

Consideration of Final AUG
Table of UIG Weighting
Factors for 2021/22

UNCC 15 April 2021

The logo for xserve, featuring a stylized 'x' composed of two overlapping blue shapes, followed by the word 'serve' in a light blue sans-serif font.

Provided by:

The logo for correla, consisting of two overlapping circles, one blue and one yellow, forming a stylized 'C' shape.
correla
ON BEHALF OF **xserve**

Objective

- Fulfil the Committee's UNC obligation to consider the final **AUG Table of UIG Weighting Factors**

i.e. the AUG Framework Document

- *UNC E9.4.3*: In respect of each AUG Year:
 - (g) such steps as are set out in the **AUG Document** shall be taken in relation to the proposed AUG Table, following which the AUG Expert shall submit a final AUG Table to the Committee for approval;
 - (h) the Committee shall approve the final AUG Table submitted by the AUG Expert pursuant to paragraph (g) **unless by unanimous resolution the Committee determines:**
 - (i) to approve a modified AUG Table; or
 - (ii) to require any further iteration of any steps as referred to in paragraph (g), in which case paragraph (g) and this paragraph (h) shall further apply;the Committee shall publish the AUG Table approved in accordance with paragraph (h);

Contents

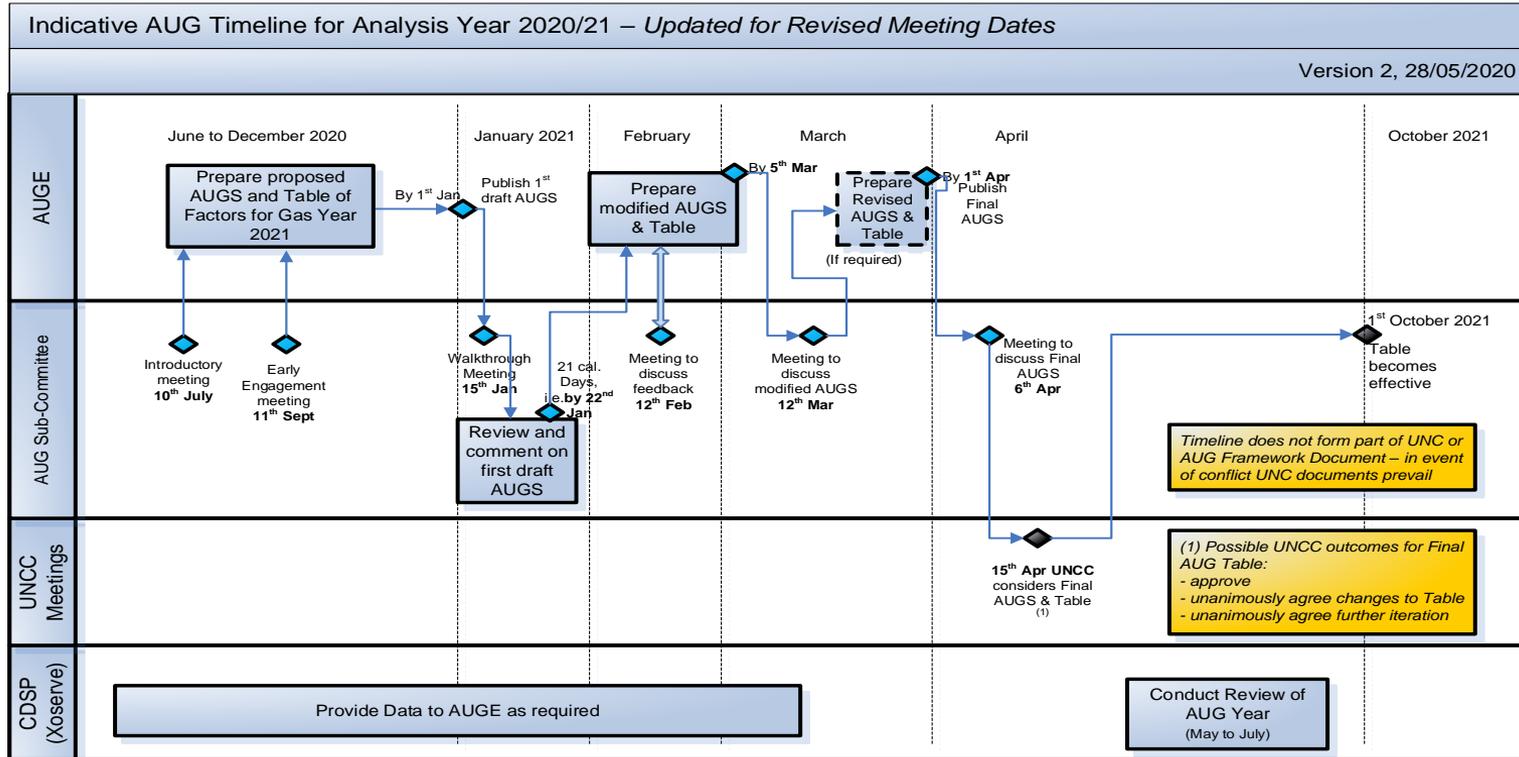
- Slides 4 to 7 – background, overview of timeline and process followed
- Slide 8 – overview of voting
- Slide 9 – Proposed timetable Review of the AUG Year



