

Draft AUGS Feedback Review Meeting – Summary of Questions and Answers (13 April 2017)

	Question	Response
1.	DNV GL summarised the queries received during the consultation period and also provided responses. A copy of the full presentation can be found here:-	<p><a href="http://www.gasgovernance.co.uk/augenex/1718">http://www.gasgovernance.co.uk/augenex/1718</a> Item; “AUGE Meeting Presentation from 13 April 2017”</p> <p><u>The AUGE’s presentation from the meeting and responses to each of the three parties’ comments on the Draft AUGS are also on the same website page.</u></p>
2.	How would the findings of the GRG Shrinkage report be factored into the UG Factors Table and could the AUGE produce 2 tables to show the position including and excluding the Shrinkage Error?	<p>Andy Gordon (DNV GL) explained that any corrections to the current Shrinkage Regime would need to be completed outside of the AUGE Framework.</p> <p>Shippers stated in the meeting that Mods would be raised to address the Shrinkage Error and the AUGE agreed to produce 2 additional tables of UG Factors, with and without allowance for the Shrinkage Error, however the AUGE re-iterated that they have to publish a single final table of UG Factors on 1<sup>st</sup> July.</p> <p>E.ON highlighted that Shrinkage gas is ultimately funded by Shippers, regardless of treatment: the daily agreed Shrinkage quantity is purchased by DNs and included in Transportation charging; any excess will be borne by Shippers via Unidentified Gas processes.</p> <p>Xoserve agreed to raise the GRG Shrinkage Study Findings with the Gas Transporters to make them aware of it. (ACTION Xoserve).</p>
3.	What is the magnitude of CSEP shrinkage?	<p>The AUGE have estimated that CSEP shrinkage (estimated in the GRG report at between 2% and 5% of the Shrinkage total) is approximately 100 Gwh p.a. It has also been included in the latest UG calculations, as it is known that this is not accounted for elsewhere and so also filters into UG.</p>
4.	Is there any data provided to the AUGE regarding types of Theft or what type of meter the theft had occurred on?	<p>The AUGE currently receive no information detailing methods of theft or type of meter. Xoserve will look into the availability of this information, however this could mean changes to source systems such as QMS.</p> <p>The industry were aware of the Ofgem proposed theft target, which is in consultation, but they don’t feel it is relevant to the UG calculation.</p>

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5.	Why do DMV (Voluntary Daily Metered) have a UG Factor of 0 whereas AMR in product class 2 attract UG?	The AUGS responded that the Theft data they have received provides no instances of Theft for DMV Meters. There are indications that Theft has occurred where a meter has AMR and that transfer of these meters between classes would not change their behaviour and theft would go undetected. Until post Nexus data is available the AUGS would have to make assumptions in this area.
6.	What is the AUGS justification for using a 120 day minimum read separation in the consumption method where UNC requires a minimum of 9 months as a base period for AQ derivation? ( <i>currently 6 months, but will change to 9 months post-Nexus</i> )	The AUGS explained their findings using the 120 day minimum read separation and the reasoning behind it. The AUGS asked if the 9 month read separation analysis could be provided to them so that they can review the findings. (ACTION E.ON)
7.	Factors Table – Can the AUGS provide all versions of the Factors table and explain the movement between each table?	The AUGS agreed to publish all versions of the factors table and provide supporting commentary of the changes.
8.	Would the UG Values and supporting calculations be made available to support the publication of the Factors Table on 1 <sup>st</sup> July?	The AUGS confirmed that all UG Values and supporting calculations would be published to the industry via the Xoserve secure website on or around July 1st.