

Guidelines for the Appointment of an Allocation of Unidentified Gas Expert

DNO Comments on the tendering process (draft).

3. Responsibilities under the tender process for the position of AUG

- The Committee:

- o Will produce a clear set of evaluation criteria for the appointment of the AUGE detailing (without limitation) including;

- the ability ~~offer~~ the AUGE to produce an AUGS which shall be in line with the Generic Terms of Reference, ~~including Attachment 1~~, contained in this document plus any other criteria agreed by the Committee.

- the evaluation of the cost of undertaking the role of the AUGE over the period stated in the tender document.

- the consideration of the relevant knowledge and expertise of the candidates;

- ability of the prospective AUGE's ~~ability~~ to follow and take into account relevant industry developments.

- Details of how much weight/percentage should be placed for each set of criteria.-

- The Gas Transporters will

~~And to use these~~ evaluation criteria ~~to derive a methodology~~ to assess each submitted tender bid.

- o Where more than one prospective candidate indicates interest in the position of AUGE the Gas Transporters shall:

- ~~Assess each tender bid against the tender assessment methodology;~~

- Collate aggregated scores for each candidate~~nominated AUGE~~ from the criteria specified in the tender document;

- Rank the candidates~~proposed AUGE~~ from 1-n (1 least favoured, n most favoured) and

- ~~Select and appoint~~Endorse (by Panel Majority) the appropriate candidate~~person to the Gas Transporters~~ as the AUGE;

- Notify the Committee of such appointment including the evaluation criteria, expressions of interest and scores.

- The Committee

- o Shall ~~endorse~~ consider the advice and recommendation provided by the Gas Transporters prior to selecting (by Committee~~Panel~~ Majority) the final version of the AUGS from the AUGE, except in the event of fraud; ~~or where the Committee considers, with reference to the requirements in Attachment 1, it is so clearly erroneous on its face that it would be unconscionable for it to stand.~~

o Review the proposed Generic Terms of Reference and approve (by Panel Majority) the Generic Terms of Reference for use when producing the AUGS; and
~~o Identify any improvements that may be made to the tender process, and recommended to the UNCC they be incorporated into these guidelines~~

• The Gas Transporters will:

o Organise any meetings held in relation to the AUGE appointment.
o Provide legal resource to prepare a tender document ~~in conjunction with the Committee.~~
o Organise the advertisement of the tender to all interested Parties, in accordance with national and European legislation.
o Communicate to Users the progress and outcome of the tender process, ~~including all relevant documentation.~~
o Invite the ~~selected~~ endorsed candidate AUGE to take up the appointment;
o Where the ~~selected~~ favoured candidate AUGE does not accept the appointment, invite the next most favoured candidate AUGE in turn.
o Upon acceptance of appointment, establish the contract with the AUGE, including the agreed Generic Terms of Reference.
~~o Have the right to use the Joint Office or any other agency to discharge any obligations placed upon them by this document.~~

• Shippers (with supply point exit capacity) will:

o Bear their respective costs including without limitation costs of providing documentation, information, data, submissions or comments, and all costs and expenses of all witnesses and other persons retained by it.
o Comply with any reasonable request for data or assistance from the AUGE to help the AUGE ascertain the magnitude of the Unidentified Gas error.

• The AUGE, once appointed as such:

o Will act with all due skill, care and diligence when ~~the performing his/her~~ performing his/her ~~ance of its~~ duties as the AUGE and shall be impartial when undertaking the function of the AUGE, ~~ensuring that any values derived will be equitable in their treatment of end users.~~

o Shall compile the AUGS in accordance with the guidelines within this document
o The AUGE shall confirm to the Gas Transporters before his/her appointment that he/she does not hold any interest or duty which would or potentially would conflict with the performance of his/her duties under his/her contract with the Gas Transporters.

If after his/her appointment the AUGE becomes aware of any interest or duty which conflicts or potentially conflicts with the performance of his duties under his contract with the Gas Transporters, the AUGE shall inform the Gas Transporters forthwith of such conflict giving full details thereof.

The Gas Transporters shall forward any such information to all Users and Committee Members as soon as reasonably practicable.

