Unidentified Gas (UIG) Webinar (incl. updated Q&As)

29 June 2022

Agenda

- Introductions
- Objective
- Background:
  - What is UIG ?
  - How is it calculated ?
  - Causes of UIG
- UIG levels this year to date
- What happens after the Gas Day (Reconciliation)
- Where to go for more information and support

Introductions

- **Mark Perry:** Demand Estimation Team
  - Responsible for production of Gas Demand Profiles used in deriving NDM Allocation. UIG Monitoring / Queries

- **Fiona Cottam:** AQ / Reads / AUGE
  - Resolving queries on Meter Reads/AQ. Management of the Unidentified Gas Expert process. Involved in developing industry requirements for UIG during Project Nexus

- **Rachel Martin:** Amendment Invoice
  - Responsible for production and validation of the monthly Amendment Invoice which includes the UIG Reconciliation Charge.

Objective of Webinar

- Support the industry in understanding the current levels of Unidentified Gas (UIG) – explore some of the themes included in the recent news article

- Provide clarity on the relationship between UIG at D+5 and the Unidentified Gas Reconciliation charge (UGR) on the Amendment Invoice

- Opportunity for customers to ask questions / share insight

BACKGROUND – WHAT IS UNIDENTIFIED GAS

What is Unidentified Gas (UIG) ?

- The gas that is off taken from the Local Distribution Zone (LDZ) System, but not attributed to an individual Supply Meter Point or accounted for as Shrinkage, is referred to as Unidentified Gas (UIG)

- The majority of gas consumed in Great Britain can be accounted for as it is metered and registered. However, some gas is lost from the system, or not registered, due to theft, leakage from gas pipes, consumption by unregistered supply points and other reasons. This will be contributing to 'Permanent UIG' (unless it is detected and then corrected through off-line adjustments)

- As part of the suite of daily gas balancing activities in Gemini, an algorithm estimates demand for the Non-Daily Metered (NDM) sector (c.25m supply meter points) each day

  – Any (inevitable) differences between this estimate (at D+5) and the actual consumption in this sector will also be contributing to UIG – however this should be considered as 'Temporary UIG' or an accounting position until such time that meter point reconciliation occurs

    More information on how the algorithm works and what factors can contribute to NDM error are explored here

- Note: Any errors with the LDZ or DM measurements/estimates which are revealed after D+5 will also be contributing to Temporary UIG

How is UIG then calculated?

- We are able to allocate the majority of the energy passing through the LDZs via actual measurements (LDZ and DM) or estimated volumes (NDM and Shrinkage) which leaves a small % that is unidentified.

  The final calculation is:

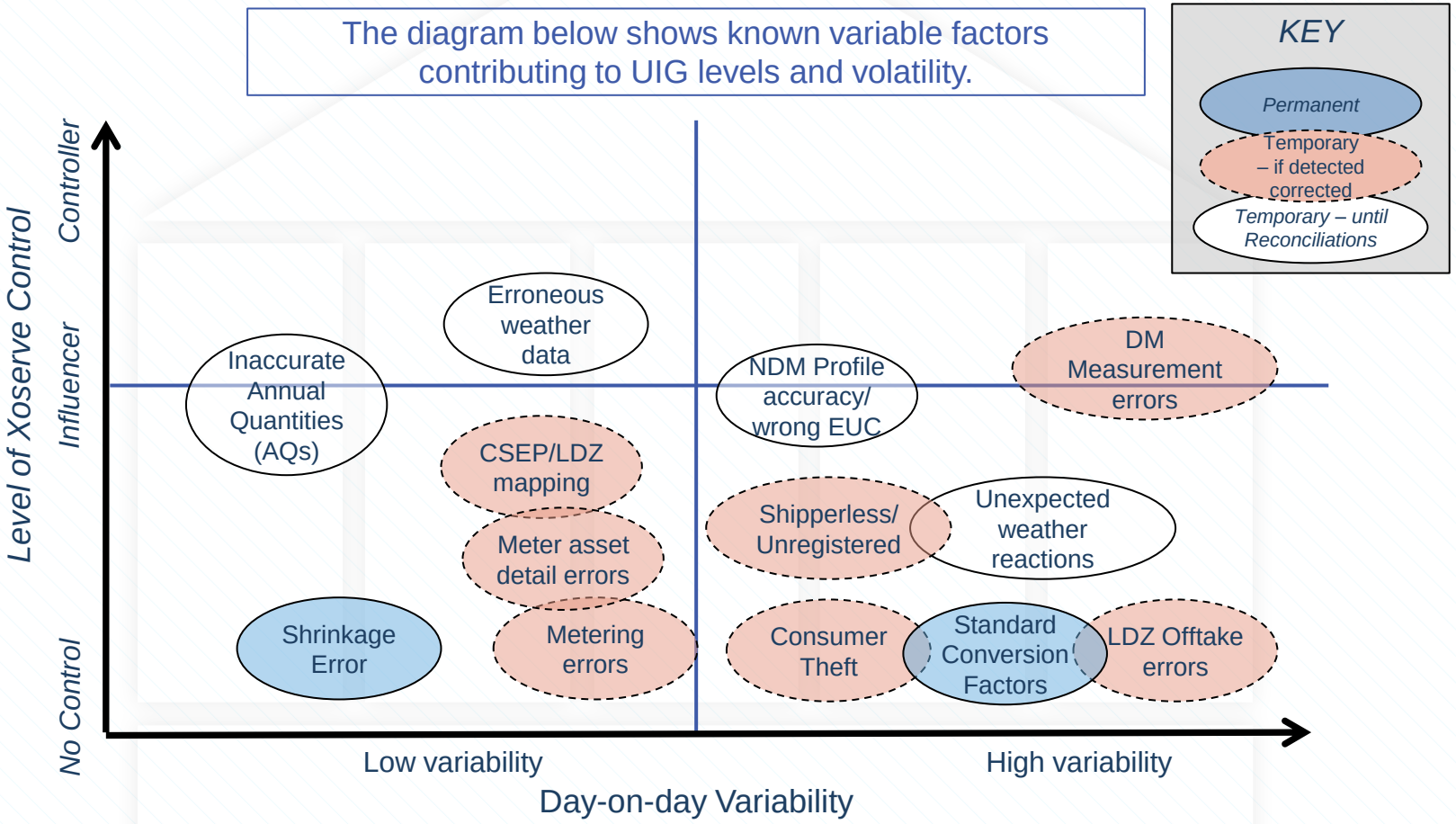
* UIG at D+5 is 'Temporary'. As NDM meter point reconciliation occurs the 'real UIG' figure will emerge

- This is calculated on a daily basis and is reported against a UIG meter in Gemini

- UIG allocation is calculated per LDZ and is then shared based on Class and EUC category, using throughput weighted from proportions derived by the industry expert ("AUGE")

Some Known Causes of UIG

The diagram below shows known variable factors contributing to UIG levels and volatility.



