UNCC AUG Sub-Committee Minutes
Friday 13 January 2023
via teleconference

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Vera Li (Secretary)	(VL)	Joint Office
David Speake	(DSp)	Engage Consulting (AUGE)
Deborah Sherlock	(DSh)	CDSP
Fiona Cottam	(FC)	CDSP
George MacGregor	(GM)	Utilita
James Hill	(JH)	Engage Consulting (AUGE)
Jerome Affleck	(JA)	*BEIS*
Louise Hellyer	(LH)	TotalEnergies Gas & Power
Mark Jones	(MJ)	SSE
Michael Walls	(MW)	Ofgem
Neil Cole	(NC)	CDSP
Phillipa Burton	(PB)	ScottishPower
Sallyann Blackett	(SB)	E.ON Energy
Sophie Dooley	(SD)	Engage Consulting (AUGE)
Steve Mulinganie	(SM)	SEFE Energy

Copies of all papers are available at: https://www.gasgovernance.co.uk/aug/130123

1. Introduction and Status Review

Bob Fletcher (BF) welcomed everyone to the meeting.

1.1. Approval of Minutes (23 September 2022)

The minutes from the previous meeting were approved.

1.2. Approval of Late Papers

BF noted the AUG Presentation was updated, resubmitted and published on 12 January. The amendments included information from the latest data sets and did not change the general contents of the presentation.

1.3. Review of Outstanding Actions

Action 0901: AUGE (DS) to investigate the additional use of read type in the data set used for 012: Theft – Quality of Read History investigation.

Update: DS confirmed this Action will be covered in Presentation and should be closed**. Closed**

2. Draft AUG Statement

Bob Fletcher (BF) welcomed everyone to the meeting and advised that this meeting is to set out the draft proposals. David Speake (DSp) explained that they would run through the outcome of the activities taken this year, the draft weighting factors proposed and an opportunity to ask how the numbers have been determined. The next meeting is to discuss responses from Consultation if stakeholders decide to do so. He then presented the agenda of the meeting and subjects covered.

DSp provided a quick brief on the Consultation process and Timetable of the Draft Allocation of Unidentified Gas Statement (for Gas Year 2023-2024) which has been published on the Joint Office Website on 29 December 2022. DSp advised there have been few changes on the data since and the latest version and it will be re-published post Meeting. https://www.gasgovernance.co.uk/AUGStatement2324

DSP explained that Theft contributes the most significant difference to the Weighing factors this year, although it has been difficult to obtain the correct Theft Risk Assessment Service (TRAS) data thus, the Draft was based on partly refreshed data. The Update was made in January upon receipt of information in December.

The Weighting Factor Table in the presentation is the most up-to-date version (copy below).

Draft Weighting Factors for Gas Year 2023-2024

		CLASS			
		1	2	3	4
EUC BAND	1ND	51.39	51.39	51.39	83.70
	1PD	142.85	142.85	142.85	474.72
	1NI	5.47	872.93	159.03	634.53
	1PI	61.54	61.54	159.03	634.53
	2ND	63.52	63.52	63.55	125.27
	2PD	63.55	66.35	63.55	125.27
	2NI	5.47	292.27	85.42	293.82
	2PI	85.42	140.74	85.42	293.82
	3	5.47	56.25	47.15	53.66
	4	5.47	56.99	57.41	61.02
	5	5.47	65.35	56.33	61.09
	6	5.47	68.14	54.58	63.75
	7	5.47	69.94	55.26	70.81
	8	5.47	59.59	56.20	57.69
	9	5.47	34.29	27.15	29.06

DSp asked if participants would like to comment please use this table and pass the information to other parties in their respective organisations. The updated Draft AUG Statement will be republished on Joint Office website after meeting to reflect the latest version of the Weighting Factor table shared in the presentation.

DSp also stressed that with the various data updates thus the consumption Forecast will give rise to additional movements for the Final Weighting Factors.

Industry views are being sought on the Draft AUG Statement and DS urged participants to respond to the Consultation by submitting their response to Xoserve via email by 22 January 2023 at analytical.services@xoserve.com and cc auge@engage-consulting.co.uk

The next stage would be to assess the responses and for presentation at the next AUG Sub-Committee meeting on 17 February 2023.