Any User or Committee Member may within 5 Business Days of the disclosure of any such conflict or potential conflict object to the appointment or continued appointment of an AUGE, in which case the AUGE shall not be or shall cease to be appointed and

a new AUGE shall be selected and appointed by the Gas Transporters in accordance with the process in these Guidelines.

o Shall ensure that all data provided by Code Parties will be held confidentially, and where any data, as provided or derived from that provided, is published then it shall be in a form where the source of the information cannot be reasonably ascertained.

4. Tendering process

This section details the processes undertaken by the [Gas Transporters Committee](#), to appoint an AUGE using a tender process.

- The ~~Committee will, in conjunction with the~~ Gas Transporters ~~will~~, prepare a tender document to be sent when required to all interested parties by the 1st October.
- The tender will detail the requirement:
 - o To compile a publicly available methodology statement, the AUGS.
 - o To use the AUGS to derive the volumes of Unidentified Gas, that will be used to populate the Large Supply Point Unidentified Gas allocation table within the UNC.
 - o To provide the Unidentified Gas volumes to the Gas Transporters in good time to allow calculation of the relevant charges in the manner outlined in the modification.
 - o To hold public consultation meetings to provide an opportunity to allow Code Parties to discuss the AUGS, in accordance with the timetable contained within this document.
 - o To allow Users to submit representations and queries with regard to the AUGS in accordance with the timetable contained within this document.
 - o To consider adjusting the AUGS in response to those representations if the AUGE feels it would improve the process.
 - o To adhere to the Generic Terms of Reference contained within these guidelines, as well as any other criteria the Committee [notifies to the Gas Transporters prior to the tender document being prepared](#)~~includes within the contract~~.
 - o To take into account any queries that were raised in the previous query period where the AUGE proposed and the Committee agreed a change to the AUGS, but they were not incorporated.
 - o To maintain good relations with the ~~Committee and the Gas Transporters~~, to be available for discussion with Users on any relevant issues, and to answer any general queries promptly.
- When issued, the tender will be for an initial 1-5 year contract, as determined by the [Gas Transporters Committee](#).
- The [Gas Transporters Committee](#) will advertise the tender to all interested Parties ~~via the Gas Transporters utilising~~[including](#), if applicable, the Official Journal of the European Union.
- All tenders ~~responses~~ must be submitted ~~by any interested party~~, in an acceptable format to the Gas Transporters by the 1st December.
- Each tender response will detail:
 - o How the AUGE will comply with the Generic Terms of Reference
 - o [A high level view of](#) ~~t~~The methodology to be used by the prospective AUGE, and why such a process would be suitable
 - o The data that would need to be collated for such use, and the methods to be used for acquiring such data.

- o How the AUGE will address any previous queries that were raised in the previous query period and agreed to requiring a change to the AUGS, but were not incorporated.
- o The likely time for such work to be carried out.
- o The cost of producing the AUGS.
- o Contact details that a Code Party may use to query any aspect of the tender or the AUGS when produced.
- o Their independence and impartiality.

~~• Once the tender have been received, then the Committee will then rank the prospective AUGE in order of preference (1 to n, where 1 is the least favoured and n the most favoured) using the tender assessment methodology, taking into account the following:~~

- ~~o relevant knowledge and expertise of the candidates~~
- ~~o cost of service provision~~
- ~~o ability to take into account industry developments~~
- ~~o the suitability of the methodology proposed~~
- ~~o the equitability of the values that will be derived.~~

- All prospective AUGE's will, if so requested, present their proposals to the Gas Transporters Committee at an appropriate time.
- Once all AUGE's² tenders have been assessed, ~~then~~ the Gas Transporters will select in accordance with the evaluation criteria ~~Committee will endorse (by Panel Majority)~~ the top-ranked tender ~~to the Gas Transporters~~ for appointment.
- Once the tender process has been completed ~~and the Committee has ranked each prospective tender,~~ the Gas Transporters will use reasonable endeavours to contract with the highest ranked acceptable party that wishes to become the AUGE by the 1st March. Gas Transporters will consider contracting with the next highest ranked party if they fail to reach agreement with the 1st ranked party.
- In the event that the 1st March deadline is not met, the Committee will decide by a majority vote on whether to: a) maintain the current AUGS for another year; or b) to apply zero volumes.
- Once the tender process has been completed and the Gas Transporters have contracted with an interested party to be the AUGE, ~~then~~ the Gas Transporters Committee will review the tender process, and seek to incorporate any updates that are believed to be required to this document.