

## **UNC Modification Proposal 0339**

### **LEGAL TEXT**

#### **Clarification of the AUG Year in respect of UNC Modification 0229**

##### **Transition Document**

*Transitional provisions are required to give effect to the Modification Proposal to clarify the point in time that the UNC TPD provisions apply.*

*UNC TPD Section E10 sets out the provisions associated with the allocation of unidentified gas by an industry expert appointed by the Transporters*

*Amend paragraphs 1 and 2 as follows:*

1. It is acknowledged that the steps (including appointment of AUG Expert, establishing AUG Methodology and establishing AUG Table) first required under TPD Sections E10.2 and E10.4 will not be completed by ~~the start of the first AUG Year. (01 April 2011).~~
  2. ~~Therefore, for each twelve month period AUG Year commencing on 01 April 2011 with the first AUG Year up to but not including the AUG Year commencing 01 April~~ next following the first occasion on which the Committee establishes and adopts an AUG Table as provided in TPD Section E10.4.3(g), TPD Section E10.4.4(a) shall not apply and there shall be deemed to be an AUG Table for the purposes of TPD Section E10.5 in which:
    - (a) there is only one Unidentified Gas Source;
    - (b) for that Unidentified Gas Source, the Unidentified Gas Quantity is:
      - (i) for Larger DM SPCs, zero;
      - (ii) for Larger NDM SPCs, defined (in relation to a Reconciliation Billing Period) as follows:
$$UGQ_{SPC} = £2,750,000 / (TDSAP_m * 12);$$
      - (iii) for Smaller SPCs, defined as the negative of the amount in (b)(ii) above;
- and TPD Section E10.5 shall be given effect accordingly.

*The above provisions reflect the transitional terms that were implemented by UNC Modification 0317 and require that a 'substitute' table shall be applied each year until the UNC Committee has approved the AUG Statement. However a modification to the text is necessary to the definition of the first AUG Year to establish that the transitional terms apply from 1 April 2011 irrespective of the fact that that the first AUG Year date has been redefined (to 2012) in the TPD text set out below.*

Add new paragraph 3 as follows:

3. For the purposes of TPD Section 10:

(a) In addition and separate to the establishment and adoption of a deemed AUG Table as set out in paragraph 2 above, for the avoidance of doubt, the first AUG Table to be adopted and published by the Committee as provided in TPD Section E10.4.3(h) shall apply (notwithstanding TPD Section E10.5.4) for the purposes of TPD Section E10.5 in relation to:

(i) the AUG Year commencing 01 April next following the adoption of such AUG Table, and

(ii) each prior AUG Year commencing with the first AUG Year;

*These terms reflect that even if the AUG Statement is not agreed by the first AUG Year date – identified in TPD below (for example, the AUGS is not approved by the UNCC and AUGE does not populate the AUG Table until a later year) that any charges would be backdated to be applicable from that date. The provisions also establish that in addition a deemed AUG table would also apply up to the date of the adoption of an AUG Table.*

(b) as soon as reasonably practicable following the adoption of such AUG Table, the net aggregate amount of the User Unidentified Gas Amounts for each User and for all Reconciliation Billing Periods in each prior AUG Year (as referred to in paragraph (a)(ii) above) shall be paid (by or to the User, as provided in TPD Section E10.5.3), and shall be invoiced and payable in accordance with TPD Section S, as a single net aggregate payment, in satisfaction of TPD Section E10.5.3, (in addition to any payment made pursuant to any such deemed AUG Table as provided for in paragraph 2 above) without interest in respect of the period prior to the due date of the relevant invoice.

*These terms identify the billing requirements in circumstances where the AUG Table is not populated by the AUGE by the date of the first AUGE Year and is required to be applied to prior AUG Years.*

## **TPD Section E; DAILY QUANTITIES, IMBALANCES AND RECONCILIATION**

Amend paragraph 10.1.1 as set out below:

10.1.1 For the purposes of the Code:

- (a) ...
- (a) ...
- (b) ...
- (c) ...
- (d) ...
- (e) ...
- (f) ...
- (g) ...

- (i) “**AUG Year**” means the twelve month period commencing 01 April 2012 and the twelve month period commencing on each subsequent 01 April; and in relation to an AUG Year, a reference to the preceding year is to the twelve month period ending 31 March, before the start of the AUG Year.