Any revision of the Draft AUG Statement following Consultation will be provided to the March AUG Sub-Committee meeting on 10 March 2023. The Final AUG Statement will be provided by end of March and presented at the April meeting on 14 April prior submission to the next UNCC Meeting.

3. AUGE Approach and Considerations for 2023/2024

The presentation covered the following main topics as detailed below. Where there were specific interactions regarding particular slides with the Committee members, this has been captured within the minutes for each section of the presentation, and full details can be found on the published presentation here: https://www.gasgovernance.co.uk/aug/130123

3.1 Draft Weighting Factors

James Hill (JH) first presented the Draft Weighting Factor for Gas Year 2023-24 – Slides 7-9

UIG as a Percentage of Consumption Forecast

Gas Year 2022-2023

		CLASS			
	2022-2023	1	2	3	4
EUC BAND	1ND	0.0%	1.4%	1.4%	1.9%
	1PD	0.0%	0.0%	1.5%	8.8%
	1NI	0.1%	19.1%	4.0%	17.3%
	1PI	0.0%	0.0%	4.0%	17.3%
	2ND	0.0%	0.0%	1.6%	2.9%
	2PD	0.0%	0.0%	1.6%	2.9%
	2NI	0.0%	2.3%	1.4%	4.6%
	2PI	0.0%	0.0%	1.4%	4.6%
	3	0.0%	1.2%	1.1%	1.2%
	4	0.1%	1.4%	1.2%	1.3%
	5	0.1%	1.3%	1.2%	1.3%
	6	0.1%	1.3%	1.2%	1.6%
	7	0.1%	1.5%	1.3%	1.4%
	8	0.1%	1.2%	1.4%	1.1%
	9	0.1%	0.6%	0.5%	0.6%

Gas Year 2023-2024

		CLASS			
	2023-2024	1	2	3	4
EUC BAND	1ND	0.0%	0.0%	1.0%	1.7%
	1PD	0.0%	0.0%	2.9%	9.5%
	1NI	0.1%	17.5%	3.2%	12.7%
	1PI	0.0%	0.0%	3.2%	12.7%
	2ND	0.0%	0.0%	1.3%	2.5%
	2PD	0.0%	0.0%	1.3%	2.5%
	2NI	0.0%	5.9%	1.7%	5.9%
	2PI	0.0%	0.0%	1.7%	5.9%
	3	0.1%	1.1%	0.9%	1.1%
	4	0.1%	1.1%	1.1%	1.2%
	5	0.1%	1.3%	1.1%	1.2%
	6	0.1%	1.4%	1.1%	1.3%
	7	0.1%	1.4%	1.1%	1.4%
	8	0.1%	1.2%	1.1%	1.2%
	9	0.1%	0.7%	0.5%	0.6%

JH explained the main attribute to the changes between this year and last is the Theft data as a high relative proportion of all UIG is coming from this contributor and the most noticeable movement percentage is in 1NI and 1PI Class 4 areas. This is due to the change of the validation process of the Theft methodology and the nature of 10 year rolling dataset, i.e. the loss of older data from the earliest year and gaining new data from later years. However, it has been difficult getting data for this current year.

		CLASS			
		1	2	3	4
EUC BAND	1ND	0.0%	-1.4%	-0.4%	-0.3%
	1PD	0.0%	0.0%	1.4%	0.7%
	1NI	0.0%	-1.6%	-0.8%	-4.6%
	1PI	0.0%	0.0%	-0.8%	-4.6%
	2ND	0.0%	0.0%	-0.3%	-0.4%
	2PD	0.0%	0.0%	-0.3%	-0.4%
	2NI	0.0%	3.5%	0.3%	1.3%
	2PI	0.0%	0.0%	0.3%	1.3%
	3	0.1%	-0.1%	-0.2%	-0.1%
	4	0.0%	-0.3%	-0.1%	-0.1%
	5	0.0%	0.0%	-0.1%	-0.1%
	6	0.0%	0.0%	-0.1%	-0.4%
	7	0.0%	-0.1%	-0.2%	0.0%
	8	0.0%	0.0%	-0.3%	0.1%
	9	0.0%	0.0%	0.0%	0.0%

Steve Mulinganie (SM) queried what the majority of the changes were in the Draft Weighting Factors and in which area that has been verified so to look out for when comparing the old version of the Draft AUG Statement. JH explained that it was a simple wrong calculation and these would be identified.

