

# UNC 0850

Mod Title: Amendments to Allocation of Unidentified Gas Expert (AUGE) arrangements to introduce a new Residual Upstream Contributor



Proposer: SEFE Energy

Panel Date: 20<sup>th</sup> July 2023

# Brief Summary



- The recent analysis undertaken by the Retail Energy Code estimates Gas Theft to be 1,218 GWh
- Theft in Electricity is estimated at 3,433 GWh
- The AUGÉ's current estimate of Gas Theft is 6,823 GWh
- If accurate this means that Gas Theft has been significantly overestimated
- This implies that 5,605 GWh of UIG relates to a hitherto unidentified Contributor
- We propose to Crystallize the Energy Value for downstream UIG and to introduce a Residual Upstream Contributor as the Balancing Factor

# Summary Continued - Illustrative example



Contributor	UIG Volume	Source
<b>Downstream Contributors</b>		
Theft of Gas (ToG)	1218 GWh	REC TEMs Report
Sub Total	<b>1218 GWh</b>	
Average Temperature Assumption	1,021 GWh	AUGE 2023/2024
Average Pressure Assumption	326 GWh	AUGE 2023/2024
No Read at the Line in the Sand	162 GWh	AUGE 2023/2024
Incorrect Correction Factors	53 GWh	AUGE 2023/2024
Unregistered Sites	53 GWh	AUGE 2023/2024
Isolated Sites	19 GWh	AUGE 2023/2024
IGT Shrinkage	19 GWh	AUGE 2023/2024
Dead Sites	19 GWh	AUGE 2023/2024
Shipperless Sites	17 GWh	AUGE 2023/2024
Consumption Meter Error	-15 GWh	AUGE 2023/2024
Total non-Theft Downstream Contributors	<b>1674 GWh</b>	
<b>Total Energy Value (TEV)</b>	<b>2,892 GWh</b>	Total of all Downstream Contributors
Residual Upstream Contributor (RUC)	Balancing Factor	See Business Rule 8 below

# Recommended Steps



- The Proposer recommends that this modification should be:
  - Not an Alternate to 0831 & 0831A - Allocation of LDZ UIG to Shippers Based on a Straight Throughput Method which seeks to remove the AUGÉ and allocate all current UIG on basis of throughput noting Class 1 exclusion in 0831A
    - Our proposal is agnostic as it can either utilise the independent AUGÉ or replace it
  - Not an Alternative to 0843 - Establishing the Independent Shrinkage Charge and the Independent Shrinkage Expert
    - Our proposal does not involve the creation of an Independent Shrinkage Model, nor does it propose to crystallise a Shrinkage value
  - Not subject to Self-Governance because it is material
  - Workgroup assessment to develop the modification for 6 months