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ICoSS Response to Allocation of Unidentified Gas (AUG) Process – Request for Feedback 2021

The Industrial & Commercial Shippers & Suppliers (ICoSS) is the trade body representing the majority of the GB non-domestic energy market. Our members¹, who are all independent Suppliers, in total supply in excess of three quarters of the gas and half the electricity provided in the highly competitive non-domestic market.

Overall, in contrast to previous years, we have serious concerns over the AUG process, do not believe it is fit for purpose and requires significant reform.

As we have previously communicated during the development of the AUG statement there has been insufficient opportunity for industry parties to examine the proposed AUG methodology for 2020/21 as it departs significantly from previous methodologies. We are still of the view that insufficient time has been available to develop a robust model and that there a number of areas where the framework document requirements were not fully discharged.

We are supportive of the UNC Modification proposal 0758 to give more time to the AUG Statement creation process. In parallel, the industry should review the AUG process, and the UIG framework more widely, to assess whether the current regime should continue in its present form. We therefore suggest that Xoserve seeks to establish a working group as soon as possible to reevaluate how UIG is managed in the industry.

Please find attached our previous assessment of this year's process against the Framework for the Appointment of an Allocation of Unidentified Gas Expert and also an options paper which set potential changes to the UIG allocation process.

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Appendix 1: Assessment of draft 2021-22 AUGE Statement against the Framework for the Appointment of an Allocation of Unidentified Gas Expert

Appendix 2: ICoSS Response to Allocation of Unidentified Gas (AUG) Process – Request for Feedback 2021