Louise Hellyer (LH) clarified that was just on the two lower key bands, the 1NI and 1PI numbers have not been average out so has a very high rate on the prepayment meter types. The actual factors have not been changed but just the proportional element of the table.

JH also confirmed that from the findings in the following slide, there have few material changes to the calculated figures to UIG for a number of other contributors but they do not have much weighting impact on the differences between one year to the next.

UIG by Calculator and Comparison with 2022-23 Gas Year – Slide 10 & 11

Contributor	2022-2023 Gas Year UIG Volume	Change	2023-2024 Gas Year UIG Volume
Theft of Gas	7,602 GWh	↓	7,261 GWh
Average Temperature Assumption	1,220 GWh	↓	1,089 GWh
Average Pressure Assumption	359 GWh	↓	345 GWh
No Read at the Line in the Sand	861 GWh	↓	175 GWh
Incorrect Correction Factors	53 GWh	→	54 GWh
Unregistered Sites	35 GWh	↑	53 GWh
Isolated Sites	47 GWh	↓	22 GWh
Dead Sites	-	↑	20 GWh
IGT Shrinkage	18 GWh	→	19 GWh
Shipperless Sites	26 GWh	↓	17 GWh
Consumption Meter Error	432 GWh	↓	-21 GWh
Total	10,982 GWh	↓	9,033GWh

JH briefed that the estimate for 2023-24 is 9033 GWh and is 1719 GWh less than previous year. The estimate is based on the Gas consumption forecast will be less than previous years due to the recent impacts of gas prices.

JH explained that they also compared the calculated number with historic UIG for bench marking. By using the average of 12 months rolling UIG with a calculated benchmark UIG of 12801 GWh that the 2023-24 forecast passes the sense check.

Consumption Forecast – Slide 12

Total Supply Meter Points by Matrix Position

EUC BAND	CLASS 1	2	3	4
1ND	-	-	6,082,845	16,739,243
1PD	-	-	84,720	1,524,841
1NI	4	9	107,627	402,079
1PI	-	-	46	1,891
2ND	-	-	2,717	65,556
2PD	-	-	25	1,410
2NI	-	21	60,348	83,508
2PI	-	-	23	94
3	1	38	20,185	23,491
4	1	146	8,727	10,119
5	10	65	1,542	2,625
6	36	87	380	1,004
7	60	118	169	380
8	122	124	68	243
9	361	3	6	18
				25,227,140

Total Consumption by Matrix Position

EUC BAND	CLASS 1	2	3	4
1ND	-	-	65,372	216,916
1PD	-	-	920	13,566
1NI	0	2	2,799	7,867
1PI	-	-	1	30
2ND	-	-	287	7,298
2PD	-	-	3	154
2NI	-	4	8,978	11,947
2PI	-	-	5	9
3	0	19	8,927	10,688
4	3	195	10,288	12,042
5	43	236	5,031	8,916
6	333	1,018	3,339	9,033
7	1,290	2,467	3,449	8,055
8	5,668	5,255	2,674	9,556
9	51,086	132	309	1,895
				498,106

JH provided a summary on the calculation of the Forecast. He pointed out that the consumption number 498,106 will drop in the Final statement as in the last 3 month it has dropped by another 4% overall, as energy consumption dropped due to price impacts and the Final will be based on what Annual Quantity (AQ) is identified.

Key Methodology Updates for Gas Year 2023-24

JH pointed out the changes from previous year that impacting UIG are:

- Dead Sites – additional contributor added to the Weighting Factors
- LDZ Meter Error – discounted due to inconsequential figure
- Consumption Meter Error – adjustment on methodology provides year on year stability
- No Read at the line in the Sand – improved accuracy in calculation with a more detailed dataset
- Isolated Sites – adjusted the assumptions for sites with limited read data

Not Impacting UIG:

- Meter by-pass UIG Methodology – not justifiable
- Theft: Quality of Read History – not useful

JH then summarised the datasets highlighted in Green were refreshed for year 2023-24 and datasets in Grey were not refreshed or of not worth refreshing as no expectation of changes. (Slide 14).

