

<i>Report Number: 14448</i>	<i>26th September 2013</i>
<h2 style="text-align: center;">2013 Allocation of Unidentified Gas Interim Table for 2014/15</h2>	
<i>Not Restricted</i>	<i>GL Noble Denton</i>

**Prepared for:**

Gas Transporters

**Prepared by:**

Andy Gordon, Clive Whitehand, Tony Perchard, Mark Lingham

GL Industrial Services UK Ltd trading as GL Noble Denton

Holywell Park  
Ashby Road  
Loughborough Leicestershire  
LE11 3GR  
United Kingdom

Tel: +44 (0)1509 28 2000

Fax: +44 (0)1509 28 2141

E-mail: [AUGE@gl-group.com](mailto:AUGE@gl-group.com)

Website: [www.gl-nobledenton.com](http://www.gl-nobledenton.com)

Version

1

**Customer Reference:**

1-6AS9AC

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Version	Changed against	Date	Status (Interim , Final)
1.0	Created	26 <sup>th</sup> September 2013	Interim

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## 1 Unidentified Gas Estimates

This document provides a set of tables containing the interim estimates of Unidentified Gas (UG) calculated using the methods and data described in the 2013 Allocation of Unidentified Gas Statement for 2014/15 (version 3) [1]. These values have been calculated using the methodology as approved by the UNCC on 3<sup>rd</sup> September 2013.

The estimates are also provided by LDZ in Appendix A, with each set of LDZ figures split into SSP and LSP market sectors, and also by each category of UG. The Scottish Independents are also included within the figures for SC LDZ, although their contribution to the overall UG figure has been negligible up to this point. These tables will therefore give a full breakdown of UG by source in each LDZ.

An example (unpopulated) table is shown below. The top section shows the breakdown of UG by category, with different columns for the SSP and LSP market sectors. The individual components of the Shipperless (Shipperless PTS, Shipperless SSrP and Without Shipper <12 months) and Unregistered (Shipper Activity, Orphaned, Unregistered < 12 months) categories are shown in grey, with the total for the category in black. The total of the directly measured components is shown, to which the Balancing Factor (i.e. Theft plus Other) is added to give the overall LDZ UG totals for the SSP and LSP sectors, which are shown in bold. All units are GWh.

Table 1 Unidentified Gas Summary (GWh) – Example Table

	XX LDZ		
	SSP	NDM LSP	DM LSP
iGT CSEPs	0.00	0.00	0.00
Shipperless/Unregistered	0.00	0.00	0.00
- Shipper Activity	0.00	0.00	0.00
- Orphaned	0.00	0.00	0.00
- Unregistered <12 Months	0.00	0.00	0.00
- Shipperless PTS	0.00	0.00	0.00
- Shipperless SSrP	0.00	0.00	0.00
- Without Shipper <12 Months	0.00	0.00	0.00
Meter Errors	0.00	0.00	0.00
Total Directly Measured	0.00	0.00	0.00
Theft + Other	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

### 1.1 Estimation of SAP price

The estimation of SAP price has been based on the methods used for the AUGS year 2012/13. Historical SAP price data has been taken from the National Grid industry website from November 2008 to August 31<sup>st</sup> 2013 and will be updated later in the year when the final figures and rates are calculated.

The 2014/15 SAP price is only used to provide a common basis for estimating the overall cost of UG in the coming gas year. In practice the SAP price actually used will be the daily average SAP price over the reconciliation billing period in question. This is described in the TPD section E 10.5.

The following SAP price estimates have been calculated:

- 1) Annual average year on year SAP price based from 2011 onwards extrapolated to 2014/15 (2.39 p/kWh)
- 2) Monthly trend based on data from April 2011 onwards (2.59 p/kWh)
- 3) Daily trend based on data from April 2011 onwards (2.58 p/kWh)

The average of these methods gave an estimated SAP rate of 2.52 p/kWh for the period April 2014-March 2015.

DECC publish projected fuel prices across a range of commodities. The October 2012 projections for gas gave a figure of 2.59p/kWh [2] and the more recent July 2013 projection gas a figure of 2.27p/kWh [3] for gas.

