














| UNC Modification  | At what stage is this document in the process?   |
|---|--|
| <h1>UNC 0767</h1> <h2>Incorporation of AUGE Framework Document into the UNC main body</h2>  | <div>01 Modification</div> <div>02 Workgroup Report</div> <div>03 Draft Modification Report</div> <div>04 Final Modification Report</div>  |
| <p><b>Purpose of Modification:</b></p> <p>Incorporate the provisions of the Framework for the Appointment of an Allocation of Unidentified Gas Expert (“AUGE Framework”) into the UNC main body and removing the subsidiary document.</p> |  |
|    | <p>The Proposer recommends that this Modification should be:</p> <ul style="list-style-type: none"> <li>• subject to Self-Governance</li> <li>• assessed by a Workgroup.</li> </ul> <p>This Modification will be presented by the Proposer to the Panel on 20 May 2021. The Panel will consider the Proposer’s recommendation and determine the appropriate route.</p> |
|    | <p>High Impact:</p> <p>None</p>  |
|    | <p>Medium Impact:</p> <p>Shippers</p>  |
|    | <p>Low Impact:</p> <p>CDSP</p>   |

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| Timetable   |  |  0121 288 2107  |
| <b>The Proposer recommends the following timetable:</b> |  | Proposer:<br><b>Steve Mulinganie</b><br><b>Gazprom Energy</b>  |
| Pre-modification consideration by Workgroup             | 22 April 2021                                |  <a href="mailto:enquiries@gasgovernance.co.uk">enquiries@gasgovernance.co.uk</a>                                 |
| Presented to Panel                                      | 20 May 2021                                  |  <a href="mailto:steve.mulinganie@gazprom-energy.com">steve.mulinganie@gazprom-energy.com</a><br>(Gazprom Energy) |
| Modification considered by Workgroup                    | 20 May 2021                                  |  07990 972568   |
| Workgroup Report presented to Panel                     | 19 August 2021                               | Transporter:<br><b>Scotia Gas Networks</b>   |
| Draft Modification Report issued for consultation       | 19 August 2021                               |  <a href="mailto:David.mitchell@sgn.co.uk">David.mitchell@sgn.co.uk</a>   |
| Consultation Close-out for representations              | 09 September 2021                            |  07799 343082   |
| Final Modification Report available for Panel           | 14 September 2021                            | Systems Provider:<br><b>Xoserve</b>  |
| Modification Panel decision                             | 16 September 2021 ( <i>at short notice</i> ) |  <a href="mailto:UKLink@xoserve.com">UKLink@xoserve.com</a>   |
|   |  | Other:<br><b>Gareth Evans</b><br><b>WatersWye</b>  |
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## 1 Summary

### What

The Framework for the Appointment of an Allocation of Unidentified Gas Expert ("Framework") is a UNC Related document that sets out how the AUG process operates, and the AUG Statement and AUG table are compiled. As a UNC Related document, it is nominally overseen by the Uniform Network Code Committee (UNCC). At the March 2021 UNCC meeting the UNCC indicated that there were no actions it could take regarding concerns raised about compliance with the framework, which indicates that there is currently no clear governance process for the Framework document. This has compelled those shippers who have concerns over the discharge of the Framework document during this year's AUG Statement creation to raise a modification as there seems to be no other route for ensuring their concerns are formally assessed.

### Why

The AUG process is a critical industry activity as it leads to the apportionment of UIG costs between shippers, which total over £200m a year. A clear governance process for the AUG process is needed so that shippers can be confident that the process as set out in the UNC will be followed, and where it is not, there is a clear mechanism to address any such failings.

### How

Fully incorporate the Framework provisions into the UNC so that the need for further UNC modifications to address concerns over the AUG process is removed and existing dispute mechanism in the UNC such as General Section A - Dispute Resolution.

## 2 Governance

### Justification for Self-Governance

Though the AUG process has a direct impact on a material process, the governance in itself is not material and so the proposal is suitable for Self-Governance as set out in the UNC – Self Governance Modifications: Guidance for Proposers document.

### Requested Next Steps

This Modification should:

- be considered a non-material change and ~~not~~ subject to Self-Governance
- be assessed by a Workgroup

## 3 Why Change?

The Framework for the Appointment of an Allocation of Unidentified Gas Expert ("Framework") is a UNC Related document that sets out how the AUG process operates, and the AUG Statement and AUG Table are compiled. As a UNC Related document, it is nominally overseen by the Uniform Network Code Committee (UNCC).

At the March 2021 UNCC meeting, the UNCC indicated that there were no actions it could take regarding concerns raised about compliance with the framework, which indicates that there is currently no clear governance process for the Framework document. This has compelled shippers who have concerns over the

discharge of the Framework document during this year's AUG Statement creation to raise a modification as there seems to be no other route for ensuring their concerns are formally assessed. It would seem more efficient for the industry to be able to formally take account of issue with this industry process rather than submit change to the Authority for a decision.

## 4 Code Specific Matters

### Reference Documents

- GTD- CDSP AND UK LINK
- Framework for the Appointment of an Allocation of Unidentified Gas Expert.

### Knowledge/Skills

- None

## 5 Solution

It is proposed that the Framework for the Appointment of an Allocation of Unidentified Gas Expert is placed into the UNC so providing a clear governance route for any changes, namely to the UNC Panel and references to the Framework document are removed and references to the new location for the new text are included. We anticipate that the details of the framework document will be placed in Section E. The role of the UNCC in the framework would require be reviewed as part of the modification development. We also anticipate changes to the DSC Service Schedule to reflect the removal of the framework document.

## 6 Impacts & Other Considerations

### Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

No

### Consumer Impacts

No direct consumer impacts identified as this Modification is proposing to amend the governance and compliance with the Framework document and not its application.

### Cross Code Impacts

None

### EU Code Impacts

None

### Central Systems Impacts

No impacts identified. However, it is anticipated that the CDSP might need to amend references within its procedural documents should they reference the Framework document.

## 7 Relevant Objectives

| Impact of the modification on the Relevant Objectives:   |                   |
|--|-------------------|
| Relevant Objective   | Identified impact |
| a) Efficient and economic operation of the pipe-line system.   | None              |
| b) Coordinated, efficient and economic operation of<br>(i) the combined pipe-line system, and/ or<br>(ii) the pipe-line system of one or more other relevant gas transporters.   | None              |
| c) Efficient discharge of the licensee's obligations.  | None              |
| d) Securing of effective competition:<br>(i) between relevant shippers;<br>(ii) between relevant suppliers; and/or<br>(iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers. | None              |
| e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers.   | None              |
| f) Promotion of efficiency in the implementation and administration of the Code.   | Positive          |
| g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.   | None              |

This Modification will add further clarity to the governance route for the AUGÉ process and so promote Relevant Objective (f) Promotion of efficiency in the implementation and administration of the Code.

## 8 Implementation

As Self-Governance procedures are proposed, implementation could be sixteen business days after a Modification Panel decision to implement, subject to no Appeal being raised.

## 9 Legal Text

To be provided by the Transporter.

## 10 Recommendations

### Proposer's Recommendation to Panel

Panel is asked to:

- Agree that Self-Governance procedures should apply.
- Refer this proposal to a Workgroup for assessment.