UIG LEVELS THIS YEAR TO DATE

Unidentified Gas (UIG) Levels – Gas Year 2021/22

- During the current Gas Year we have seen (and continue to see) **extended periods of negative UIG**, which is particularly unusual during the space heating months of October to April
  - The only other comparable instance was during Gas Year 2018/19, however this was due to an industry decision to apply ‘uplift factors’ to the NDM profiles which ‘artificially increased’ the estimate of NDM demand and UIG was sent negative as a result
- The negative UIG has been observed across all LDZs which means an over-estimate of NDM demand can be the **only explanation** of this current trend
- The ‘proof’ that the NDM sector is being over-estimated is the credit volumes observed in subsequent meter point reconciliation – covered later in the presentation

Unidentified Gas (UIG) Levels – NDM Algorithm

- The formula for estimating NDM demand is shown below:

- There are effectively 3 steps in the calculation to consider for each End User Category (EUC):

  i) establishing a base load for the day *i.e. AQ/365*

  ii) an adjustment to reflect average weather and time of year *i.e. x ALP*

  iii) an adjustment to reflect the actual weather experienced on the day and the sensitivity of the EUC to weather *i.e. (WCF X DAF)*

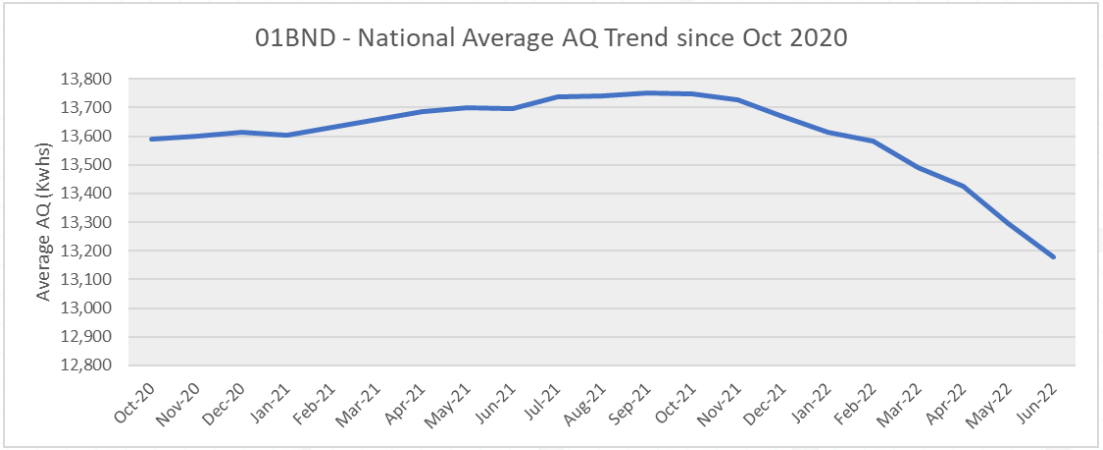
- As highlighted above in step 1, the main driver in the estimate of NDM demand is the Annual Quantity (AQ) as it establishes the NDM estimate base position from which to adjust from (steps 2 and 3)

NDM Algorithm – Role of Rolling AQ

- The AQ calculation itself is deliberately designed to provide stability to the industry by ensuring there is not volatile month on month movement
  - The optimum read period is 12 months, this means any sustained changes to end consumer's usage pattern may take several months of updated AQ calculations to filter through
- The AQ calculation also contains a weather correction element which means any colder or warmer weather experienced during the read period used should be accounted for (Slides 18-20 reflects on where this may not always be the case).

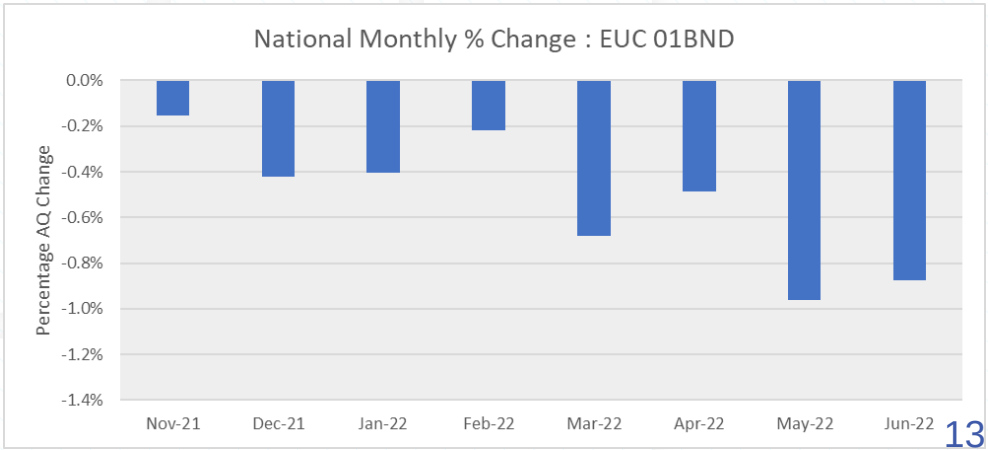
  This means any changes to AQ should not be weather related but as a result of a clear change in use or more subtle conservational effects.
- So, why focus on the AQ aspect of the NDM demand formula ?
- During 2022 we have observed a trend of declining AQs, indicating a reduction in the underlying usage in Band 1 (0 to 73.2 MWh pa) Domestic End User Categories (EUCs) i.e "01BND" – Non Prepayment and "01BPD" - Prepayment consumers
- In recent months we have also seen potentially the start of a trend of AQ reduction in I&C EUCs

National Domestic Rolling AQ levels since October 2020

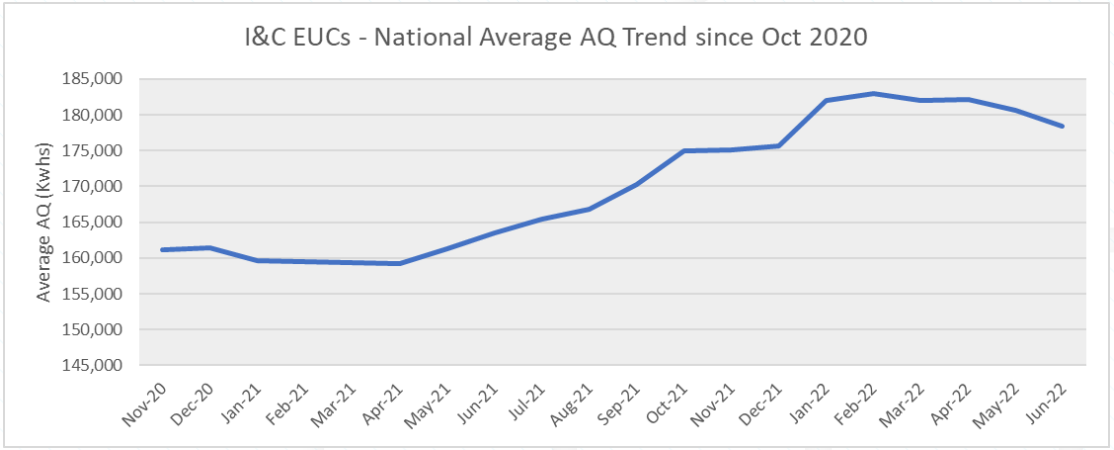


- During current Gas Year we have seen 4.3% reduction in Domestic AQ

- Clear trend of reducing AQs continues month on month
- June 2022 saw a further 0.9% reduction
- No sign of this trend ending