3.2 UIG Contributors

200 Dead Sites: Slides 17 - 20

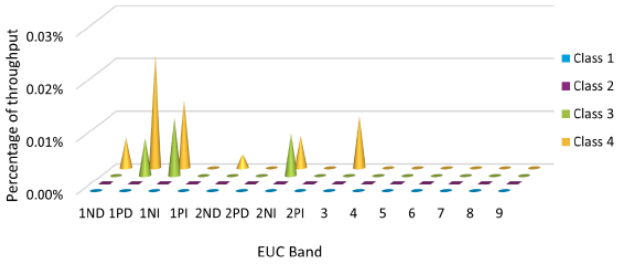
Sophie Dooley (SD) mentioned this Contributor is new for 2023-24 Statement and provided an overview and recap of this Contributor*: The Dead status indicate the Supply Meter Point no longer has the ability to flow gas and that the site has been disconnected completely from the gas mains network. The Hypothesis is that some sites which are recorded as Dead are in fact consuming gas. This consumption will contribute to UIG.*

SD stated that the approach used is similar to the first investigation of Isolated Site approach taken last year. Ideally for this Contributor they should have some historical view of dead sites so to have idea what the portfolio looks like at line in the Sand in 2023-24, however as this is a new Contributor, so could only use the proxy view, and only for sites pre-April 2020 that created UIG.

SD noted that 1206 of the 2310 Dead Sites have an indication of gas consumption.

SD shared the table below and noted the forecast for this Contributor is 20GWh

		CLASS			
		1	2	3	4
EUC BAND	1ND	-	-	0	12
	1PD	-	-	0	3
	1NI	-	-	0	1
	1PI	-	-	-	-
	2ND	-	-	-	0
	2PD	-	-	-	-
	2NI	-	-	1	1
	2PI	-	-	-	-
	3	-	-	-	1
	4	-	-	-	-
	5	-	-	-	-
	6	-	-	-	-
	7	-	-	-	-
	8	-	-	-	-
	9	-	-	-	-



Deborah Sherlock raised a query on why dead sites is included in UIG, why not force registration back on the last register Shipper to correct it.

JH advised that there is currently no process in Xoserve to follow up with Shippers. DS asked if this is the area that Xoserve should be investigating.

Fiona Cottam (FC) noted that this is one of the areas that Xoserve should look into engaging with customers/Shippers where if analysis suggested gas has been consumed in the "Dead sites" that they should proactively investigate and set sites back to "Live".

040 – Consumption Meter Error – Inherent Bias: Slides 21

SD stated the quantified forecast for this Contributor is -21 GWh whilst in previous year was 432 GWh.

The significant change is due to a combination of various factors:

- Continuous replacement of synthetic diaphragm meters with ultrasonic meters; and
- Receiving new in-services testing data set showing both meters have shown to be over recording

The big change was also due to the receipt of the 2021 and 2022 test results as they did not have the 2021 for last year's Statement. Additionally, a new method has been used in calculating the average Bias.

050: LDZ Meter Error (Removed): Slides 22

SD advised this Contributor has been removed from this year's Factor Calculation model.

The methodology change is to discount all errors above 50 GWh as all these errors should have been detected and accounted for. The UIG based on this methodology change as -1 GWh. As all the time cases of over recording cancelled out by under recording thus this Contributor is not material.

090 – No Read at the Line in the Sand: Slide 23

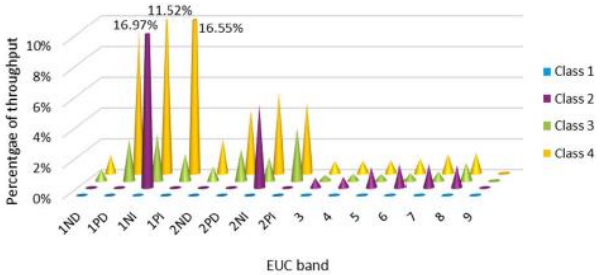
SD noted the forecast for this Contributor is 175 GWh compared to 2022-23 as 861 GWh.

The significant decrease is mainly due to the average AQs reducing due to better methodology; extra AQ reconciliation in higher EUC bands compared to last year; and better data set calculated by CDSP instead of using approximate figures used in the previous year, thus better data sets for this year's overall estimate.