Background

- AUG Expert defines a Methodology (an AUG Statement – “AUGS”) to determine weighting factors to be used for distribution of daily UG rather than a total UG quantity
- Rules set out in UNC E9
- AUGE does not set or determine the daily level of UIG
- Detailed process steps in UNC Related Document (the “Framework”) <https://www.gasgovernance.co.uk/tpddocs>
- Third year of operation of the revised process (as developed in Review Group 0639)
- New AUGE appointed in June 2020

Timeline for 2020/21 Service



Key Milestones for 2020/21 Process

Milestone	Status
Introductory meeting in June/July	Held 10th July
Early engagement meeting in Sept/Oct	Held 11th September
<i>Additional engagement meeting requested by AUGE</i>	<i>Held 11 November 2020</i>
Publish first draft AUGS and Table by 31 December	Published 30th December
First draft AUGS Walkthrough – target 15 Jan	Held 15th January 2021
Review of draft AUGS feedback meeting – target 15 Feb	Held 12th February
Walkthrough of revised draft AUGS and Table – target 12 March	Held 12th March
Publish Final AUGS and Table by 31 March	Published 31st March
Walkthrough of Final AUGS and Table – target 5 days prior to April UNCC	Held 6th April

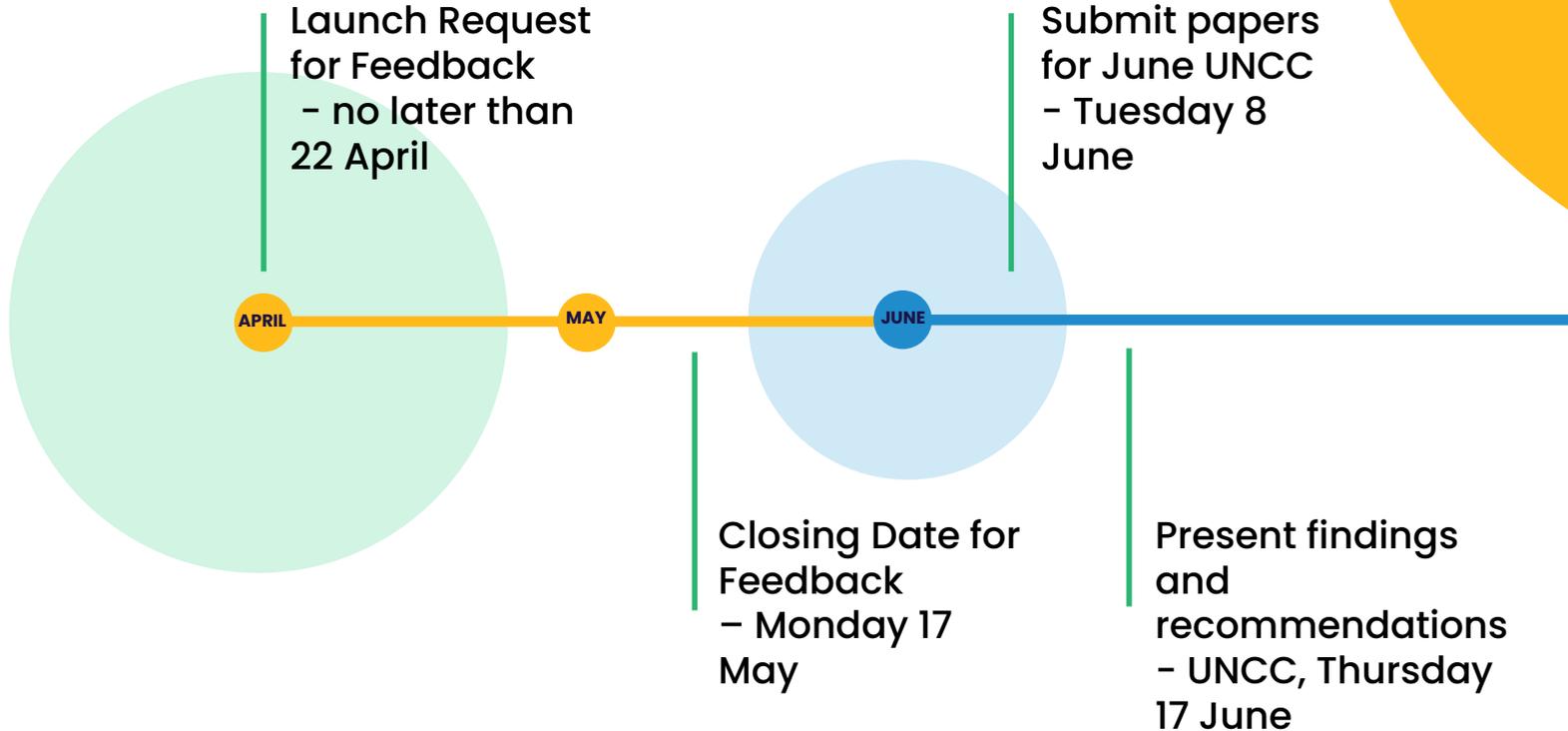
AUGE's Adherence to the AUG Framework

- AUGE has met all Framework deadlines
- AUGE is not requesting any additional time
- Final AUG Statement including Final Table published on 31 March for UNCC consideration
