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Dear Fiona

Thank you for your invitation to comment on the events of the AUGE year 2012/13. In addition to the suggested improvements to the AUGE Guidelines that we sent previously, we have carried out our own internal review of last year. We thought it would be useful in addition to the feedback to suggest actions for improvements going forward. We have also included a section on aspects of the process that worked well.

We are happy for you to include/publish our feedback in your report.

Yours sincerely

Clive Whitehand
Senior Consultant
GL Noble Denton

Feedback/Issue	Potential Resolution / Action undertaken
<p>The AUGE Guidelines are unclear about dealing with material issues when the final stage is reached (i.e. after the 2nd review).</p> <p>Various aspects of the timelines within the AUGE Guidelines were not met and not followed properly (see AUGE Guidelines recommended improvements for examples). Although no industry party flagged this up when delays started to occur during the summer eventually the timescales were so compressed the methodology was not completed in time.</p>	<p>We have made some recommendations to improve the AUGE Guidelines in a number of areas as published by Xoserve on our behalf. Some of these are simple changes to aid clarity and others require further discussion.</p> <p>We have brought forward internal deliverable deadlines to allow more contingency time prior to key industry deliverables to mitigate delays in the event of an unexpected problem arising.</p>
<p>Key data items provided by Xoserve for the consumption methodology (and indeed calculation of an AUG table) were delivered late and there were a variety of data quality issues that required further iterations of data provision before they were resolved.</p> <p>We had low confidence in the quality of data being provided by Xoserve as we often identified issues from one data drop to the next (which were resolved eventually). We often need several iterations to get the data sets correct (e.g. provision of MMSP information)</p> <p>When requesting data from Xoserve we often do not have access to the key data owner(s) to gain more detailed understanding of what data is really available and what issues there might be in the data or provision of it. We believe this contributed to the iterative data provision issues in 2012.</p>	<p>Xoserve could be more pro-active when providing data – e.g. to provide more advice on issues that we might find in the data before we get it, identify what other information is behind it that we could have (but may not be in the main reports – e.g. certain data timestamps) and whether there are other data/fields that we ought to have to support what we've requested.</p> <p>We could spend more time with Xoserve when obtaining data to ensure we understand the industry data issues better and ensure we get the data we need.</p> <p>Regular reviews and more detailed tracking of data provision progress with Xoserve to be implemented.</p> <p>Data issues for 2013 are mitigated in that we have a set of data from 2012 that we can fallback to if there are issues with refreshed data in 2013. We did not have the benefit of this in 2012.</p> <p>Progress reports will include data provision status and progress.</p> <p>We have assigned a data owner responsibility within the GL Noble Denton team to ensure the data items being provided by Xoserve are on track.</p>

<p>There is a potential inconsistency in application of UNC Modifications – e.g. Mod 398 cut-off changes will affect other gas industry processes, but there is a requirement for the AUGE to deal with it, we question whether they should they be consistent across the board?</p> <p>The AUGE is not involved in development of modifications / consultation reviews (as independent) which means some modification that refer to the AUGE or have expectations that the AUGE will deal with the outcome of the modification may not be feasible in practice</p>	<p>We would like to be able to engage with the industry during the preparation / consultation of Modifications that may affect the AUGE / UG methodology. This would ensure that proposed modifications, if implemented, could be accounted for by the AUGE.</p>
<p>We have investigated some issues that perhaps are not necessarily our responsibility and this results in extra time/effort spent analysing topics that should be covered by other parts of the gas industry.</p>	<p>When issues are raised, to consider whether we should really investigate or not and advise accordingly e.g. CSEP Shrinkage - we recommended this be dealt with in the Shrinkage forum which we are pleased to see has subsequently been taken up and the issue looked at within that group. Similarly the assessment of SSP meter errors is a separate project in its own right and not something the AUGE should undertake.</p>
<p>There are many key issues with raw data. Under the AUGE Guidelines we can choose data / correct as appropriate etc but it should be responsibility of gas industry to get the raw data as correct as possible as these feed multiple industry processes.</p>	<p>Where we identify data issues affecting the methodology we plan to provide details to Xoserve to pass onto the relevant shippers to resolve. We believe that it will be much more cost effective in the longer term to address data issues at source than trying to fix the knock-on effects that undoubtedly occur in downstream processes.</p>
<p>Mod 0442 was a significant and unnecessary distraction and created uncertainty in our plans for 2013/14.</p> <p>We didn't anticipate that this modification would be raised when the rollover situation occurred. Even without the delays in the production of the 2nd draft AUGS the Final AUG table deadline of 1st January would not have been met as the consultation responses resulted in the need for further amendments to the methodology.</p>	<p>We have suggested a change to the AUGE Guidelines that would make provision for a delayed introduction of an AUGS for a given year as an option, such that it follows a delayed AUGS Guidelines timescale. This would avoid the need for modifications like this in the future.</p> <p>Going forward we will be mindful of the potential knock effects from decisions made during preparation of the AUGS.</p>
<p>We did not raise a change control when it was clear that the delays in provision of (consumption) data would have a significant impact on timelines. Instead we tried to complete the work in a compressed timeline which inevitably failed.</p>	<p>If there are significant delays in data provision that are impacting the plan then we will assess the potential impact and raise a change control earlier. Any delays should also follow through onto remaining timelines if the delay cannot be absorbed.</p>