010 – Theft of Gas: Slide 24

SD confirmed the figures in this presentation are different from the figures published in the Draft AUG Statement. The overall Theft value remains the same, but the Matrix has been updated with the TRAS report. The overall Theft value has decreased compared to last year due to the consumption forecast of baseline set at 1.48%.

	CLASS				
EUC BAND		1	2	3	4
	1ND	-	-	486	2,610
	1PD	-	-	25	1,271
	1NI	0	0	85	906
	1PI	-	-	0	5
	2ND	-	-	3	161
	2PD	-	-	0	6
	2NI	-	0	136	627
	2PI	-	-	0	0
	3	0	0	33	86
	4	0	1	46	98
	5	0	3	22	76
	6	0	16	17	86
	7	1	39	21	99
	8	6	78	31	127
	9	50	0	0	2



The distribution between Matrix Positions has been updated and has changed compared with last year due to the annual review of the EUC sub-bands. There are movements in the meter type operation, and this contributed to the slight shift in the Matrix.

SM asked which band shows more "significant" movement as even minor changes/relative changes in the forecast reflect significant material impact to smaller Businesses.

SD advised there are slight changes across all Matrix and nothing major compared with previous year, it is all natural movement that has been updated within the 10 year rolling dataset.

DS asked if any parties would like to have more details in the individual components/Matrix position could get in touch with the AUGE directly.

SD confirmed that there has been no change in the methodology and just data refresh for this year's forecast.

160 – Isolated Sites: Slide 25

SD noted there has been methodology update for Isolated sites contributing to the drop of UIG from previous year of 47 GWh to forecast 2023-24 at 22 GWh. The changes are related to sites with insufficient reads. It has been taken into accounts whether sites are with or without meter attached, thus applied 2 different sets of percentages and this has resulted in the reduced amount of UIG.

SD offered brief summaries on other Contributors listed below with only minor changes or insignificant impact on the forecast. Details can be found in the presentation packs Slide 26 – 31.

- 020 Unregistered Sites
- 025 Shipperless Sites
- 060 IGT Shrinkage
- 070 Average Pressure Assumption
- 080 Average Temperature Assumption
- 100 Incorrect Correction Factors

3.3 Investigations: Overview and Updates

David Speake (DSp) introduced the approach for annual investigation activities and noted that 4 areas were identified last Summer which are worthwhile for investigations:

- Dead Sites have already identified as one of UIG Contributors
- Work on Meter with By-Pass Fitted began last year and concluded that the available data was not adequate to progress a UIG methodology and is being looked at again from a different angle (but again with no conclusive methodology output).
- Investigations have also been carried out on two components relating to Theft: Quality of Read History suggested by shippers; and the other on impact of Smart Rollout of Theft allocation. However, these actually have had no bearing and not been able to justify applying a methodology to calculate and support UIG.

DSp welcome any suggestions from all parties for review and potential investigation for future.

012 Theft: Quality of Read History Recap: Slide 34 – 38

DSp provided an overview and recap on the Quality of Read History. The AUGE has looked into the records of read history records of particular sites and made judgement if there is likelihood of Theft has taken place. DSp explained that the gas theft could be linked to a low read submission, which would make it easier for theft to occur and then the aspect of withholding reads would also have an impact. SD noted the hypothesis that sites on the CDSP with up-to-date reads were less likely to have theft occur.

DSp advised investigations to identify the Start Date of Theft and the activities leading up to and following the recorded start date have been made, with comparison of the dataset with the full meter population and if these are different to the Control Data Set; investigations also considered if the Theft detection activities are being triggered by different entry points.

SD provided a brief analysis and showed the Read History detailed in table below and noted that Read History quality does not provide an indicator of propensity for theft:

Time from assumed theft start date	Pre-Theft Start (No. of Sites)	Post-Theft Start (No. of Sites)	Full Population (No. of Sites)
Read within 1 year	88%	80%	94%
Read within 2 years	8%	14%	4%
Read within 3 years	2%	4%	1%
Read within 4 years	1%	1%	0%
4+ years	1%	0%	0%
No read	0%	1%	0%

TABLE: Read history quality proxies in detected theft population, with comparison to non-theft population

SD also noted that detected theft data would always contain unavoidable bias and the TRAS data was split by lead source to investigate the impact of potential bias.

