

To:

UNC Parties, including Shippers and Large Gas Transporters The Joint Office of the Gas Transporters Ofgem The AUGE

19 May 2022

Dear Colleague

Allocation of Unidentified Gas (AUG) Process – Request for Feedback

2021/22 saw the sixth application of the post-Nexus Allocation of Unidentified Gas processes, as introduced by UNC Modification 0473. It was the fourth year of applying the updated version of the "Framework for the Appointment of an Allocation of Unidentified Gas Expert", which was developed in UNC Review Group 0639 (Review of AUGE Framework and Arrangements) to address many of the industry's concerns with the previous process. The latest Framework document was approved by UNC Committee in June 2018 and can be found under UNC Related Documents: https://www.gasgovernance.co.uk/tpddocs

This was the second year in the AUGE role for Engage Consulting Ltd, who were appointed in June 2020. The outputs of the process for 2021/22, which included seven meetings of the UNC AUG Sub-Committee and which concluded at April's UNC Committee meeting, can be found on the Joint Office website. The AUGE's proposed Statement and Table of Unidentified Gas Weighting Factors for Gas Year 2022/23 was approved at April UNC Committee.

UNC AUG Sub-Committee: http://www.gasgovernance.co.uk/aug

April UNC Committee: https://www.gasgovernance.co.uk/uncc/210422

Final AUG Statement and Table: https://www.gasgovernance.co.uk/AUGStatement2223



The AUG Framework includes a requirement for the Central Data Services Provider (the "CDSP" – Xoserve) to seek feedback on "the activities and performance of the AUGE and the industry for the creation of the AUGS" and to report to the UNC Committee (section 7.4 of the AUG Framework).

I would like to request your feedback on the events of the AUG Expert Year 2021/22, i.e. the development of the AUG Statement and Table of UIG Weighting Factors for Gas Year 2022/23, and any suggestions for improvements.

Areas on which you may consider providing feedback include:

- The AUG Framework document, e.g. timeline, clarity of scope and responsibilities
- The AUGE for such areas as: communication, industry engagement, query responses etc.
- The industry, e.g. for support for the process and timeliness/relevance of responses to consultations
- Xoserve/Correla, e.g. for the provision of information

The intention is to produce a review report on the 2021/22 process for presentation to July 2022 UNCC meeting, including any recommendations for further improvement. Xoserve is currently appointing a "recognised external auditor" to undertake an annual detailed review and report on the AUGE's compliance with its contractual and UNC obligations: any relevant observations and recommendations from this feedback process will also be shared with the auditor, once appointed.

Please submit your responses to analytical.services@xoserve.com by Friday 10th June 2022. Please advise whether you are happy for your feedback to be made public (which will probably be as an appendix to the report).

If you have any questions regarding this topic please do not hesitate to contact me via the email address below.

Yours sincerely

Fiona Cottam

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