



Allocation of Unidentified Gas (AUG) Process for Gas Year 2022-2023 Request for Feedback

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INTRODUCTION

We welcome the opportunity for industry to appraise the effectiveness of the AUG framework and the AUG's delivery against it.

We will consider industry's responses to identify ways to improve the service Engage provides on behalf of Xoserve; and will discuss output from this process formally as part of our regular service delivery meetings with Corella.

We hope this response proves useful and look forward to another year of constructive collaboration with industry.

AUGE FRAMEWORK DOCUMENT

We believe that the process contained within the AUG Framework document has worked well and as intended, with delivery milestones clearly defined and opportunities for discussion and stakeholder feedback scheduled as part of the annual delivery cycle.

Importantly, the AUG framework document continues to ensure the independence and impartiality of the AUG.

We note the ongoing output from Review Group 0781R and are monitoring this with interest. To date we felt it was not appropriate for us to participate in these discussions, but will assess this approach should any proposals be tabled which impact the framework agreement or the delivery of the AUG service.

The Joint Office of Gas Transporters have provided professional oversight and governance of the AUG Sub-Committee sessions which act as our formal touchpoints to interested industry parties. We thank them for facilitating the open and engaging discussions that contribute to a robust UIG allocation methodology.

INDUSTRY

We thank industry stakeholders for their engagement and feedback provided throughout the annual process. We have enjoyed collaborative and pragmatic debate this year on several elements of our methodology and the result has been positive for our methodology, and has also triggered worthwhile process improvement and data cleanse activity.

Industry stakeholders have this year recognised the value the AUG can offer in its advisory capacity, and we are pleased to now be providing our insight to support PAC discussions on a periodic basis.

The AUG innovation service, which is designed to identify and implement potential improvements which support the reduction or improved allocation of overall UIG, has not yet been used to progress improvements. However, it has remained on the back burner whilst Review Group 0781R was working. It may be that elements of those discussions would now be appropriate for consideration under our innovation service this year. If so, we may recommend a need for more frequent development discussions (outside of the normal AUG Sub-Committee schedule) in order to progress at a reasonable speed.



XOSERVE/CORRELA

We continue to enjoy a strong working relationship with Xoserve/Corella and thank them for their support in delivery of the AUG service.

We note review of contract governance arrangements which was launched in response to Modification 0782, and will support in making those processes operational where relevant. Between Engage and Corella, we have also established - independently of Xoserve's review - an ongoing forum for technical discussion as we develop improvements to the UIG calculation methodology. Additionally, we have adjusted our internal plans slightly to allow for an extended window for review and feedback by Xoserve/Corella on a pre-release draft statement before it is published to industry. These measures are intended to better leverage Xoserve/Corella colleagues' deep subject matter expertise as critical challenge and support to us, whilst safeguarding the impartiality and independence of the AUG.





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