SD explained that the data had been investigated to encompass the difference between thefts after a tip off and thefts on the back of supplier data in an attempt to isolate this bias; SD also suggested that suppliers may use read data and pre-pay vending patterns as trigger, but all types of lead has shown the same strong correlation to a full read history.

A summary example in the table below:

Pre-Theft Start	Crimestoppers	Field Agent	MRA	Other	Police	Supplier	TRAS
Read within 1 year	86%	88%	89%	88%	93%	88%	89%
Read within 2 years	8%	8%	8%	7%	0%	8%	8%
Read within 3 years	3%	2%	2%	3%	0%	2%	2%
Read within 4 years	1%	1%	1%	1%	7%	1%	0%
4+ years	1%	1%	0%	1%	0%	1%	0%
No read	1%	1%	1%	0%	0%	0%	0%

TABLE: Comparing read history quality between theft investigation triggers

SD concluded that having investigated estimated reads, the impact of excluding them from the dataset is minimal and did not change the outcome. Based on the analysis of the above, the conclusion is there is no material difference in the read quality between the theft data and the control data to base a methodology in predicting the likelihood of Theft.

011 Theft: Smart Rollout: Recap: Slides 39 – 43

DSp provided an overview and recap of the Hypothesis that the continued rollout of Smart Meters should have a material impact on theft at the smart-enabled Supply Meter Points. However, the methodology used have not yet reflecting the expected impact of smart rollout.

The questions to look at will be how the Smart allocation approach works and any other way to approach this instead of just relying on the detected Theft Portfolio to address what the benefit should have changed from no Smart/AMR non domestic metered sites to sites with Smart/AMR installed.

DSp stated that the AUGE had framed the hypothesis slightly wrong. Whilst the data-led approach using the detected theft data does not reflect a reduction in theft directly owing to smart meters, the methodology does in fact result in an allocation that is beneficial to smart metered sites.

DSp noted that the proportion of undetected theft allocated to Smart meters is increasing year on year and this is as it should be given the ongoing increase in smart penetration. The smart allocation benefit currently remains materially greater than the BEIS estimate (10% overall theft reduction) due to:

- Lag in theft detection (and impact of COVID has been massive, dropped from relative huge overall volume of theft to only a fraction showed in current year's TRAS as been very little in-field activities and potentially more desk-based identification)

- Lack of clarity and completeness of detected theft data; relatively poor quality data created by a community not being properly marshalled or cleaned up once happened
- Influence of other factors on detected theft data

DSp explained with the table below how the Smart share of total detected theft growing overtime. However, the Smart rollout identification is still lagging behind with the growing in population of Smart meters.

The current methodology forecasts smart share of detected theft based on historical data

Year theft took place	2017	2018	2019	2020	2021	2022
Smart share of total detected theft	3%	7%	11%	15%	22%	29%
Smart rollout penetration	19%	29%	37%	42%	50%	54%

DSp further presented and explained the alternative approaches that have been considered as table below.

Alternative to existing approach	Comments	Likely impact vs status quo
Recent theft data only Reduce the span of the rolling dataset	Adds volatility, with ebb and flow depending on recent detection activity and performance.	Increased allocation to smart
Smart Rollout – x Forecast smart penetration minus a fixed percentage to reflect assumed benefit	No obvious source for data- driven fixed percentage This could address the issue of increasing burden on shrinking traditional population. BEIS 10% could be used: unproven assumption	Depends on chosen percentage, but likely increased allocation to smart vs today
AMR profile Derive an allocation profile based on equivalent rollout	Addresses perceived lag; Limited dataset; Arguably differing theft detection and motivations	Reduced allocation to smart given low incidence of theft at AMR
Total theft UIG adjustment (plus updated allocation approach) Reflect assumed benefit by adjusting existing total theft assumption	Other (more impactful?) factors at play in total theft UIG than smart – consumption, cost of living Raises 'missing UIG' question	Addresses perceived expanding burden on traditional meters

Louise Hellyer queried on the Small Rollout -x regarding the assumption on the outcome, asked if there is anything already built into the assumption that would account for the Smart meter rollout; as the proportional theft on traditional meters would increase as Smart meter rollout increases. LH further explained that her question is whether there is anything in the dataset already accounting for this expectation and if this has not been accounted for in the dataset, is it missing elsewhere. DS confirmed that this would be covered in latter point.

