

# UNC 0781:

## Review of the Unidentified Gas process



Proposer: Dan Fittock (Corona Energy)

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# Why change?



- To ensure that UIG is allocated between Shippers in accordance with the requirements of the UNC and its subsidiary documents, the industry must use the most accurate and verifiable UIG Allocation Adjustment Factors available to it.
- To ensure this the Framework for the Appointment of an Allocation of Unidentified Gas Expert (“Framework”) sets out how the AUGE process operates and how the AUGE Statement and AUGE table are compiled. The Framework document is nominally overseen by the Uniform Network Code Committee (UNCC).
- At the March 2021 UNCC meeting the UNCC indicated that there were no actions it could take regarding concerns raised about compliance with the Framework, which indicates that there is currently no clear governance process for compliance with the Framework and so no effective industry oversight of the AUGE

# Options



- With no other recourse, shippers concerned about delivery of the Framework raised UNC Modification 0758.
- Whilst raising modifications remains an option for industry parties to pursue it seems inefficient to do so.
- We note that a review group is currently looking more widely at how Unidentified Gas is managed in the market, but we do not anticipate any change to be developed from that group or progressed until 2023/24 at the earliest. There is no guarantee the market will seek to change the process either.
- An interim oversight regime will provide some value therefore.

# Solution



- Create a new role, the Independent AUGÉ Assurer (IAA), who would be appointed by tender, responsible for determining whether the AUGÉ has fully complied with the Framework during the creation of the AUGÉ Statement, directing remedial actions where it believes there are material non-compliances and providing a report setting out its work for the year.
- The UNCC will have the explicit obligation of considering any remedial actions where requested, overriding any formal direction by the IAA through a simple majority vote.

# Recommended Steps



- Subject to self-governance as this create an oversight regime to the AUGE process.
- The Proposer recommends that this modification should be:
  - Workgroup assessment to develop the modification for 3 months