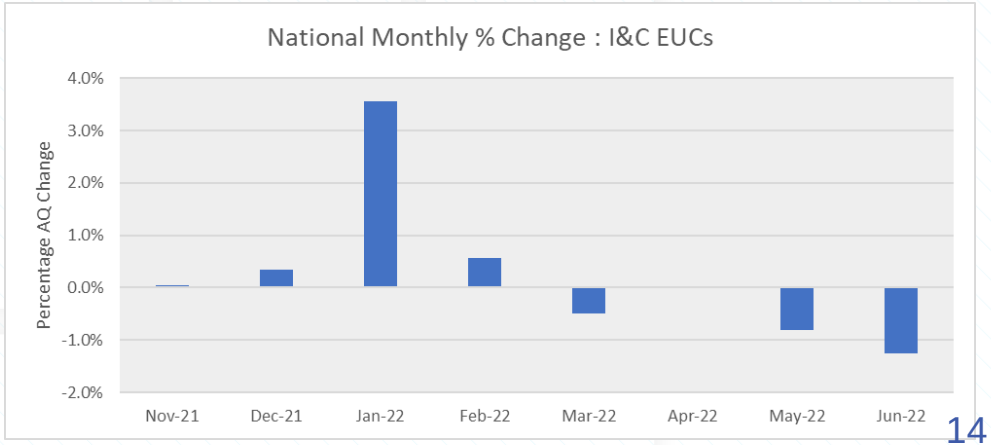


National I&C Rolling AQ levels since October 2020



- I&C AQ increase since ‘post COVID opening up’ in mid 2021

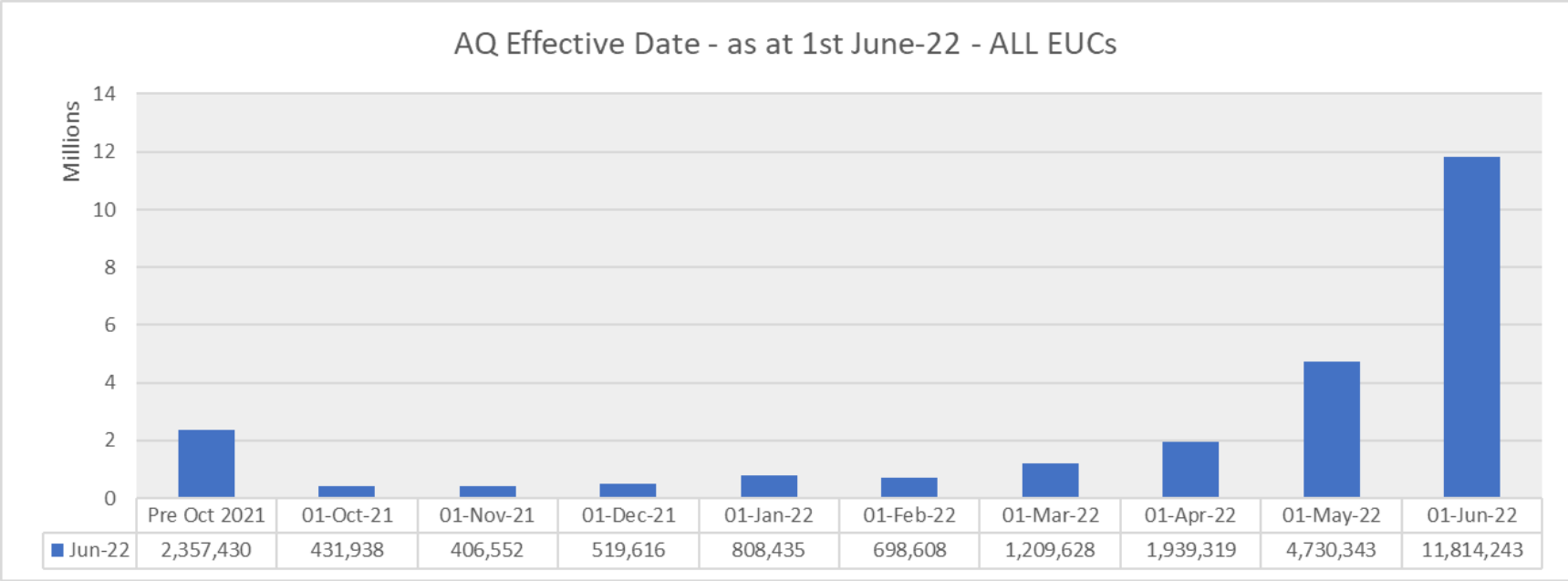
- May and June 2022 has seen a 2.1% reduction
- Potential start of a trend of reducing AQs in I&C sector ?



Causes & Impacts of declining Rolling AQ on NDM Algorithm

- In normal times, month to month AQ variation is more stable and any deviations are reflecting change in a small subset of the population e.g. change of use, new supply meter points coming on etc
- When reviewing the current AQ position it is hard not to associate this with the current crisis around energy prices which is leading to a ‘population level’ reaction
- The month-on-month reduction in AQ is therefore likely to be due to a downturn in consumption by end consumers to reduce energy bills
- This means that the AQs used in the formula for estimating NDM demand for a large majority of the sector are **too high,** and as UIG is the balancing figure it is required to go negative to ensure the LDZ demands are ‘balanced’ for the day
- Our recent simulation suggests that to achieve a more consistent level of positive UIG at allocation, AQs still have a way to go, maybe another 5% ?

