



# Consideration of Final AUG Table of UIG Weighting Factors for 2023/24

UNCC 20 April 2023

{ Draft for Information Only at  
April AUG Sub-Committee }

# Background

- These slides provided as a preview for AUG S-C to recap on the process set out in UNC E9
- Request that meeting attendees brief their UNC Committee colleagues on what to expect
- Final version will be published for UNCC in line with papers deadlines

# Objective of UNCC Today

- Fulfil the Committee's UNC obligation to consider the final AUG Table of UIG Weighting Factors
- UNC E9.4.3: In respect of each AUG Year:
  - (g) such steps as are set out in the **AUG Document** shall be taken in relation to the proposed AUG Table, following which the AUG Expert shall submit a final AUG Table to the Committee for approval;
  - (h) the Committee shall approve the final AUG Table submitted by the AUG Expert pursuant to paragraph (g) **unless by unanimous resolution** the Committee determines:
    - (i) **to approve a modified AUG Table**; or
    - (ii) **to require any further iteration of any steps as referred to in paragraph (g)**, in which case paragraph (g) and this paragraph (h) shall further apply;
  - (i) the Committee shall publish the AUG Table approved in accordance with paragraph (h);

*i.e. the AUG Framework Document*

# Contents

- Slides [5 to 7] – background, overview of timeline and process followed
- Slide [8] – Recap of inflight Mods affecting UIG sharing
- Slide [9] – overview of voting
- Slide [11] – Proposed timetable Review of the AUG Year