In previous years the SAP price has actually turned out lower than these projections (typically ~5% less) although there is a general upward trend.

Taking this additional information into account we recommend the SAP price to be used for the interim rates table for 2014/15 should be **2.39p/kWh**.

## 1.2 Interim AUGS Table

The Interim AUGS table is provided below showing overall UG volumes by market sector and source of UG. Due to rounding error, the sum of the individual values do not always match the total, however, the totals are correct. This applies to the gas volumes, rates shown below and the UG by LDZ summary tables in Appendix A.

Table 2 Unidentified Gas Volumes for 2014/15

Unidentified Gas source	Aggregate Quantity of Unidentified Gas/GWh	Unidentified Gas Quantity/GWh		
		Larger DM SPCs	Larger NDM SPCs	Smaller SPCs
iGT Cseps	288	0	0	288
Shipperless/Unregistered	725	0	621	104
- Shipper Activity	1	0	1	0
- Orphaned	61	0	53	8
- Unregistered <12 Months	338	0	326	12
- Shipperless PTS	25	0	14	11
- Shipperless SSrP	290	0	222	68
- Shipperless <12 Months	11	0	5	5
Meter Errors	21	0	21	0
Balancing Factor (Theft + Other)	2,235	0	552	1,683
Total (inc Independents)	3,270	0	1,195	2,075

Using a SAP price of 2.39p/kWh results in the following interim rates table. These are calculated using the AUG volumes prior to rounding from the above table.

Table 3 Unidentified Gas Rates 2014/15

Unidentified Gas source	Aggregate Estimated cost of Unidentified Gas/£M	Unidentified Gas Costs/£M		
		Larger DM SPCs	Larger NDM SPCs	Smaller SPCs
iGT Cseps	6.89	0.00	0.00	6.89
Shipperless/Unregistered	17.34	0.00	14.84	2.49
- Shipper Activity	0.02	0.00	0.01	0.00
- Orphaned	1.45	0.00	1.26	0.19
- Unregistered <12 Months	8.08	0.00	7.79	0.29
- Shipperless PTS	0.60	0.00	0.35	0.25
- Shipperless SSrP	6.93	0.00	5.31	1.63
- Shipperless <12 Months	0.25	0.00	0.13	0.12
Meter Errors	0.51	0.00	0.51	0.00
Balancing Factor (Theft + Other)	53.42	0.00	13.20	40.21
Total (inc Independents)	78.15	0.00	28.55	49.60

**Note that these rates are not the amounts that will actually be levied in practice.** The SAP price will be calculated as defined in the TPD section E10.5.

## 2 Contact Details

Questions can be raised with the AUGS at [AUGS@gl-group.com](mailto:AUGS@gl-group.com)

## 3 References

- [1] 2013 Allocation of Unidentified Gas Statement for 2014/15 (version 3), 11<sup>th</sup> September 2013, GL Noble Denton
- [2] DECC Fossil Fuel Price Projections, URN 12D/361, October 2012, DECC
- [3] DECC Fossil Fuel Price Projections, URN 13D/170, July 2013, DECC

## Glossary

AUGE	Allocation of Unidentified Gas Expert
AUGS	Allocation of Unidentified Gas Statement
Balancing Factor	An aggregate of the combined unidentified gas of various items calculated by subtraction. This includes theft, errors in the Shrinkage estimate, open bypass valves, meters “Passing Unregistered Gas”, unknown sites, and additional Common Cause variation.
LSP	Larger Supply Point
SSP	Smaller Supply Point
UG	Unidentified Gas



## Appendix A UG by LDZ

This appendix contains a breakdown of UG by LDZ.