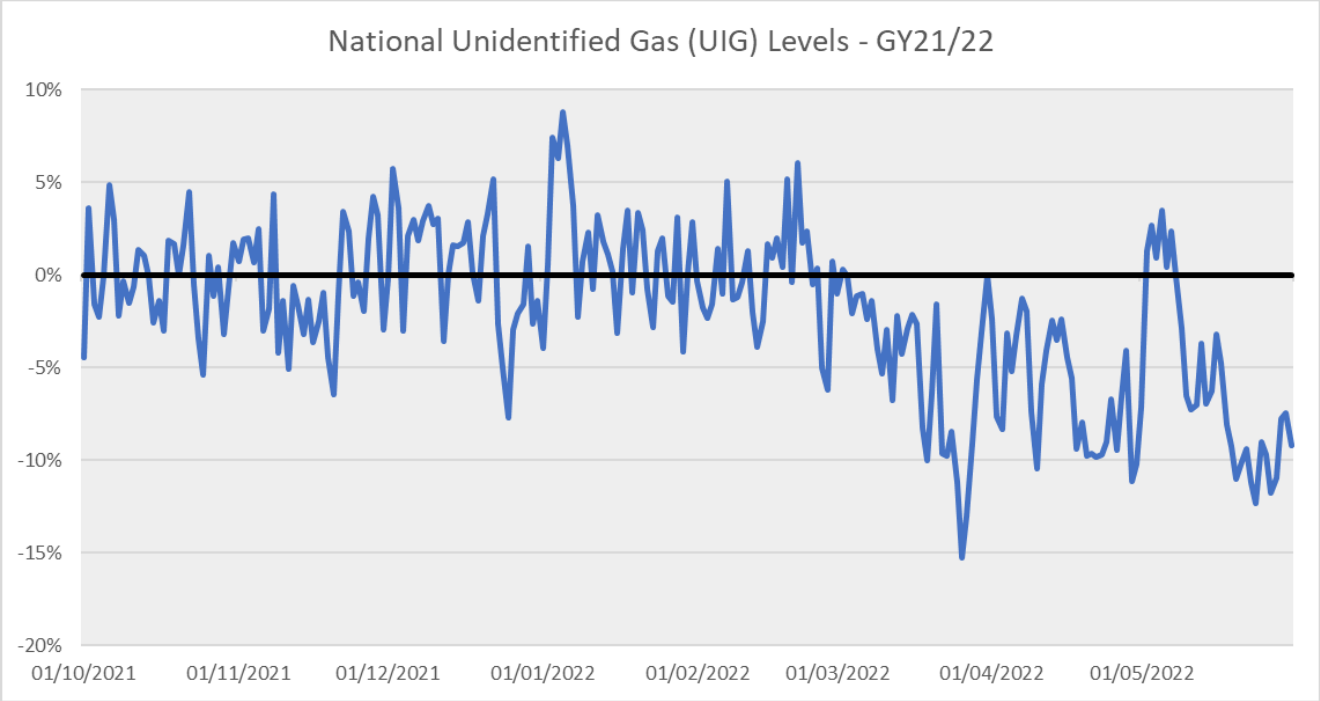
Rolling AQ Effective Date Age Profile



	Pre Oct 2021	01-Oct-21	01-Nov-21	01-Dec-21	01-Jan-22	01-Feb-22	01-Mar-22	01-Apr-22	01-May-22	01-Jun-22
Jun-22	2,357,430	431,938	406,552	519,616	808,435	698,608	1,209,628	1,939,319	4,730,343	11,814,243

- One important factor when reviewing the current Rolling AQ levels is how upto date they are, i.e. how recently they were last re-calculated
- The chart above shows there are currently c 4.5m supply meter points which are based on end reads from 2021 or earlier, these AQs will not include a ‘price reaction’ (so currently too high assuming national trend applies to these)

Unidentified Gas (UIG) Levels – Gas Year 2021/22



Gas Year	Average UIG % (Oct to May)	No. of Days Negative UIG
17/18	5.17	19
18/19*	-0.12	133
19/20	1.48	67
20/21	3.6	43
21/22	-1.90	160

* Not true position as Industry agreed to artificially inflate NDM estimate via use of 'Uplift Factors'

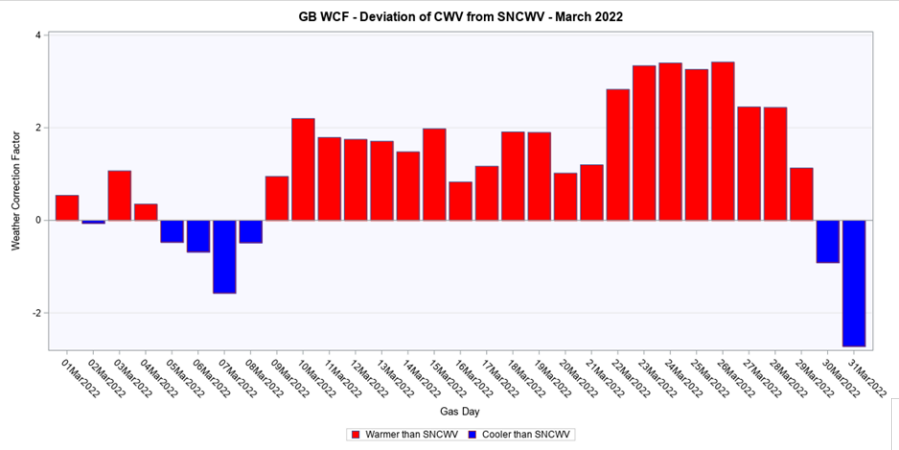
- Clear evidence of consistently negative UIG during Gas Year 21/22

- Stats in table above, for all full Gas Years since UIG became part of the industry settlement regime
- Results clearly show the unique characteristics of the current Gas Year

Unusual Weather impacts on NDM demand – Spring 2022

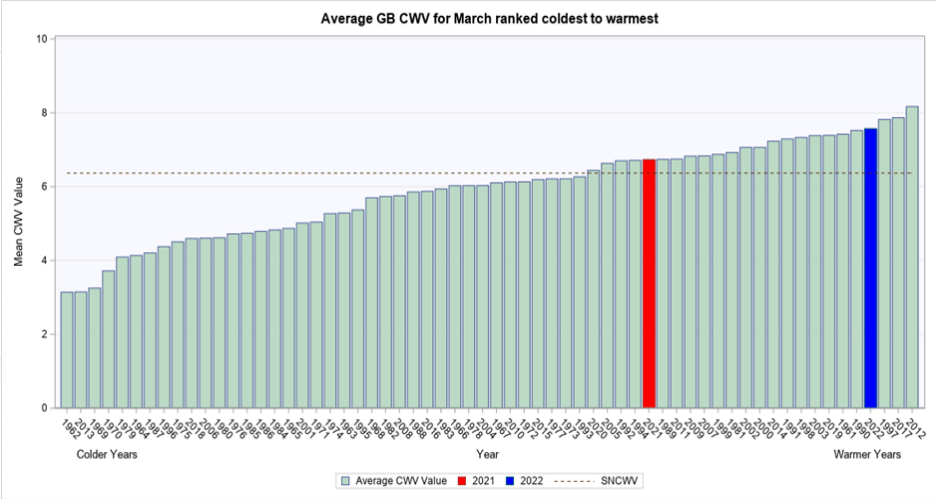
- Although much of the focus of the negative UIG observed this year has referred to the impacts of price changes and their impact on the appropriateness of the current AQ levels, we should also consider the impacts of unusual weather
- The ‘switch-on’ and ‘switch-off’ of space heating, also referred to as ‘shoulder months’, is a trickier period for the NDM models to predict and so do not always ‘perform’ as well (due to lack of historic data of this scenario)
- Spring 2022, March to May, has been much warmer than Seasonal Normal – see below:
  - **March 2022** was very warm with most days much warmer than Seasonal Normal and was ranked **4th warmest** since current gas industry records began (62 years ago) - see slide 19
  - **April 2022** was generally warmer than Seasonal Normal and ranked **11th warmest**
  - **May 2022** was again very warm with most days much warmer than Seasonal Normal and ranked **2nd warmest** – see slide 20
- The very warm March to May are likely to have contributed to an earlier than normal ‘switch-off’ of space heating which will also explain some of the negative UIG spikes during the past few months
- If the reactions to the weather experienced in March onwards were not completely replicated by the EUC demand models, then this could also be a contributory factor to the reduction in AQs (which, as previously explained, are weather corrected)

