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Corona Energy Response to Response to consultation on Allocation of Unidentified Gas Statement 2018/19

Thank you for the opportunity to respond to the consultation on the proposed AUGS for 2019/20.

Introduction

Corona Energy (CE) is a shipper and supplier of gas and a recent supply of electricity to the non-domestic market. Our customers range from micro-businesses and SMEs through to large industrial and multi-site customers. We also have a licence to supply domestic sites in electricity and gas.

In summary, CE is broadly satisfied with the proposed AUGS and believes that the high-level framework which it utilises to derive UG volumes is sound. We would like to see more work undertaken on assessing how gas theft varies between EUC Bands in the market and request the AUGS prioritises this work in time for the commencement of the forthcoming gas year.

CE would like in addition to make the following points:

- The methodology seems little changed compared to previous years, but we support this as it seems a robust method to ascertain the level of UG present in each LDZ.



- We also believe that the process for determining UG volume for shipperless and unregistered sites, meter errors and CSEP errors are robust, relying on Xoserve and industry data.
- As there is comparatively little change to the methodology, there seems to be an opportunity to concentrate resources on improving the accuracy and robustness of the Gas Theft calculation. In particular there seems to a sizable set of information available on detected theft that will allow the AUGE to assess the level of UG per EUC band. In addition Corona Energy has raised UNC Modification 0632 that will require shippers to register all smart and AMR meters in their portfolio, which should aid an assessment on how theft varies by meter type next year.
- We agree with the AUGE that any issues regarding shrinkage error should be addressed via the shrinkage forum

Yours sincerely,

Claudio Ziviani
Commercial Director

