

UNC 0609AS: Transitional arrangements for gas settlement and replacement of Meter Readings, retaining AQ2017 (Project Nexus transitional modification)

Guidance: These slides are meant to provide a brief overview for the UNC Panel, to introduce what is trying to be achieved, to help them understand and decide the best process to be followed for new modifications. Please aim to be as brief as possible and not justify nor make the case for the Modification.

Notes are provided in italics and if this template is being used should be removed.

The Joint Office is available to help and support the drafting of any modifications, including guidance on completion of the Modification template and the wider modification process. Contact: enquiries@gasgovernance.co.uk or 0121 288 2107.

Proposer: Andrew Margan Panel Date: 16 Feb 2017

Why change?

This Alternate is required because –

- No part of the AQ Review should be sacrificed ahead PNID
- Ensures if PNID is delayed the industry can still fall back on 2017 AQ Review
- Shippers do not want it to transpire Xoserve are not in a position to maintain or recover the service
- Ensures that most accurate AQs are used in the new system
- SSP T04 file ensures any AQ manifest errors can be managed to avoid £7bn risk (350TWh energy misallocation)

Options

- The proposer of 0609 amends modification to take away any reference to removing the AQ Review process
- Raise an Alternate modification removing reference to the AQ Review process to maintain the AQ Review and related processes

Solution

- To ensure the full 2017 AQ Review remains, this Alternate maintains the UNC AQ Review provision and related processes
- It does not seek a premature removal of the Transporter/CDSP obligation

Recommended Steps

• The Proposer recommends that this modification should be:

Subject to self-governance

(It must be noted that 0609 may introduce a £7bn risk to Shippers and their consumers, through the erroneous allocation of ~350TWh of energy. As a result 0609 should not be self-governance. To ensure modifications 0609 and 0609A follow the same governance process, Panel may wish to consider neither modifications as being self-governance.

• Workgroup assessment to develop the modification for two (2) months