Unusual Weather impacts on NDM demand – March 2022

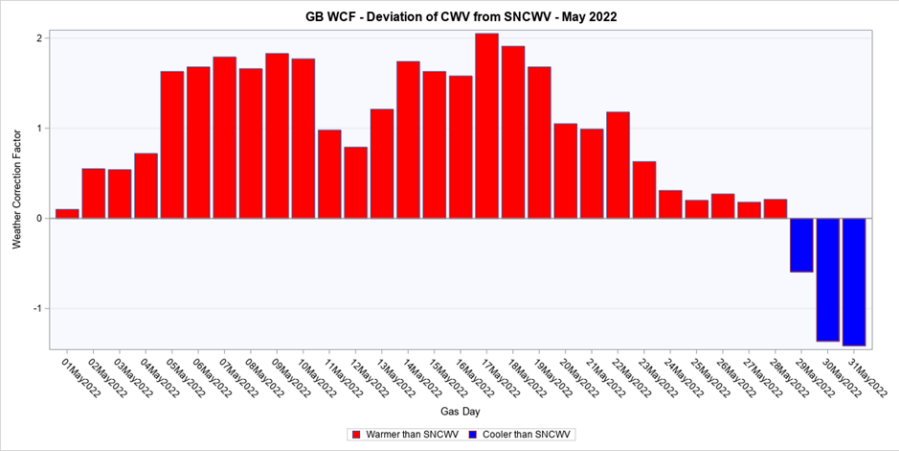


- March 2022 was very warm with most days much warmer than Seasonal Normal (see above)

- March 2022 was ranked as 4th warmest since 1961, when gas industry records began (see below)

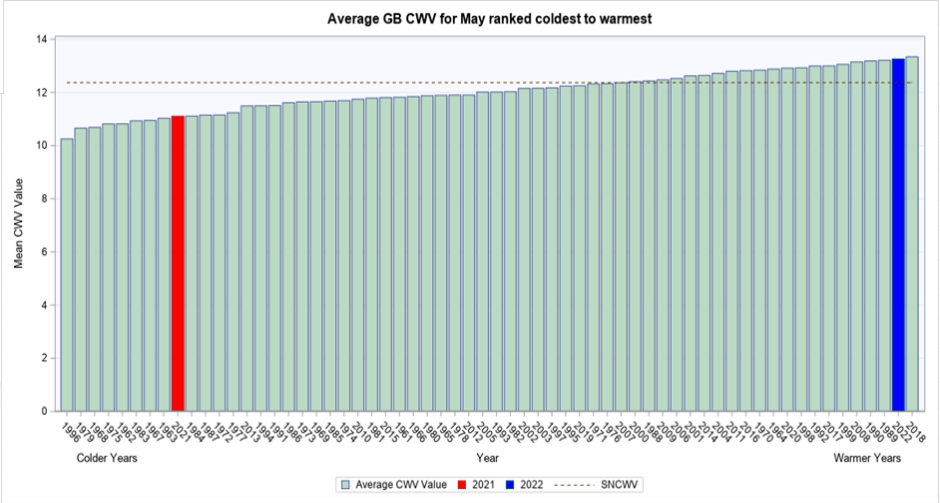


Unusual Weather impacts on NDM demand – May 2022



- May 2022 was much warmer than Seasonal Normal (see above)

- May 2022 was ranked as 2nd warmest since 1961, when gas industry records began (see below)



UIG Outlook

- Due to the multiple causes of UIG and many moving parts in the various calculations we would normally avoid making predictions when discussing UIG
- However, in the recent news article, although not predicting day to day UIG values, we suggested that the general trend of negative UIG is likely to continue for the foreseeable future
- Although this prediction is somewhat vague, it is based on the assumption that Rolling AQs will continue to fall and an uncertainty as to when Rolling AQ will ‘level off’
- This assumption is based on:
  - an economic outlook that suggests there are more price increases coming and so further end consumer ‘reaction’ may be expected ?
  - as seen on slide 16, an acknowledgement that significant part of the NDM population Rolling AQ is still based on historic reads that do not include a price reaction
  - an understanding of the AQ calculation and its inherent nature to ‘lag behind’ the immediate trend of the end consumer
- How long will this NDM over-allocation take to unwind and correct ? (so the industry knows where it stands), depends on the “after the gas day” activities i.e. meter point reconciliation, which will be picked up in the next section of the presentation

What can be done ?

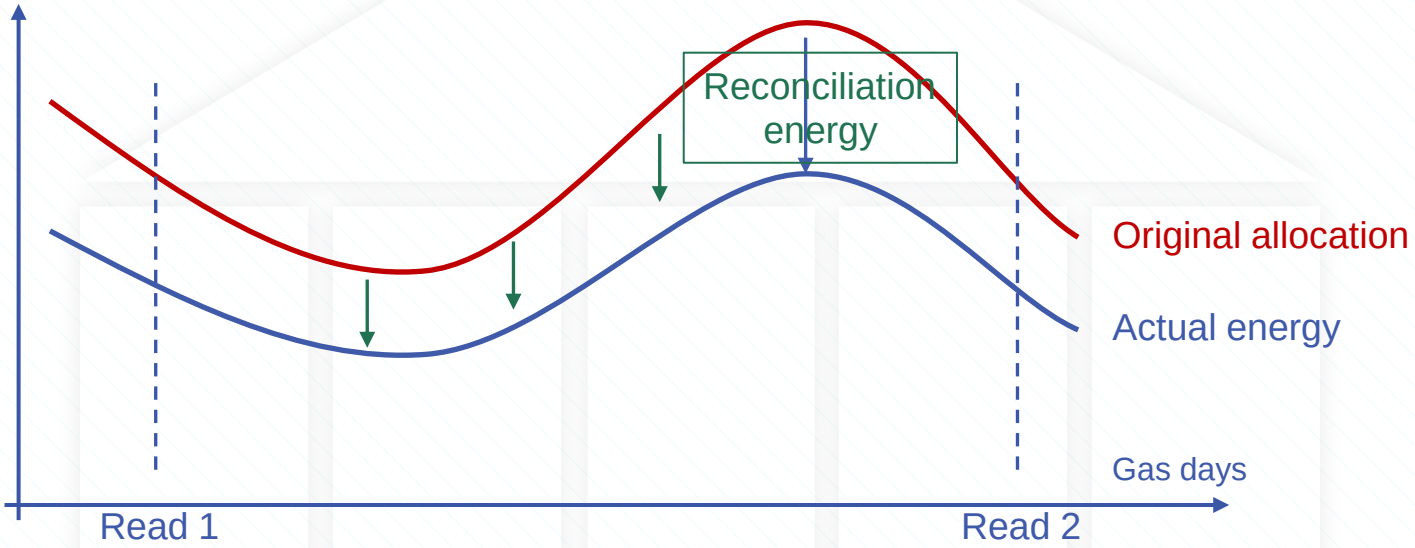
- Submit regular meter readings to ensure AQs are as reflective of reality as they can be
- Meter readings also trigger individual reconciliation – this corrects both the individual allocated position and the UIG position via the Amendment Invoice
- Monitor meter read rejections and investigate to make sure that reads are accepted – may need an override flag or asset update
- Review “sites with no reads” (visible in DDP system) and target those which are very overdue for a read. Note: sites that have not had a valid read for over 3 years will not get a new AQ – allowable read window is 9 to 36 months
- Be aware that negative UIG is just an accounting position – in aggregate every day the end consumers can’t physically use more gas than is delivered into the LDZ – so we can expect negatives to be corrected once meter reads are accepted
- At this stage we are not advising DESC to make any adjustment to the NDM Profiles – lack of concrete evidence on what the “correction” should be or what the “real” AQ position is

WHAT HAPPENS AFTER THE GAS DAY (RECONCILIATION)

