Consideration of Final AUG Table of UIG Weighting Factors for 2020/21

UNCC 16 April 2020

Objective

- Fulfil the Committee's UNC obligation to consider the final **AUG Table of UIG Weighting Factors**

i.e. the AUG Framework Document

- *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;
- (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);

Structure

- Slides 4 to 7 – background, overview of timeline and process followed

- Slide 8 and 9 – facilitate the consideration of the Final Table
  - Vote on any proposals to amend the Table
  - Vote on any proposals for further iteration of the process
  - Otherwise the Table is approved

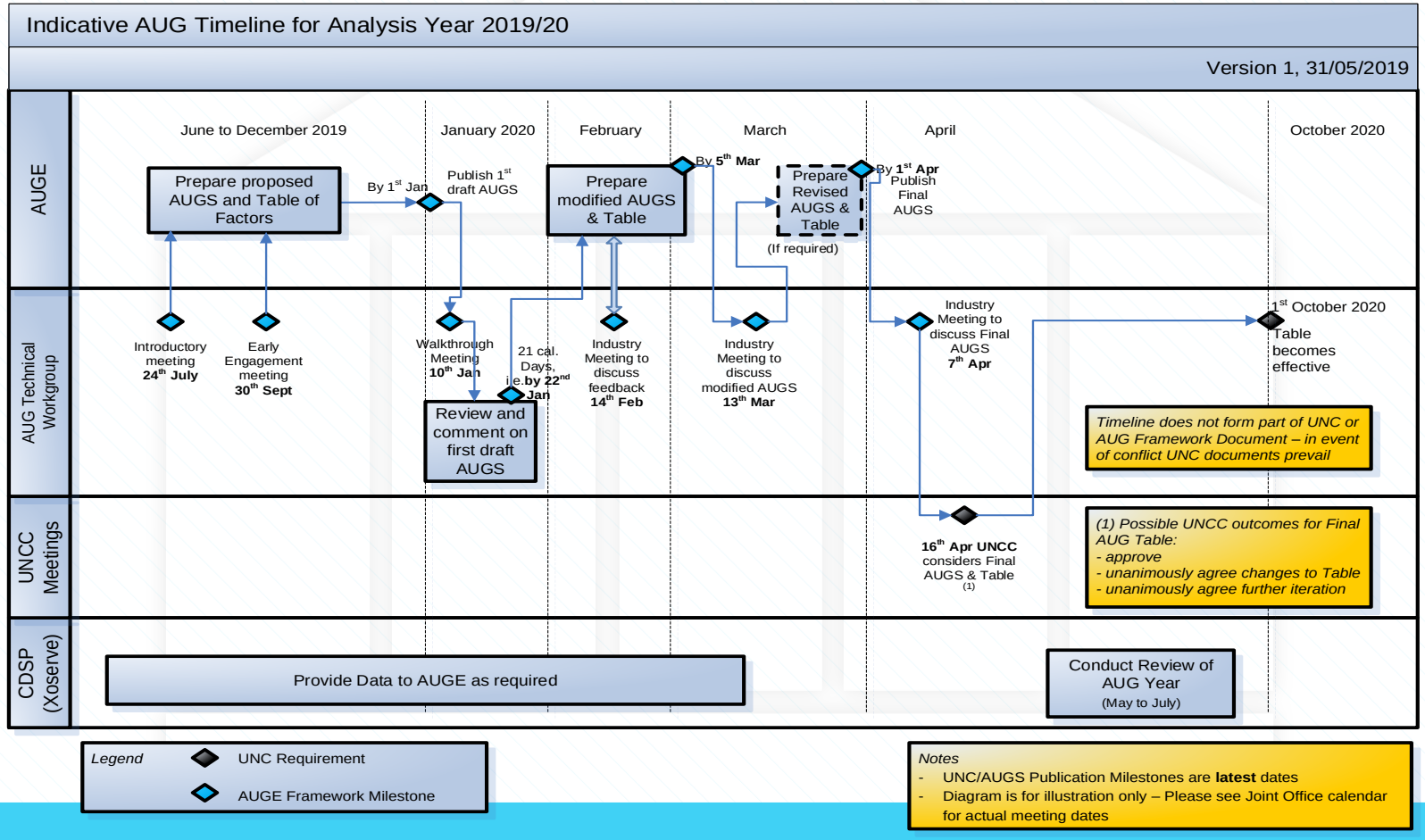
Background

- AUG Expert defines a Methodology (an AUG Statement – “AUGS”) to determine weighting factors to be used for distribution of daily UG rather than 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
- Second year of operation of the revised process (as developed in Review Group 0639)

Key Milestones for 2019/20 Process

- Introductory meeting in June/July – held 24th July
- Early engagement meeting in Sept/Oct – held 30th September
- Publish first draft AUGS and Table by 31 December – published 24th December
- First draft AUGS Walkthrough – 10th January
- Review of draft AUGS feedback meeting – 14th February
- Walkthrough of revised draft AUGS and Table – 13th March
- Publish Final AUGS and Table by 31 March – published 19th March
- Walkthrough of Final AUGS and Table – 7th April

Timeline for 2019/20 Service



Industry Comments on the First Draft AUGS

- Two industry parties gave comments on the First Draft AUGS, including draft Table (one Shipper, one Trade Association)
- AUGE responded to the comments at the feedback review meeting in February, AUGS was updated to include the responses
- Responses also published in the meeting material
- No more challenges in later meetings

Consideration of the Final Table of Weighting Factors

- Any further concerns about the process followed or Final Statement (methodology) and Table of UIG Weighting Factors?
  - https://www.gasgovernance.co.uk/augenex/2021
  - Final Table is included in the AUG Statement – Section 8 (Page 117 of the .pdf document)

- Next step is to follow the E9.4.3 process and consider any proposals to amend the Table or repeat steps in the process – ***see next slide***

Options for this meeting

- Unanimously agree changes to the Final AUG Table
  - **Question: Does any party propose any changes for the meeting to vote on?**
- Or:
- Unanimously agree a further iteration of one or more steps in the AUG Framework document
  - **Question: Does any party propose any such re-work for the meeting to vote on?**

- Otherwise the Final AUG Table published 19 March is approved
  - **Table would become effective 1 October 2020**

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