*This change to the TPD modifies the date (implemented by UNC Modification 0229) upon which the first allocation of charges based on the table populated by the AUG would apply from.*

## **UNC Modification Proposal 0339A**

### **LEGAL TEXT**

#### **(Alternative to Mod 339) Clarification of the AUG Year in respect of UNC Modification 0229**

#### **Transition Document**

*Transitional provisions are required given that this Modification Proposal identifies the point at which the TPD provisions apply. However it is important in the context of this that it is clear when the transitional provisions implemented by UNC Modification 0317 apply.*

#### **TPD Section E10**

*Amend paragraphs 1 and 2 as follows:*

1. It is acknowledged that the steps (including appointment of AUG Expert, establishing AUG Methodology and establishing AUG Table) first required under TPD Sections E10.2 and E10.4 will not be completed by the start of the first AUG Year. ~~(1 April 2011).~~
2. ~~For each AUG Year commencing with~~ From 01 April 2011 ~~the first AUG Year up to but not including the AUG Year commencing~~ 30 September 2011 April next following the first occasion on which the Committee establishes and adopts an AUG Table as provided in TPD Section E10.4.3(g), TPD Section E10.4.4(a) shall not apply and there shall be deemed to be an AUG Table for the purposes of TPD Section E10.5 in which:
  - (a) there is only one Unidentified Gas Source;
  - (b) for that Unidentified Gas Source, the Unidentified Gas Quantity is:
    - (i) for Larger DM SPCs, zero;
    - (ii) for Larger NDM SPCs, defined (in relation to a Reconciliation Billing Period) as follows:
$$UGQ_{SPC} = \pounds 2,750,000 \frac{1,375,000}{(TDSAP_m * 6 \ 42)};$$
    - (iii) for Smaller SPCs, defined as the negative of the amount in (b)(ii) above; and TPD Section E10.5 shall be given effect accordingly.

*The above provisions modify the transitional terms that were implemented by UNC Modification 0317. This is to set out that a ‘substitute’ table be applied until the first AUG Year date (identified in the TPD text below as 30 September 2011) has been reached. The financial value to be applied has been reduced accordingly to reflect the reduced applicability period.*

3. For the purposes of TPD Section 10:

(a) In addition and separate to the establishment and adoption of a deemed AUG Table as set out in paragraph 2 (b) above, for the avoidance of doubt, the first AUG Table to be adopted and published by the Committee as provided in TPD Section E10.4.3(h) shall apply (notwithstanding TPD Section E10.5.4) for the purposes of TPD Section E10.5 in relation to:

(i) the AUG Year commencing 01 April next following the adoption of such AUG Table, and

(ii) each prior AUG Year commencing with the first AUG Year;

*These terms reflect that even if the AUG Statement is not agreed by the first AUG Year date – identified in TPD below (for example, the AUGS is not approved by the UNCC and AUGE does not populate the table until a later year) that any charges would be applicable from that date. The provisions also establish that in the same circumstances the provisions of Mod 0317 would also apply.*

(b) as soon as reasonably practicable following the adoption of such AUG Table, the net aggregate amount of the User Unidentified Gas Amounts for each User and for all Reconciliation Billing Periods in each prior AUG Year (as referred to in paragraph (a)(ii) above) shall be paid (by or to the User, as provided in TPD Section E10.5.3), and shall be invoiced and payable in accordance with TPD Section S, as a single net aggregate payment, in satisfaction of TPD Section E10.5.3, (in addition to any payment made pursuant to any such deemed AUG Table as provided for in paragraph 2 above) without interest in respect of the period prior to the due date of the relevant invoice.

*These terms identify the billing requirements in circumstances where the AUG Table is not populated by the AUGE by the date of the first AUG Year.*

### **TPD Section E; DAILY QUANTITIES, IMBALANCES AND RECONCILIATION**

*Amend paragraph 10.1.1 as set out below:*

10.1.2 For the purposes of the Code:

(a) ...

(i) **“AUG Year”** means the twelve month period commencing 01 October 2011 and the twelve month period commencing on each subsequent 01 October; and in relation to an AUG Year, a reference to the preceding year is to the twelve month period ending 30 September before the start of the AUG Year.

