

UNC Workgroup Individual Terms of Reference

0831 - Allocation of LDZ UIG to Shippers Based on a Straight Throughput Method

0831A - Allocation of LDZ UIG to Shippers (Class 3 and 4) Based on a Straight Throughput Method

Introduction

This is an Individual Terms of Reference that includes matters referred from Panel or identified within any initial representations. It replaces the standard Terms of Reference.

Purpose of the Modification and its Solution

Please refer to www.gasgovernance.co.uk/0831

The purpose of Modification 0831 is to change the method by which unidentified gas (UIG) is allocated to Shippers from the current AUGE table of weighting factors to a throughput or universal allocation model.

The purpose of Modification 0831A is to remove the current AUGE process and create a permanent weighting table that encourages movement to Daily Metering, reduces levels of UIG and discourages risk premiums for customers

Topics for Discussion

- Understanding the objective (Why Change?)
- Assessment of alternative means to achieve the objective
- Assessment of Governance and whether the Modification meets/continues to meet the Self-Governance criteria
- Assessment of Code-Specific Matters
- Assessment of the Solution (including business rules if appropriate)
- Assessment of impacts, including but not limited to Consumer and System Impacts
- Identification of potential impacts on other energy codes
- Consideration of potential performance assurance impacts
- Assessment of how the Modification furthers the Relevant Objectives
- Consideration of a suitable Implementation Date
- Assessment of Implementation costs
- Consideration/Assessment of the Legal Text, to satisfy it meets the intent of the Solution.

Panel Questions 0831

- Consider AUGE contractual interactions
- Consider effects of market flux (parties exiting etc.) and any need for reconciliation
- Consider the effect on IGT UNC of the proposed Legal Text drafting
- Consider any impact/interaction on Licences

- Consider whether this Modification would reduce the amount of information available from AUGE which currently provides the industry with an opportunity to drive actions to reduce UIG

Panel Questions 0831A

- Consider the inclusion/treatment of Product Class 3 daily read sites.
- Consider the impact of excluding daily metered sites from UIG.

Output

To produce a Workgroup Report, for submission to the UNC Modification Panel, containing the assessment and recommendation(s) of the Workgroup.

Composition of Workgroup

The Workgroup is open to any party that wishes to attend or participate.

A Workgroup meeting will be quorate provided at least two Transporter and two Shipper User representatives are present.

Meeting Arrangements

Meetings will be administered by the Joint Office of Gas Transporters and conducted in accordance with the Code Administration Code of Practice (www.gasgovernance.co.uk/cacop)