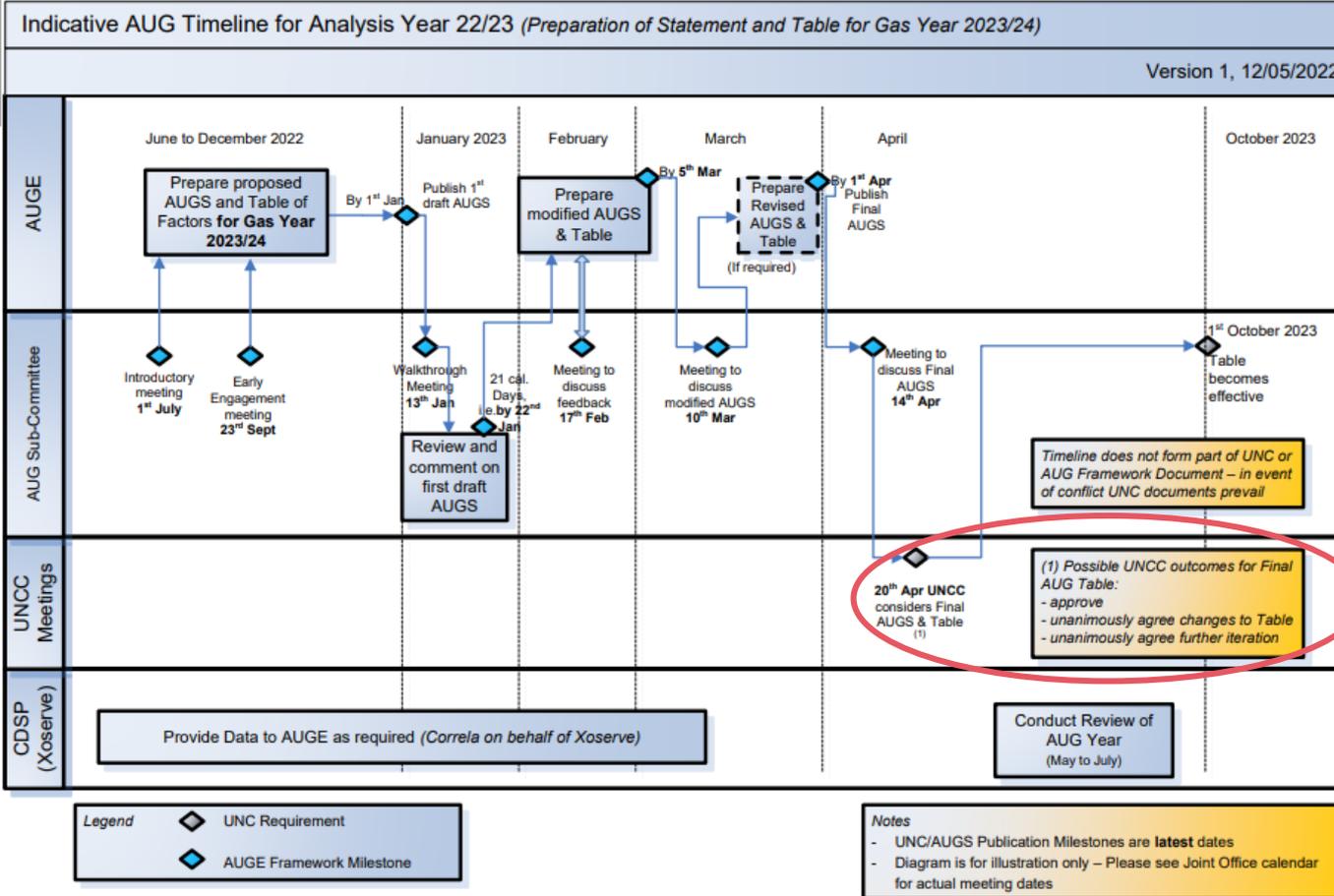
# Background for UNCC Members

- AUG Expert defines a Methodology (an AUG Statement – “AUGS”) to determine weighting factors to be used for distribution of daily UIG rather than a total UG quantity
- Rules set out in UNC E9
- AUGE does not set or determine the daily level of UIG
- Detailed process steps in UNC Related Document (the “Framework”) <https://www.gasgovernance.co.uk/tpddocs>
- Fifth year of operation of the revised process (as developed in Review Group 0639)
- Third year of outputs of new AUGE (appointed in June 2020)

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# Timeline for 2022/23 Service

(Development of Statement and Table for Gas Year 2023/24)



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# Key Milestones for 2022/23 Process

(Development of Statement and Table for Gas Year 2023/24)

| Milestone   | Status                 |
|---|------------------------|
| Introductory meeting in June/July                                       | Held 1 July            |
| Early engagement meeting in Sept/Oct                                    | Held 23 September      |
| Publish first draft AUGS and Table by 31 December                       | Published 29 December  |
| First draft AUGS Walkthrough – target 15 Jan                            | Held 13 January 2022   |
| Review of draft AUGS feedback meeting – target 15 Feb                   | Held 17 February       |
| Walkthrough of revised draft AUGS and Table – target 12 March           | Held 10 March          |
| Publish Final AUGS and Table by 31 March                                | Published 31 March     |
| Walkthrough of Final AUGS and Table - target 5 days prior to April UNCC | Scheduled for 14 April |

All meeting material on Joint Office AUG Sub-Committee pages: <https://www.gasgovernance.co.uk/aug>

# Impacts of In-Flight UNC Modification

| No.         | Title   | Status       | Impact on Gas Year 2023/24 Statement and Table   |
|-------------|---|--------------|--|
| 0831        | Allocation of LDZ UIG to Shippers Based on a Straight Throughput Method                 | In Workgroup | None – 0831 Proposes flat sharing of UIG from 01 October 2024 (earliest)   |
| 0831A       | Allocation of LDZ UIG to Shippers (Class 3 and 4) Based on a Straight Throughput Method | In Workgroup | The AUGÉ's Table would cease to apply from 3 months after implementation, replaced with flat sharing to Classes 3 and 4 only   |
| 0840 Urgent | Equalisation of prepayment and non-prepayment AUG factors                               | With Ofgem   | Would require the AUGÉ to recalculate pairs of Weighting Factors by Class and EUC to apply a single factor (e.g. EUC1ND & EUC1PD in Class 4). The Table would be re-published. |

# Options for April UNCC meeting

- Unanimously agree changes to Final AUG Table published 31 March <https://www.gasgovernance.co.uk/AUGStatement2324>
- Final Table is included in the AUG Statement – page 4 of the document
  - **Chair Question: “Does any party propose any changes to the Table?”** – if so, vote on the proposal – **requires unanimous agreement**
- Or:
- Unanimously agree a further iteration of one or more steps in the AUG Framework document
  - **Chair Question: “Does any party propose any such re-work?”** – if so, vote on the proposal – **requires unanimous agreement**
- **Otherwise the AUG Table is approved**
  - Becomes effective 1 October 2023

## Next Steps (following AUG Sub-Committee)

- Request that AUG S-C meeting attendees brief their UNC Committee colleagues on what to expect at April UNCC
- Papers for UNCC would be updated if there is any change to Mod 0840 prior to 20 April 20
- Following UNCC the CDSP initiates the “Review of the AUG Year” – next slide

# Annual Review of the AUG Year

- AUG Framework includes a CDSP obligation to consult industry on *“activities and performance of the AUG Expert and industry for the creation of the AUG Statement and Table”* and produce a report the Committee
- Proposed timetable for review of 2022/23 process:
  - Launch review at May UNCC and issue request for Feedback via Joint Office mailing list: **18 May**
  - Closing date for feedback (3 weeks): **9 June**
  - Present completed report at UNCC: **20 July**

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