



Allocation of Unidentified Gas (AUG) Process for Gas Year 2021-2022 – Request for Feedback

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INTRODUCTION

We appreciate the opportunity to respond to Xoserve's request for feedback on the events of the AUG Expert Year 2020-21 and have provided our views with regard to a number of areas that we consider relevant below.

AUGE FRAMEWORK DOCUMENT

We believe that the process contained within the AUGE Framework document has worked well and as intended, with delivery milestones being clearly defined and regular opportunities for public discussion and stakeholder feedback scheduled. We are also of the view that the timeframes contained within the AUGE Framework document pertaining to the delivery of the AUGE core service (i.e. the production of and communication of the thinking behind the Final AUG Statement and Table, as well as the iterations that document undergoes prior to finalisation), are appropriate and provide sufficient time for a robust process to conclude, as was the case in our first year as the AUGE. In addition, we believe that the current governance arrangements play a significant part in protecting the independence of the AUGE.

We would like to thank the Joint Office of Gas Transporters for their governance of the AUG Sub-Committee meetings, and also for their flexibility in accommodating the Extraordinary AUG Sub-Committee meeting which we requested in November 2020.

INDUSTRY

We thank industry stakeholders for their engagement and feedback provided throughout the annual process. While we appreciate the points made in relation to the commercial impacts of our work as AUGE, we would like to note that, while we are sensitive to these, they are side-effects of our determination of UIG and the manner in which this determination is used for allocation purposes. Given the imperative requirement for us to maintain a high degree of impartiality, we are unable to base our conclusions upon possible commercial impacts to market participants, nor to allow these to influence our analysis.

We were pleased with the level of interaction during our consultation on the Draft AUG Statement and Table and would like to thank all those who responded. Responses in line with the requested format made collation and analysis considerably more straightforward.

As mentioned above, the process in relation to the delivery of the AUGE core service has worked well. However, the AUGE innovation service, which is designed to identify and implement potential improvements which support the reduction or improved allocation of overall UIG, has been delayed due to industry focus on the AUGE core service. Although we have now been able to regain traction and start to move the AUGE innovation service forward, our main learning in this area is that our engagement with industry for potential innovations needs to commence at an earlier stage next year than was the case this year.

XOSERVE/CORRELA

Our working relationship with Xoserve/Correlia has been a positive one and we would like to express our appreciation for the timely provision of requested data and for the open and transparent manner in



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which communication has been conducted; this has greatly assisted the successful and timely execution of our responsibilities as the AUGE in our first year appointed to this role.

We appreciate the facilitation by Xoserve/Correlia of the handover with our AUGE predecessor (DNV GL) and would also like to thank DNV GL for the thoroughness of the handover provided.

We hope this response proves useful and are happy to discuss further should this be required.





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