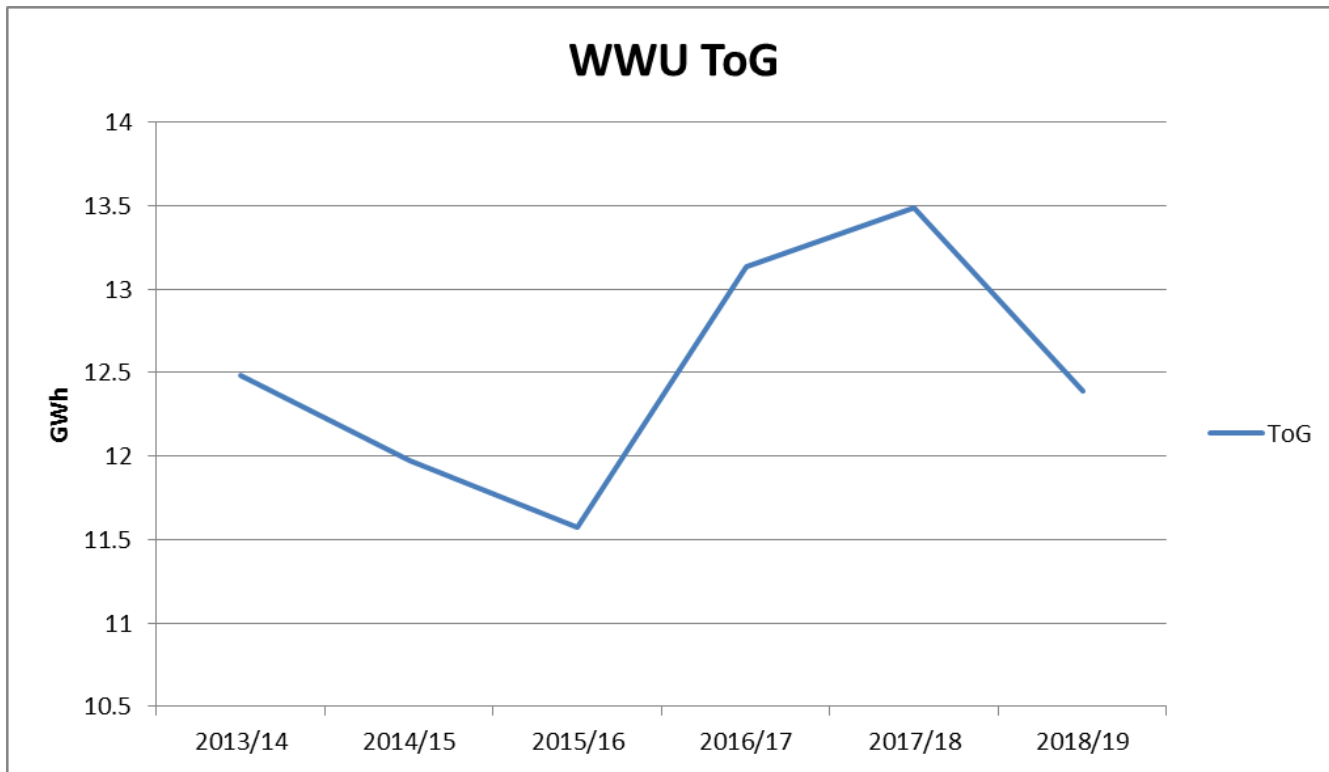
- Theft of Gas calculated within the Shrinkage model account for Unidentified theft that occurs upstream of the ECV
- It's not practicable to investigate all meter-points and so it is estimated as a % of throughput
- Current calculation – 0.02% x overall network consumption – derived in 2005 following consolidation of expert opinions



Challenges

- Difficulty of measuring ToG
- Current methodology gives an inflated Theft level where new large demands connect onto our network
- DN's can experience windfall gains and losses from current incentive.
 - Ultimately driven by weather
 - Gas usage of large loads can heavily influence estimate
 - This includes large power stations connected to the LTS network

WWU ToG performance



Options for consideration

- Review current ToG factor with key stakeholders
- Remove ToG from the Shrinkage incentive
- Consider influence of large loads, particularly those connected directly to the LTS network

FEEDBACK