Meter Point Reconciliation

- Non-Daily Metered sites are allocated gas each day based on an estimation formula – the “NDM Algorithm”
- This is an interim position until actual valid meter reads are received
- Each new valid meter reading triggers a meter point reconciliation back to the last actual reading
- If the allocations were too high this will be a credit reconciliation for the meter point
- Reconciliations consist of energy and commodity charges/credits and appear on the Amendment invoice (AMS)
- The reconciliation calculation assumes that actual energy was used in the same day-by-day “shape” as the original allocations

How Reconciliation Energy is assigned to Gas Days

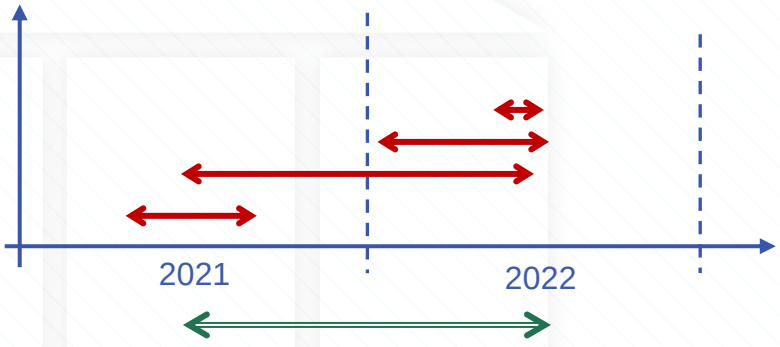


- Reconciliation processes assume that the actual energy was consumed in the same daily proportions (“shape”) as the original allocations
- Each day’s reconciliation energy is priced at that day’s **S**ystem **A**verage **P**rice
- Original allocations and prices can be derived using the AQ and the .LPA factors for the End User Category - .LPA file are issued daily to Shippers

How Reconciliation Energy becomes UIG Reconciliation

LDZ	XX			
Month	Jun-22			
Meter Point	Rec Start Date	Rec End Date	Energy Reconciliation kWh	Energy Value £
1234	30/05/2022	29/06/2022	-10,000.00	-650.00
4567	02/01/2022	24/06/2022	3,000.00	135.00
6791	05/07/2021	03/06/2022	-2,300.00	-130.00
8945	05/04/2021	29/09/2021	900.00	30.00
Total Primary Reconciliation			-8,400.00	-615.00
Total UGR for the month			8,400.00	615.00

Example – June 2022 Reconciliations



Total amounts always shared out over last 12 months

- If the meter readings show that the individual site used **more/less** gas this means that there should have been **less/more** UIG in the LDZ
- The equal and opposite amount of all meter point reconciliations in each LDZ each month becomes UIG Reconciliation – this keeps energy “whole” in the LDZ
- Credit reconciliations to individual meters mean debits to UIG reconciliation – and *vice versa*

How is UIG Reconciliation Shared Out?

- UIG Reconciliation is shared out across all meter points in the same LDZ using the same Weighting Factors as for original allocation - and the latest throughputs – taking account of reconciliations to date
- This appears on the Amendment invoice in the K91 record
- The UIG Reconciliation is always shared out across the last 12 months of latest weighted throughput – regardless of the actual duration of the individual reconciliations
- This is because all meter points should be read and reconciled at least once every 12 months
- The “price” of UIG Reconciliations comes from the aggregate of all the individual reconciliations for the month – this way the money stays “whole” too

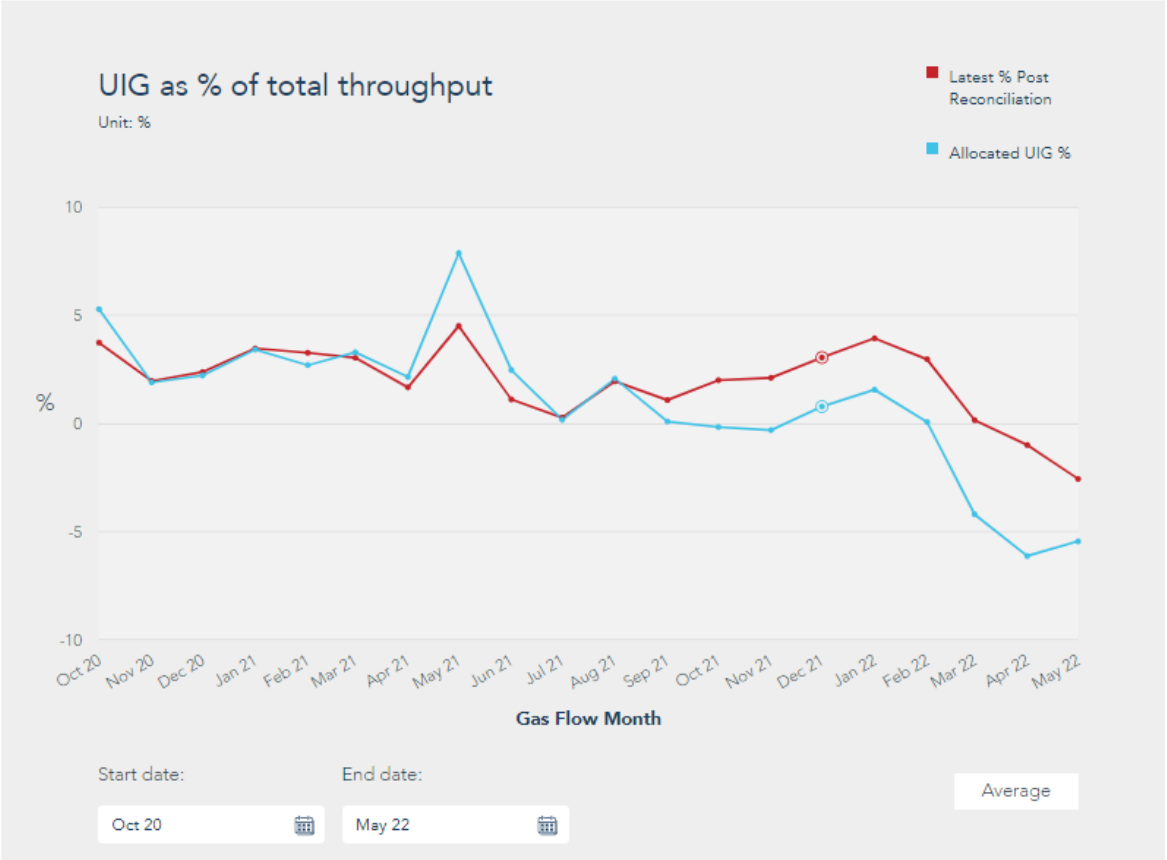
UGR Sharing in Action

LDZ XX Jun-22	UGR split into 12 portions			Shipper A's UGR allocation	
Gas Flow Month	UGR Rec kWh	UGR Value £	Shipper A's latest share of LDZ Weighted throughput for month	Energy kWh	Energy Value £
Jul-21	700.00	51.25	3.10%	21.7	1.59
Aug-21	700.00	51.25	3.10%	21.7	1.59
Sep-21	700.00	51.25	3.20%	22.4	1.64
Oct-21	700.00	51.25	3.30%	23.1	1.69
Nov-21	700.00	51.25	3.30%	23.1	1.69
Dec-21	700.00	51.25	3.40%	23.8	1.74
Jan-22	700.00	51.25	3.45%	24.15	1.77
Feb-22	700.00	51.25	3.30%	23.1	1.69
Mar-22	700.00	51.25	3.30%	23.1	1.69
Apr-22	700.00	51.25	3.50%	24.5	1.79
May22	700.00	51.25	3.60%	25.2	1.85
Jun22	700.00	51.25	3.60%	25.2	1.85
Total	8,400.00	615.00		281.05	20.58