- Statement focuses on permanent Unidentified Gas – no requirement to quantify temporary UIG – only scope for one set of Weighting Factors
- AUGE's estimate of permanent UIG is close to the current run-rate of UIG post-reconciliation (running at 2.88% to February 2021)
- UNC requires that the Weighting Factors reflect each category of sites' relative contribution to UIG – AUGE has met this and referred to it as “polluter pays”
- AUGE has investigated and sought to quantify Theft of Gas for the first time – previously over 90% of estimated UIG was determined “by difference”

Options for April UNCC meeting

- Unanimously agree changes to Final AUG Table published 31 March
<https://www.gasgovernance.co.uk/augenex2122>
 - Final Table is included in the AUG Statement – page 5 of the document
 - **Chair Question: “Does any party propose any changes to the Table?” – if so, vote on the proposal – requires unanimous agreement**
- Or:
- Unanimously agree a further iteration of one or more steps in the AUG Framework document
 - **Chair Question: “Does any party propose any such re-work?” – if so, vote on the proposal – requires unanimous agreement**
- Otherwise the AUG Table is approved
 - Becomes effective 1 October 2021 [pending the outcome of UNC Mod 0758 and any other similar Mods]

Next Step – Annual Review of the AUG Year



Annual feedback exercise facilitated by Correla on behalf of Xoserve – request for written responses and a report to UNCC

Thank you

