

0229 Draft Strawman for Discussion at the Distribution Workstream

1. The Transporters will be obliged to produce and publish a new UNC Related Document, the “Allocation of Unidentified Gas Statement” (AUGS). This Statement would be reviewed annually and amended with effect from Gas Day 1 October each year.
2. This document would set out the methodology to be followed in order to establish the values in the table that Modification Proposal 0229 envisages would be created within the UNC, i.e. the quantities to be allocated to the LSP NDM and LSP DM sectors for each of the specified categories.
3. The table in the UNC would not contain values but would cross refer to the AUGS. In addition to the methodology, the AUGS would specify the values derived through application of the methodology, and these values would be applied via the table in the UNC throughout the relevant Gas Year. It is envisaged that the AUGS would contain a table in exactly the same form as the table in the UNC but with the values to be applied included.
4. The initial methodology would be “To allocate zero quantities to the LSP sector.” All the initial values in the table would therefore be zero.
5. The Transporters will be obliged to appoint an individual or organisation to act as the “Allocation of Unidentified Gas Expert” (AUGE).
6. The Uniform Network Code Committee will be responsible for approving the appointment of the AUGE, and any change in the AUGE following such approval will be effective from 1 October. The initial AUGE will be appointed as soon as reasonably practical following Ofgem direction to implement the Modification Proposal.
7. The Transporters will be obliged to propose to the UNCC at least one AUGE to be appointed and to suggest the terms of that appointment (i.e. whether for a fixed term or a rolling period). Any User may similarly propose one or more AUGE who should be appointed.
8. The UNCC shall consider the proposed AUGEs and determine by simple majority of those present whether or not each AUGE should be invited to submit terms for acting as the AUGE.
9. The Transporters shall invite each AUGE approved by the UNCC to submit terms for acting as the AUGE.
10. The UNCC will consider the terms submitted and determine which AUGE should be appointed. The UNCC may determine its own processes and procedures for the appointment process but would be expected to take into account the relevant knowledge and expertise of the candidates, and the cost of service provision. If the UNCC fails to select an AUGE for any reason, the Transporters shall appoint an AUGE.

11. The AUGE will be required to propose the terms of the AUGS to be effective from the following 1 October. The Transporters would be obliged to give a minimum two months notice of any change in the AUGS.
12. The AUGE would be obliged to consider the terms of the AUGS and bring forward proposals for any change which the AUGE believed would, if made, be consistent with better facilitating achievement of the code relevant objectives, including updating the numbers in the table in accordance with the methodology. At any time, Users or other interested parties may put proposals to the AUGE for consideration. The AUGE would be obliged to consider any such suggestions, and to include an assessment of these suggestions and indicate how, if at all, they are reflected in the proposed AUGS put forward by the AUGE. The Transporters would be required to make the proposed AUGS available to all Users, along with supporting documentation as provided by the AUGE, to all Users and other interested parties, and to invite representations on the AUGE's proposals, allowing a minimum period of 28 days for representations to be submitted. The AUGE would be obliged to consider all representations received and to finalise the proposed AUGS. No later than in the month prior to when two months notice of any revision to the AUGS is to be given, the UNCC will consider the revised AUGS and determine whether or not to approve the AUGS as proposed by the AUGE. The proposed AUGS would be accepted unless the UNCC voted unanimously that it should be rejected. If the UNCC voted unanimously to reject the proposed AUGS, the current AUGS would continue to apply for the following year starting 1 October.
13. All costs incurred by the Transporters in accordance with the terms of agreement with the AUGE will be recoverable from Shippers [as a Code User Pays Service (*not appropriate as not a systems/xoserve related service?*)] [*in the same way as audit costs are recovered, e.g. RBD audit?*] [Subject to UNCC approval?]
14. The UNCC may if it chooses to do so appoint a sub-Committee to discharge all or any of the functions ascribed to the UNCC in this document, and to that sub-committee would be authorised to act as if it was the UNCC.
15. All references to 1 October have been included to be consistent with the DN Licence requirement with respect to changing Transportation Charges with effect from 1 October each year. If this obligation were to be changed, the process described here should be similarly adjusted such that changes to the AUGS would be coincident with changes to Transportation Charges.

APPEALS PROCESS

MOD OPTION