DS concluded that three approaches have been considered and being discounted.

- The Detected Theft data is still the best to work with so far.
- The methodology is reviewed and updated based on available data– allocation of UIG.
- An assumption that overall theft in gas industry is in line with Detected theft Data and how this is allocated in the weighting factors.

Steve Mulinganie (SM) noted that the models used for allocation can create significant UIG uncertainty due to the recent impacts of the pandemic followed by price impacts., With these impacts in mind would it not be sensible to consider that an element of UIG is likely to be NDM allocation model error and how to allocate this error based on something other than Weighting Factors. It does not seem pragmatic to second guess behaviours which are not reflected in the allocation models.

Fiona Cottam (FC) stated the estimate identifies up to 9000 GWh, this can be significantly negative but this is corrected through meter point reconciliation process as read and other information becomes available.

SM still felt that using volume-based approach instead of allocation of UIG contributors would not necessarily be a more useful approach moving forward.

FC noted that UNC Modification 0831 has been established to consider removing the AUG process and replacing with a straight throughput method. The meeting Workgroup meeting is planned for 31 January 2023.

DSp summed up that they do not intend to change the way the model allocates theft to Smart but the proportion is likely to continue to increase over time as with share of the total meter portfolio. The topic will roll forward into future assessment if required.

140 Meters with a By-Pass Fitted: Slides 44 - 47

James Hill (JH) provided an overview and recap of the Hypothesis.

JH noted that the CDSP data shows over 12,000 sites with a by-pass currently in situ, and this was a follow up investigation to the inconclusive investigation for the Gas Year 2022/2023, where there was insufficient data available in the CDSP systems for the modelling assumptions.

JH advised this year's approach is to confirm if the Portfolio is correct and to gain insights from Industry expects for a normal operating pattern for a meter by-pass.

He also noted that there were some issues with sites identified as having a by-pass but appeared not to fit the criteria for such sites.

JH concluded through additional validation of CDSP data, the by-pass portfolio is still inconclusive and attempted discussions with industry experts including MAMs have proved unsuccessful to date. JH advised the AUGE will continue to engage with relevant industry participants however, it is still unlikely a UIG methodology will be pursued.

4. Next Steps

DSp reinstated the Timetable for Consultation:

- *Consultation responses to be provided by 22 January 2023*
- *Consultation responses will be presented and discussed in next AUG Sub-Committee Meeting on 17 February 2023*
- *Final changes of Draft AUG Statement will be presented in the March AUG Sub-Committee meeting on 10 March 2023, and*
- *Final AUG Statement will be provided by 31 March and presented in the April AUG Sub-Committee on 14 April prior to submission for consideration at the UNCC Meeting in April*
- *All further discussion and suggestions are welcome. Engage can be contacted at: auge@engage-consulting.co.uk*

5. Any Other Business

Fiona Cottam (FC) noted the next Workgroup meeting for Modification 0831 - Allocation of LDZ UIG to Shippers Based on a Straight Throughput Method is on 31 January 2023 https://www.gasgovernance.co.uk/0831

6. Diary Planning

Further details of planned meetings are available at: https://www.gasgovernance.co.uk/events-calendar/month.

Time/Date	Paper Publication Deadline	Venue	AUG Sub-Committee Agenda
10:00 Friday 17 February 2023	10:00 Wednesday 08 February 2023	Microsoft Teams Meeting	Review Feedback Meeting
10:00 Friday 10 March 2023	10:00 Wednesday 01 March 2023	Microsoft Teams Meeting	Review Modified AUGS Meeting
10:00 Friday 14 April 2023	10:00 Wednesday 05 April 2023	Microsoft Teams Meeting	Review Final AUGS Meeting

Action Table (as at 13 January 2023)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0901	23/09/22	3.0	AUGE (DS) to investigate the additional use of read type in the data set used for 012: Theft - Quality of Read History investigation.	AUGE (DS)	**Closed**