*This change to the TPD modifies the date (implemented by UNC Modification 0229) upon which the first allocation of charges based on the table populated by the AUGE would apply from. It also modifies the definition of the AUG Year on an ongoing basis. It is important to note that even if the AUG Statement is not agreed by the first AUG Year date (for example, the AUG Statement is not approved by the UNCC and the AUGE does not populate the AUG Table until a later year) that any charges would be backdated to be applicable from that date.*

*In the case of this proposal the terms (as modified above) of Mod 0317 fall away upon reaching the date of the first AUG Year.*

## **UNC Modification Proposal 0340**

### **LEGAL TEXT**

#### **Clarification of the AUG Year in respect of UNC Modification 0229 (alternative)**

##### **Transition Document**

*Transitional provisions are required given that this Modification Proposal identifies the point at which the TPD provisions apply. However it is important in the context of this that it is clear when the transitional provisions implemented by UNC Modification 0317 apply.*

##### **TPD Section E10**

*Add new paragraph 3 as follows:*

3. For the purposes of TPD Section 10:

(a) In addition and separate to the establishment and adoption of a deemed AUG Table as set out in paragraph 2 above, for the avoidance of doubt, the first AUG Table to be established and adopted by the Committee as provided in TPD Section E10.4.3(g) shall apply (notwithstanding TPD Section E10.5.4) for the purposes of TPD Section E10.5 in relation to:

(i) the AUG Year commencing 01 April next following the adoption of such AUG Table, and

(ii) each prior AUG Year commencing with the first AUG Year:

*These terms reflect that even if the AUG Statement is not agreed by the first AUG Year date established by Modification 0229 (for example, the AUGS is not approved by the UNCC and the AUGE does not populate the AUG table until a later year) that any charges would be backdated to be applicable from that date. The provisions also establish that in the same circumstances the provisions of Mod 0317 would also apply.*

(b) as soon as reasonably practicable following the adoption of such AUG Table, the net aggregate amount of the User Unidentified Gas Amounts for each User and for all Reconciliation Billing Periods in each prior AUG Year (as referred to in paragraph (a)(ii) above) shall be paid (by or to the User, as provided in TPD Section E10.5.3), and shall be invoiced and payable in accordance with TPD Section S, as a single net aggregate payment, in satisfaction of TPD Section E10.5.3, (in addition to any payment made pursuant to such deemed AUG Table) without interest in respect of the period prior to the due date of the relevant invoice.

*These terms identify the billing requirements in circumstances where the AUG Table is not populated by the AUGE by date of the first AUGE Year*

## **UNC Modification Proposal 0366**

### **LEGAL TEXT**

#### **Clarification of legal text for UNC Modification 0229**

#### **Transition Document**

*Transitional provisions are required given that this Modification Proposal identifies the point at which the TPD provisions apply and when the transitional provisions implemented by UNC Modification 0317 expire. These terms in effect supercede the date of the first AUG Year identified in E10.1.1(i)*

#### **TPD Section E10**

*Delete and replace paragraph 2 as follows:*

2. Accordingly, for the purposes of TPD Section 10:

*UNC TPD Section E10 sets out the process relating to the allocation of unidentified gas by an industry expert appointed by the Transporters.*

- (a) the first AUG Table to be adopted and published by the Committee as provided in TPD Section E10.4.3(h) shall apply (notwithstanding TPD Section E10.5.4) for the purposes of TPD Section E10.5 in relation to the AUG Year commencing 01 April next following the adoption of such AUG Table;

*This explains that once the UNC Committee has approved the AUG Statement then it will apply from 1<sup>st</sup> April in the relevant year following such approval.*

- (b) For each ~~twelve month period -AUG Year-~~ commencing ~~with the first AUG Year up to and including the AUG Year commencing from 01 April 2011 next following until~~ the first occasion on which the Committee adopts and publishes an AUG Table as provided in TPD Section E10.4.3(h), TPD Section E10.4.4(a) shall not apply and there shall be deemed to be an AUG Table for the purposes of TPD Section E10.5 in which:

- (a) there is only one Unidentified Gas Source;
- (b) for that Unidentified Gas Source, the Unidentified Gas Quantity is:
- (i) for Larger DM SPCs, zero;
- (ii) for Larger NDM SPCs, defined (in relation to a Reconciliation Billing Period) as follows:
- $$UGQ_{SPC} = £2,750,000 / (TDSAP_m * 12);$$
- (iii) for Smaller SPCs, defined as the negative of the amount in (b)(ii) above;

and TPD Section E10.5 shall be given effect accordingly.

*The above provisions reflect that the transitional provisions that were implemented by UNC Modification 0317 and require that a 'substitute' table be applied each year from 1 April 2011 until the UNC Committee has approved the AUG Statement and the AUG Table has populated the AUG Table.*