- Total UIG Reconciliation from the previous example is split equally over the preceding 12 months
- Each Shipper's share depends on their latest share of Weighted throughput in the LDZ

Latest UIG Position after Reconciliation

- Includes recs up to May 2022 invoice
- Shows initial low or negative UIG since October 2021 moves to positive as reconciliations take place
- **Note: phasing to historic months is only approximate – based on the Amendment Invoice Supporting Information which uses the NDM algorithm as a basis**
- Source – Xoserve website, Demand Estimation page: *National UIG Chart – UIG as % of total Throughput*
- Graph updated monthly after Amendment invoice issue



https://www.xoserve.com/help-centre/demand-attribution/unidentified-gas-uig/

How quickly should reconciliation happen?

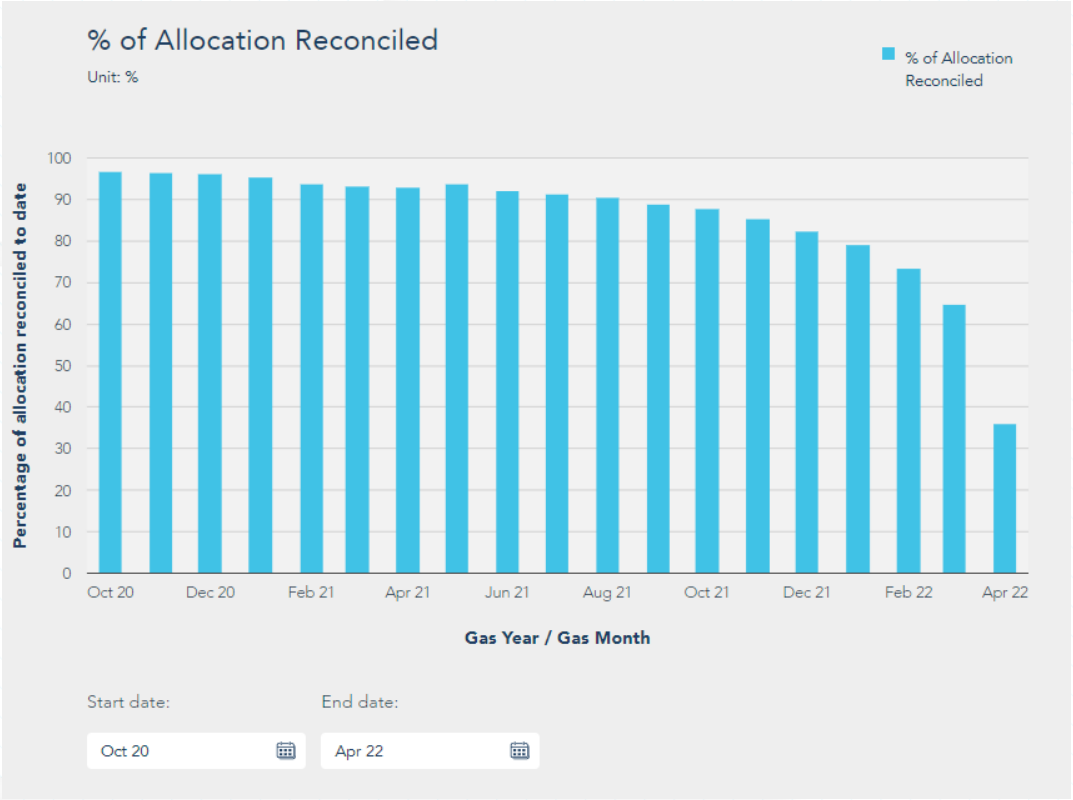
NDM Allocations are “corrected” by meter point reconciliation – this requires a pair of meter readings – below are the read frequencies and performance targets for NDM sites

Class	Description	Required Read Frequency	UNC Performance Target	Minimum gap between readings
3	Non-Daily Metered with batched daily Reading	Batches of daily reads – submitted at least weekly	90% of required reads each month	1 day
4 – Monthly	NDM Monthly Read (AQ >293,000 or AMR or Active Smart meter)	Monthly	90% of sites to be read each month	7 calendar days
4 – Non-Monthly	NDM Non-Monthly Read	Six-monthly or annually	At least one read per annum for all sites	14 calendar days (AQ >73,200) otherwise 25 calendar days

Note – invoicing of reconciliations can be delayed by invoice validation checks or technical exceptions

Proportion of Allocation now reconciled

- Shows proportion of original gas allocation at D+5 each month which has now had a meter point reconciliation
- In general the more energy has been reconciled, the closer to the “final” UIG position
- Source – Xoserve website, Demand Estimation page: *National UIG Chart – UIG as % of total Throughput*
- Graph updated monthly c. 2 weeks after Amendment invoice issue



https://www.xoserve.com/help-centre/demand-attribution/unidentified-gas-uig/

WHERE TO GO FOR MORE INFORMATION AND SUPPORT

Data Published to Support Industry

File Name	Content	Frequency
"UIG Additional National Data"	- Daily Energy by Class & EUC Band - Daily AQ by Class and EUC for 'Closed Out' Gas Days	Weekly: Normally published on 8th,15th,22nd & 29th (or nearest business day)
"LDZ UIG Values"	- UIG Volumes (kWh) by LDZ - UIG % by LDZ for 'Closed Out' and 'Open' Gas Days	Weekly: Normally published each Wednesday

- All of the above is available on the secure are of UK Link Docs here.
  Location: 18. NDM Profiling and Capacity Estimation Algorithms / UIG

- Any UNC party can request access here

Data Published to Support Industry

- Insight and Graphical Representations available on Xoserve.com:
  - National UIG % by Gas Day - updated weekly (normally Wednesday)
    This chart shows daily National UIG % for the first (D+1) and last run (D+5) of allocation
  - National UIG % by Gas Flow Month (Allocated UIG (D+5) and Latest UIG post Reconciliation*) - updated monthly (post Amendment Invoice submission).
    *This chart provides an estimated view of UIG as % of Total Throughput post reconciliation to date, achieved by simulating individual reconciliations back to original 'supply months'
  - Percentage Allocation Reconciled to date – updated monthly (post Amendment Invoice supporting information being available).
    This chart provides an estimated view of how much original allocation has been reconciled to date
  - Reconciliation by Month Report – updated monthly (post Amendment Invoice submission).
    This provides an estimated breakdown of the reconciliations for Supply Month and Billing Month by LDZ, EUC and Product Class

Issues with Daily UIG Allocation

- Every business day the Demand Estimation team monitor the overnight UIG Allocation calculations

  In the event that a clear data issue has occurred (e.g. incorrect LDZ input), the team shall update the “Live Updates” (orange banner) on the home page of Xoserve.com with details. This aims to provide reassurance to customers that the issue is known about and hopefully rectified before closeout (D+5)

  Once resolved, the incident will be updated on the “UIG Allocation Issues Tracker” available on the UIG home page

- The “UIG Allocation Issues Tracker” provides a record of one-off incidents that has caused an unusual spike in UIG (+ or -) for a particular gas day and LDZ, as described above.

