

Actions on NGN from the Shrinkage Forum 8 March 2011

Action SF0301: *Leakage Model - Provide a weblink to appropriate auditors' reports on the Ofgem website.*

<http://www.gasgovernance.co.uk/sf/leakage>

Action SF0302: *Leakage Model - Establish what input/output information is used (assumptions, theory, etc) and what information can be shared (with reasons for any exclusions) and consider making available to industry*

To be confirmed at the next forum meeting

Action SF0303: *Establish whether the identification of large measurement errors might have an impact on the leakage models/shrinkage process.*

To be confirmed at the next forum meeting

Action SF0304: *Theft of Gas - Establish what data is available and what can be shared, and what the impact on shrinkage is.*

In January 2011 NGN responded to an Ofgem information request of theft of energy across networks, shippers and suppliers. The information we provided showed that for the [calendar] year 2010 following NGN's investigations of all suspected incidents of theft of gas in NGN's region identified internally or externally including all cases reported by shippers through Conquest, a total of **21 incidents** were found to be actual theft of gas on NGN's network i.e. upstream of the ECV equating to a total volume of **2.5 GWh**

To put this into context the theft of gas factors currently applied by NGN in the leakage model (0.02% of throughput) equates to approximately **15 GWh** of gas. Data from previous years shows that the amount of actual theft on NGN's is even lower than the 2010 amount.

Invitation to shippers and other interested parties

As part of NGN's RIIO-GD1 business plan NGN will be submitting its forecast of shrinkage for the price control period 2013-21. We recognise that certain stakeholders shippers in particular, may wish to inform NGN's forecasts particularly in relation to theft of gas.

NGN has summarised the data it has relating to theft of gas on its network (see SF0304 above) however we would like to consider any alternative data available on theft of gas on NGN's network [upstream of the ECV]. We believe a useful cross check would be to corroborate cases that are identified on NGN's network from external parties. To this end we would invite shippers and other interested parties to send us details of **their last 10 incidents of suspected theft of gas on NGN's network.**

Given that NGN will be required to submit its business plan to Ofgem by 31 July, we would request that any such data should be sent to NGN by **31 May 2011**. Any data or queries regarding this should be sent to Alex Ross (aross@northerngas.co.uk)