

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

UNCC 20 April 2023

Updated following UNC Modification 0840 Approval



Overview of Updates

- On Thursday 20 April Ofgem gave a "minded to Approve" update on <u>UNC Modification 0840</u> (Equalisation of prepayment and non-prepayment AUG factors)
- This Modification requires the AUGE to recalculate pairs of Weighting Factors by Class and EUC to apply a single factor (e.g. EUC1ND & EUC1PD in Class 4)
- UNC Committee on 20 April agreed to postpone the agenda item on the AUG Table to an extraordinary meeting on 26 April
- Ofgem decision was published on 21 April
- This pack has been updated some slides are New and others Amended

Objective of UNCC Today

- Fulfil the Committee's UNC obligation to consider the final AUG Table of UIG Weighting Factors for Gas Year 2023/24

 i.e. the AUG Framework
- 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;

Document

- (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);

Contents

- Slides 5 to 7 background, overview of timeline and process followed
- Slide 8 Recap of inflight Mods affecting UIG sharing
- Slide 9 Revised AUG Table to comply with UNC 0840
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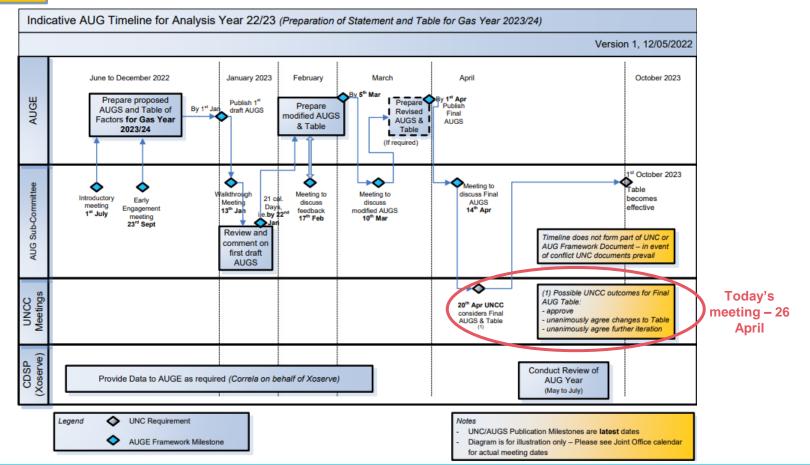
Background

- AUG Expert defines a Methodology (an AUG Statement "AUGS") to determine weighting factors to be used for distribution of daily UIG (and not 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)
- Slides have been updated to include the Revised Table following approval of Urgent Modification 0840

Amended

Timeline for 2022/23 Service

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



Amended 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	Held 14 April	

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

Impacts of In-Flight UNC Modifications

Amended

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 AUGE's Table would cease to apply from implementation (at least 3 months after date of Approval), replaced with flat sharing to Classes 3 and 4 only
0840 Urgent	Equalisation of prepayment and non-prepayment AUG factors	Approved 21 April	Requires the AUGE to recalculate pairs of Weighting Factors by Class and EUC to apply a single factor (e.g. EUC1ND & EUC1PD in Class 4). The AUG Table has been re-published to reflect this requirement.



Revised AUG Table for Gas Year 2023/24

- Revised Table of UIG
 Weighting Factors which
 complies with the new TPD
 E9.4.2 wording provided here
 for ease of reference AUG
 Statement will also be
 amended and republished
- Equalised pairs of Weighting Factors have been highlighted for ease of identification

CLASS							
		1	2	3	4		
	1ND	56.61	56.61	56.61	111.87		
	1PD	56.61	56.61	56.61	111.87		
	1NI	5.74	844.42	155.89	615.26		
	1PI	5.74	844.42	155.89	615.26		
	2ND	73.33	73.33	73.33	145.41		
	2PD	73.33	73.33	73.33	145.41		
EUC	2NI	5.74	294.31	85.15	297.90		
BAND	2PI	5.74	294.31	85.15	297.90		
	3	5.74	55.35	47.93	54.72		
	4	5.74	57.43	58.67	62.88		
	5	5.74	66.28	57.44	61.96		
	6	5.74	67.88	55.17	63.76		
	7	5.74	69.29	55.09	70.34		
	8	5.74	59.76	54.86	57.90		
	9	5.74	29.73	26.32	27.73		

Options for April UNCC meeting

- Unanimously agree changes to Final AUG Table (as re-published 24 April)
 https://www.gasgovernance.co.uk/AUGStatement2324
- Final Table is shown Slide 9
 - 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

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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