  In addition, if there are known outside influences which have clearly impacted UIG across all LDZs then this is also recorded here, e.g. COVID-19 lockdowns or the current reaction to gas prices

  This Tracker is intended to help customers interpret or understand any unusual spikes / dips when performing their own analysis of UIG trends

UIG Material and Queries

- Various material is available on a dedicated UIG webpage at Xoserve.com, which includes common queries, links to national UIG charts, educational material etc

- Recent UIG News Article referenced in today's material is available here

- Link to the AUG (Allocation of Unidentified Gas) pages on Joint Office website for current Gas Year – UIG Weighting Factors and AUGE's analysis are here:

  AUG Statement 2021/22 | Joint Office of Gas Transporters (gasgovernance.co.uk)

- UIG Queries can be raised on Xoserve.com via a Support Request here. Menu route: "Help centre" / "Raise a support request" / "I'm an Xoserve Customer" / "All other queries" / "Other"

  – These will then be directed to the Demand Estimation Team who are responsible for dealing with customer queries on the Demand Estimation process, NDM Allocation and UIG

Thank You

Material and Q&A Transcript to be published on UIG Homepage at Xoserve.com

Post Webinar Update: Feedback

- Thank you to those who were able to attend the webinar, some examples of the feedback we received after the call are provided below:
  - “Really good session – thank you”
  - “That was really very useful and well presented. Thank you”
  - “Thank you for the presentation”
  - “Very good session – thank you all”
  - “Thanks all, great presentation”
- We would welcome any additional feedback on the UIG Webinar content and presentation, please direct this to the Demand Estimation Team here

Post Webinar Update: Questions & Answers (1 of 5)

- Questions raised during the Webinar have been summarised, along with answers either provided at the time or post meeting are below:

Webinar Section	Question	Response
Background – Slide 7	How is shrinkage defined?	Shrinkage is determined by the relevant DN operator, on an annual basis. It is overseen at a UNC forum (the Shrinkage forum) Shrinkage Forum | Joint Office of Gas Transporters (gasgovernance.co.uk)
Background – Slide 8	Customer theft is mentioned, does that include theft in conveyance as well?	An estimate of theft in Conveyance (i.e. theft that is the Transporter's responsibility) is part of the DN's Shrinkage figure each year (broken down to 365 equal amounts for allocation purposes). Transporter would adjust the following year's Shrinkage estimate in case of any difference between actual and estimate. Hence does not contribute to UIG.
Background – Slide 8	Is there any prediction for Consumer theft to rise in line with Increased charges to customers ?	There is no 'daily allowance' for theft in the UIG formula. Potentially it might be something the AUGE will look at for the coming years weighting factors. However, regardless of how much theft there is, it will end up in UIG until identified, corrected and removed from UIG. Retail Energy Code (REC) have commissioned an independent third party to estimate current theft levels, it may be something they are considering e.g. are there any economic factors which may change current assumptions

Post Webinar Update: Questions & Answers (2 of 5)

Webinar Section	Question	Response
UIG Levels this year to date – Slide 16	Is there any thought behind the driver of higher AQ changes in June 22?	The graph didn't show the number of new Rolling AQ calcs each month, it showed the age of all Rolling AQ calcs. We usually get around 10 to 12 million calcs a month, but it's many of the same sites each month, so there will always be a pot of older AQs at any time. Slide 16 commentary has been updated to make it clearer
UIG Levels this year to date – Slide 16	As more customers move to smart is the expectation the AQ fluctuations will reduce because more regular readings are received?	If reads are coming through - that should feed into AQ calculations. In an ideal world - Smart meters which are monthly read and fed into us will feed into these calculations. It should mean that more AQs are more realistic/reflective.
UIG Levels this year to date – Slide 16	Is it hard to factor smart into AQ modelling	There isn't a separate model for assigning gas to smart meters. Whether it's a smart or dumb metered, a customer changing usage drastically will still take 12 months at least to get into the AQ - even if we're getting monthly reads. Rolling AQ will come down stepwise month on month as it looks back 12 months

Post Webinar Update: Questions & Answers (3 of 5)

Webinar Section	Question	Response
UIG Levels this year to date - General	Is there any analysis on the aged AQs (<2022) and whether those that have reconciled recently are moving with a similar magnitude to recent AQs (>2022)? Re trend on recent AQs - when old reads are reconciling, are you seeing a 5% reduction in those?	This is not something we look at as a standard activity - generally the longer the gap since the last AQ change, the bigger the AQ move. Certainly, the longer you haven't had a reading, the more uncertainty there is about the AQ being an upto date representation of current demand levels.
UIG Levels this year to date - General	Are the AQ's being noticeably affected by switches to Green Energy such as Solar or Heat Pumps yet ?	We wouldn't know which sites had that equipment, so couldn't see the impact on AQ.
What happens after the gas day - General	Would negative UIG be corrected through the K91 invoice -- which would only be 12 months until it's crystalized. Will there be any additional connection after the 12 month K91 period for 21-22?	This question was asked prior to "What happens after the gas day (Reconciliation) section had been explained – Question is answered on Slides 26 and 27. Those slides show that all meter point reconciliation energy becomes UIG Reconciliation – but it is only applied across 12 months shares of throughput.

Post Webinar Update: Questions & Answers (4 of 5)

Webinar Section	Question	Response
What happens after the gas day - General	Would RbD have handled the demand step change any better?	RbD - Rec by Difference All of the UIG we are seeing now would have been lost in the NDM sector. This would have been giving very large Weather Correction Factors (WCF) - which prior to Project Nexus implementation was not calculated using weather data - and also impacting Scaling Factors (SF). Once we had reconciled all meters in the I&C NDM Population - all of the extra UIG energy we are seeing now, would have ended up in the SSP Market (i.e. 0 to 73.2 MWh pa).
What happens after the gas day – Slide 31	What does that 100% of allocation reconciled mean? Is there a table of that % of allocation reconciled values or is the only option to get that figure to highlight over the bars?	It means, of the original gas allocation at D+5 how much of that has now had a reconciliation. The figures represent the first reconciliation attempt (so no re-recs) There is not currently a downloadable version - on 'wishlist' to enhance the graphs for data download

Post Webinar Update: Questions & Answers (5 of 5)

Webinar Section	Question	Response
What happens after the gas day - General	If Shippers are selling gas each day to balance to the negative UIG (at the daily SMSP) but then the UGR comes back through at the SAP would this create potential differences on UGR debits and UIG credits? Similarly, if the rec gas is shared across 12 months but there are large steps in the SAP over that period are suppliers exposed to differences in the allocation of reconciled gas (same as original allocation) to what their actual consumption profile was?	It won't create differences between the UIG debits and credits because the energy and £ values remain whole through the UGR reconciliation sharing process (as described in slides 26 to 28) Depending on how much gas was bought on the day – e.g. if you bought to what you thought the real position was which was more than what you were allocated (because of the current negative UIG), you would be selling that back through energy balancing and you'd be picking it up again through UIG rec at a different price, and that obviously works both ways.