



The Joint Office: FAO The UNC Committee

By e-mail: enquiries@gasgovernance.co.uk

5th August 2013

Allocation of Unidentified Gas Statement (AUGS) 2014/15

RWEnpower welcomes the opportunity to respond to this consultation on the 2014/15 AUGS.

RWEnpower is supportive of the AUGS's independent assessment that the consumption based method of estimating unidentified gas is more accurate and should be adopted by the Industry.

Analysis has shown that the RbD method used previously is inaccurate and it is our belief that this has caused residential customers to be exposed to incorrectly allocated costs historically. In the absence of this analysis and detail, this may have been appropriate however it is imperative that this cross subsidy is eradicated by implementing the 2014/15 AUGS efficiently and without undue delay.

RWEnpower is fully committed to providing the best outcome for our customers who will be required to bear the costs associated with unidentified gas through no particular fault of their own. We do not believe that any particular customer group should subsidise another therefore welcome this more statistically accurate AUG statement.

As mentioned in previous correspondence we are supportive of this methodology but given previous AUG processes, we still have some concerns around the transparency of the contract under which the AUGS performs its calculations.

In summary RWEnpower supports the new methodology and we hope our comments are beneficial to this process.

Yours sincerely,

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