Table 4 Unidentified Gas Summary (GWh) – EA, EM, NE, NO AND NT

	EA		EM		NE		NO		NT	
	SSP	LSP	SSP	LSP	SSP	LSP	SSP	LSP	SSP	LSP
iGT CSEPs	13.69	0.00	47.67	0.00	6.51	0.00	5.33	0.00	12.11	0.00
Shipperless/Unregistered	7.45	49.42	9.81	31.38	4.98	72.11	3.35	18.98	14.97	68.60
- Shipper Activity	0.01	0.04	0.01	0.09	0.01	0.09	0.01	0.03	0.01	0.06
- Orphaned	0.70	7.12	0.64	4.43	0.37	3.13	0.36	5.46	1.47	6.19
- Unregistered <12 Months	0.86	12.97	1.15	13.79	0.69	52.98	0.59	6.16	0.91	45.28
- Shipperless PTS	1.00	1.03	0.98	0.44	0.46	0.98	0.51	0.70	1.42	2.20
- Shipperless SSrP	4.49	28.27	6.24	12.14	3.15	12.82	1.60	5.67	10.59	14.49
- Shipperless <12 Months	0.40	0.00	0.79	0.48	0.31	2.10	0.28	0.95	0.56	0.38
Meter Errors	0.00	1.36	0.00	2.56	0.00	1.39	0.00	1.55	0.00	2.60
Total Directly Measured	21.15	50.77	57.48	33.94	11.49	73.50	8.68	20.53	27.08	71.20
Balancing Factor (Theft + Other)	121.35	38.04	254.97	81.15	268.83	84.51	176.49	54.55	140.35	58.22
Total Permanent UG	142.50	88.81	312.45	115.09	280.31	158.01	185.17	75.08	167.43	129.42

Table 5 Unidentified Gas Summary (GWh) – NW, SC, SE, SO and SW

	NW		SC		SE		SO		SW	
	SSP	LSP	SSP	LSP	SSP	LSP	SSP	LSP	SSP	LSP
iGT CSEPs	21.67	0.00	37.22	0.00	19.64	0.00	44.75	0.00	44.32	0.00
Shipperless/Unregistered	13.07	110.83	7.33	42.43	20.92	52.12	6.79	74.82	3.30	71.85
- Shipper Activity	0.02	0.03	0.01	0.08	0.01	0.07	0.01	0.05	0.01	0.01
- Orphaned	1.00	6.18	0.71	2.92	1.02	5.04	0.33	3.36	0.51	3.76
- Unregistered <12 Months	1.12	89.77	1.88	20.44	1.98	9.67	0.79	9.04	1.18	59.38
- Shipperless PTS	1.79	1.60	1.13	2.22	1.02	2.00	0.63	0.87	0.34	0.55
- Shipperless SSrP	8.07	12.96	3.33	16.67	16.38	35.27	4.80	61.39	1.25	8.14
- Shipperless <12 Months	1.06	0.29	0.27	0.11	0.51	0.07	0.25	0.12	0.01	0.00
Meter Errors	0.00	0.43	0.00	2.54	0.00	2.28	0.00	1.74	0.00	1.71
Total Directly Measured	34.74	111.26	44.55	44.97	40.56	54.40	51.54	76.57	47.62	73.56
Balancing Factor (Theft + Other)	195.04	60.05	53.57	20.68	-68.81	-18.34	256.93	90.38	-112.47	-36.77
Total Permanent UG	229.78	171.31	98.12	65.65	-28.25	36.05	308.47	166.95	-64.85	36.79



Table 6 Unidentified Gas Summary (GWh) – WM, WN and WS

	WM		WN		WS	
	SSP	LSP	SSP	LSP	SSP	LSP
iGT CSEPs	17.87	0.00	7.26	0.00	10.30	0.00
Shipperless/Unregistered	8.71	19.70	0.94	0.46	2.68	8.33
- Shipper Activity	0.01	0.02	0.00	0.00	0.00	0.01
- Orphaned	0.56	3.97	0.06	0.23	0.17	0.91
- Unregistered <12 Months	0.72	5.37	0.18	0.05	0.30	0.87
- Shipperless PTS	0.91	1.08	0.19	0.08	0.29	0.70
- Shipperless SSrP	5.79	8.29	0.52	0.11	1.90	5.85
- Shipperless <12 Months	0.73	0.97	0.00	0.00	0.02	0.00
Meter Errors	0.00	2.29	0.00	0.27	0.00	0.58
Total Directly Measured	26.58	22.00	8.20	0.73	12.98	8.91
Balancing Factor (Theft + Other)	99.15	36.35	39.92	15.02	257.22	68.59
Total Permanent UG	125.73	58.34	48.12	15.75	270.20	77.51

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