

Summary of IGT UNC Workgroup – 14th September 2023

Purpose:

This paper provides Panel members with a summary of IGT UNC Workgroup discussions each month. Please note that the Modifications which will be subject to review at this Panel meeting are not reflected in this document due to them already being on the Panel agenda.

For a full extract of the discussion please refer to the Draft minutes here.

UNC Modifications:

<u>UNC0850 – Amendments to Allocation of Unidentified Gas Expert (AUGE) arrangements to introduce a</u> new Residual Upstream Contributor

The Proposer informed to the Workgroup that the Retail Energy Code has produced new analysis which indicated that 1.2 GWh of Theft is taking place, as opposed to 6.8 GWh estimated by the AUGE. A Workgroup member asked if the methodology for calculating the AUGE would be examined and potentially reconsidered. The Proposer agreed that it was possible that the AUGE has operated on a "perception of Theft", without substantial evidence. This was the justification for the introduction of the "Residual Upstream Contributor" to account for lost gas.

IGT UNC Modifications:

IGT165 - Independent Shrinkage Expert and Independent Shrinkage Charge

Workgroup members asked the Proposer about the relationship between IGTs and Shippers, and how the completion of the Independent Shrinkage Charge (ISC) would be validated. The Proposer determined that charges would be applied for each individual LDZ. Members discussed the need for a license change to allow IGTs to purchase gas, to cover the Shrinkage quantities. The Proposer took an action to approach the Authority about the need for a license change when UNC0843 — Establishing the Independent Shrinkage Expert and the Independent Shrinkage charge, is submitted for a final decision. The Proposer agreed to bring IGT165 back to Workgroup once the Legal Text has been drafted.

IGT168 - Establishing/Amending a Gas Vacant Site Process

The Workgroup examined the Legal Text changes to IGT168. Members were made aware of a number sequencing error in the legal drafting. The Proposer outlined a new definition for a "Vacant Site" which would be added to Section M of the Code. The Workgroup agreed to revisit IGT168 at the October IGT UNC Workstream meeting, once the Distribution Workgroup for UNC0819 – Establishing/Amending a Gas Vacant Site Process had been completed.

