

UNC Representation received by Email

0831 - Allocation of LDZ UIG to Shippers Based on a Straight Throughput Method

Date: 20 December 2022

Organisation: Sembcorp Energy UK

Abstract:

I note the post meeting note in the minutes from 29 November 2022, in particular 2.1.5 – Consider whether this Modification would reduce the amount of information available from AUGÉ which currently provides industry with an opportunity to drive actions to reduce UIG.

Having now had an opportunity to review the Modification and how the AUG tables are used in more detail it would appear that the practical upshot of this proposal will simply be to push the majority of the UIG costs over to those in Class 1, within the higher EUC Bands. Off-takers in these categories will have highly accurate, daily read meters and as such are likely to contribute least to UIG.

If this Modification is approved, would it not remove any output from the AUGÉ from the process to assess UIG and so remove any ability to drive actions to reduce UIG. Furthermore, if the vast majority of UIG is being paid by those who potentially contribute least, would this not also remove any financial incentive to improve the management of UIG overall?

Regards

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