

Draft AUG Statement Consultation

Date: 23rd December 2021



INTRODUCTION

The draft Allocation of Unidentified Gas (AUG) Statement for the Gas Year 1st October 2022 to 30th September 2023 has been published on the [Joint Office Website](#). Its purpose is to provide the draft Weighting Factors in the AUG Table for the target Gas Year and to set out in detail how we determined these, so that they can be consulted upon.

We are now seeking industry's views on the draft AUG Statement using the consultation questions detailed below. Please provide your response to Xoserve via email by **Friday 21st January 2022** at analytical.services@xoserve.com and copy us at auge@engage-consulting.co.uk. Where possible, please structure your response in line with our questions to help us to collate and consider responses more effectively.

Responses will also be published on the Joint Office website. If you wish any part of your response to remain confidential, please state this clearly in your response. You may consider only parts of your response to be confidential, in which case please mark accordingly those sections that you consider confidential. If possible, please place any confidential material in separate appendices to the main response document.

We will present the Draft AUG Statement at the AUG Sub-Committee meeting scheduled for Friday 14th January. This is an opportunity for stakeholders to ask questions prior to the deadline for consultation responses. Details of this meeting can be found [here](#).

Following this consultation, we will publish the final AUG Statement, containing the final Weighting Factors, for approval by the UNC Committee. The final Weighting Factors will then be used in Settlement for the Gas Year commencing on 1st October 2022.



CONSULTATION QUESTIONS

1 Our overarching methodology is detailed within Section 4 (“Overarching Methodology”) of the draft AUG Statement. This methodology is based on the following principles:

- ▶ **Bottom-up Determination:** we quantify UIG for each identified contributor and add these together, rather than estimating the overall UIG and apportioning it or using it as a means of differencing;
- ▶ **‘Polluter Pays’:** we interpret “fair and equitable” to mean that UIG should be allocated in the same proportions as it is created. As the UNC does not permit the allocation of UIG at a Supply Point level, the best current attainment of this principle is that each position on the matrix of EUC Band and Class attracts its appropriate proportion; and
- ▶ **Line in the Sand:** we only include in our calculation of Weighting Factors the UIG that will exist at the Line in the Sand (the final Settlement position) and not UIG that exists temporarily prior to this.

Please highlight any aspect of these principles or our overarching methodology that you disagree with or could be improved upon, providing your rationale and, wherever possible, supporting evidence. Please also make any suggestions for alternative approaches and describe how you think this would improve the Weighting Factors contained in the AUG Table.

2 Our results for the two new contributors and two refinement investigations are contained within Section 5 (“Detailed Investigations”) of the draft AUG Statement. For each of these contributors, please highlight any assumptions, methodology aspects, calculations, and results which you disagree with and which you believe materially affect the Weighting Factors contained within the AUG Table. Where possible, please provide your rationale, suggestions for improvement and supporting evidence:

- 2.1 140 – Meters with a By-Pass Fitted (NEW);
- 2.2 160 – Isolated Sites (NEW);
- 2.3 010 – Theft (AMR only) (REFINEMENT); and
- 2.4 090 – No Read at the Line in the Sand (REFINEMENT).

3 Our results for the eight contributors not under detailed investigation are contained within Section 6 (“Other Contributors”) of the draft AUG Statement. These contributors to UIG were investigated last year and are repeated this year. Dataset refreshes have occurred for all eight contributors. In some cases, small improvements have been made to a step in the methodology or calculations, and we highlight these instances.

For each of these contributors please highlight any methodology aspects, calculations and results which you disagree with and which you believe materially affect the Weighting Factors contained within the AUG Table. Where possible, please provide your rationale, suggestions for improvement and supporting evidence, with a particular focus on sharing new insight and commentary not previously provided:

Draft AUG Statement Consultation

Date: 23rd December 2021



- 3.1 020 - Unregistered Sites;
 - 3.2 025 - Shipperless Sites;
 - 3.3 040 – Consumption Meter Errors – Inherent Bias;
 - 3.4 050 – LDZ Meter Errors;
 - 3.5 060 - IGT Shrinkage;
 - 3.6 070 - Average Pressure Assumption;
 - 3.7 080 - Average Temperature Assumption; and
 - 3.8 100 - Incorrect Correction Factors.
- 4 If there is any other relevant matter in relation to this consultation that you would like to raise which you believe materially affects the Weighting Factors contained within the AUG Table, please explain this and provide your rationale and, wherever possible, supporting evidence.

Should you require clarification on the consultation process, please do not hesitate to contact us at auge@engage-consulting.co.uk.