<p>We reluctantly provided ballpark interim UG figures to the UNCC meeting on 20th December. Although caveats were given that these were not finalised figures they were subsequently used by code parties to partly justify Mods 442/442A. This resulted in undue pressure being applied by Shippers keen to get the results of the methodology implemented without the completion of a proper review.</p> <p>We believe, in light of the consultation responses and subsequent analysis that the methodology should not have been implemented at that time.</p>	<p>The AUGE will not provide any indication of UG figures verbally or in writing until the GTs publish the interim AUG table on 1st November 2013 and the final table on 1st February 2014.</p> <p>This will prevent code parties using ball park figures to justify various arguments regarding the methodology and its subsequent implementation. The AUGS will only contain details of the methodology until it has been approved by the UNCC.</p> <p>There will, however, be the opportunity during the Query Process to raise issues regarding potential material errors.</p>
<p>We didn't communicate the issues that had occurred during preparation of 2nd draft effectively.</p>	<p>Although we provided industry updates at various times last year, particularly during the delays in the winter, we aim to provide more detailed progress reports to Xoserve prior to UNCC meetings so that the industry is fully briefed on progress.</p>
<p>We tried to be too helpful in that we tried to deliver an AUGS and complete the methodology by absorbing the data provision delays and sticking to the key end date. Problems had started in the summer with delays in the initial consumption data drop and this coupled with the requirement to analyse more than 1 LDZ following industry review in September continued through October and November. We could have put the consumption method on ice and proceeded with the method from the previous year. However, one of the reasons that we did not do this is that the UG being assigned to SSP from the RbD method was going to be a much more significant issue and this would not have been acceptable.</p> <p>In late October/early November we deliberated too long deciding whether to proceed with the consumption method but then we received sufficient consumption data in November to continue – but in reality it was already too late.</p>	<p>This situation should not recur this year as we have a full consumption data set to use. Nonetheless, if any other delays occur that are out of our control that impact the preparation of the methodology / AUG tables then we will be more proactive raising the issues and assessing the impact and seek to mitigate the effects with Xoserve/industry as necessary.</p> <p>Although we will continue with the aim of producing the most accurate methodology that we can, the focus this year will be on meeting the timelines. If material or data issues cannot be resolved within the timescales we will do what we can with the information we have and the outstanding issues will roll forward to be addressed in the next AUG year / version of the AUGS. This does mean there is a risk of material errors remaining within an AUG year and we have suggested changes to the AUGE Guidelines to deal with this.</p>

Aspects of the process that worked well in 2012	Action
We have a good working relationship with Xoserve and despite the issues at the end of 2012 and we believe there is generally a good working relationship with the various industry bodies.	This year we will be focusing particularly on the timelines to ensure these are met and improving communication of progress.
Levels of communication between Xoserve and GL Noble Denton have improved during the year.	To improve this further there will be more regular reporting and this will also include data provision status.
There were improvements in data provision from Xoserve (for example the later consumption data sets for remaining LDZs did not require resends and came through at a more regular frequency).	Going forward we understand Xoserve have reviewed and improved the reports used to provide the data we require. As noted above we will be closely monitoring the provision of data through the year.
We developed a new methodology for total UG based on consumption data overcoming a number of significant technical challenges to produce an improved method of estimating UG.	
The Industry recognised the new methodology developed in 2012 was an improvement over previous versions and the most recent consultation was generally positive.	The methodology for 2014/15 is based on the methodology derived in 2012 with improvements in light of consultation responses plus other improvements we have identified.
We optimised the consumption calculation to reduce the end to end process from 40 days to 8 days (of computer processing).	We will continue to seek improvements to the preparation time for the consumption calculations to ensure timelines are met.
We have gained further insights into the multitude of industry data management and data quality issues during the course of our analysis of data.	Where source data issues are identified we intend to provide details to Xoserve to pass on to Shippers for resolution in order to improve the quality of the data used in the methodology. This will have the wider benefit of improving data quality for other industry processes. Whilst we recognise that the volumes of data involved in the management of the gas industry are very large a lot of issues could be addressed/prevented with improved validation of data input processes.
The Joint Office of Transporters have been very supportive throughout the year, particularly with regards advice on the nuances of the consultation processes, arranging and hosting of meetings and recording of proceedings.	