



## **AUGE process – key dates**

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

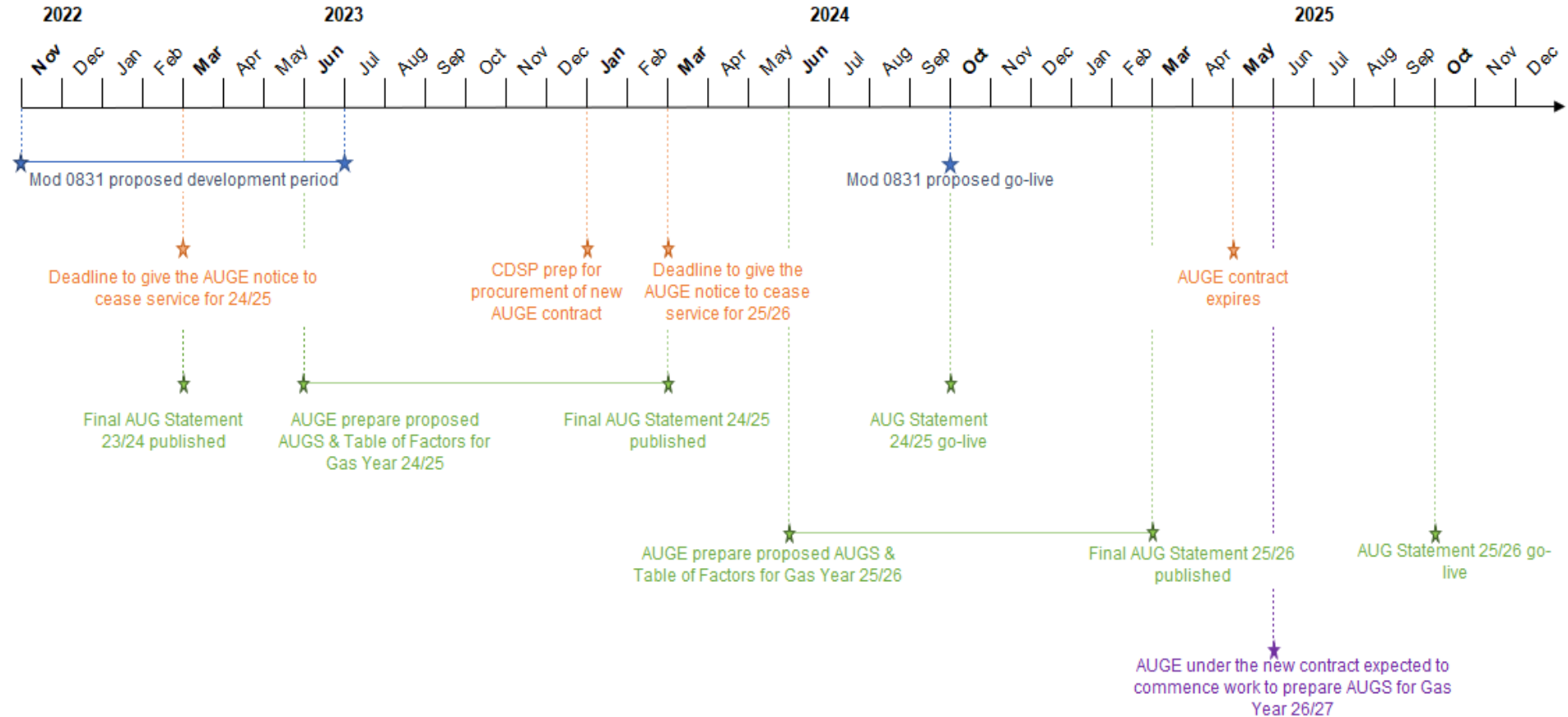
# 0831 Workgroup Action

- At the first 0831 WG, the CDSP took an action to provide information on key AUGE contractual interactions which the WG need to consider in relation to Modification 0831:

**Action Table (as at 29 November 2022)**

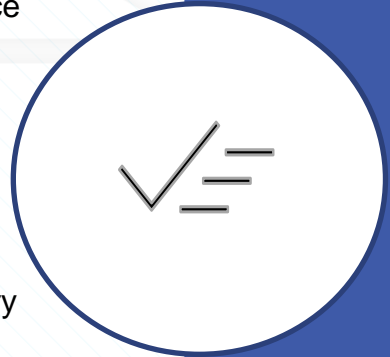
<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
<b>0111</b>	29/11/22	2.1.1	CDSP to provide information on the AUGE contractual interactions.	CDSP (FC/ER)	<b>Pending</b>

# Timeline and key dates



# Key Points

- As per the current AUGE process, work will commence on the creation of the new AUG Statement typically in May/June the year before those weighting factors are due to go live.
  - For example, work for the AUG Statement due to go live October 2024 will commence in May/June 2023.
- Xoserve have the option to give notice to the AUGE to cease the service for the following years AUG Statement by the end of March.
  - For example, to cease the service to create the AUG Statement for October 2024/25 Gas Year, the notice would need to be given by 31 March 2023.
  - Please note, the decision to give this notice would have to be agreed with the industry (most likely DSC CoMC).
- The current AUGE contract will expire in May 2025. Xoserve would need to start procurement preparations early in 2024 to ensure a smooth transition if continuity of the service was still required following expiry of the existing agreement.



# Considering possible approaches

As Modification 0831 is Authority Consent, the exact decision date cannot be confirmed at this stage. As a result of the implications of this Modification on the contractual arrangements with the AUGE, and compliance with the current AUGE Framework, there are different ways this could be managed\*:

- **Proceed with current AUGE process**
  - AUGE proceed with BAU work to create the AUG Statement for Gas Year 2024/25.
  - This will typically commence in May/June 2023 for October 2024 AUGS.
  - Under this approach, Xoserve do not instruct AUGE to cease work on the AUG Statement at the end of March 2023.
  - This is reviewed in Q1 2024, and possibly repeated again to create the AUG Statement for Gas Year 2025/26.
- **Notify the AUGE to cease the service**
  - CDSP notify the AUGE to cease the service by the end of March. *We expect the instruction to come from the industry possibly via DSC CoMC.*
  - AUGE do not commence work on the relevant AUG Statement.

*\*Please note these are not finalised options, they are possible ways this could be managed but the approach would ultimately need to be approved by the relevant customer committee.*

# Risk / Benefit matrix

Instruction given to AUGÉ to cease service AND 0831 approved		Instruction given to AUGÉ to cease service AND 0831 rejected	
<b>Benefits</b> <ul style="list-style-type: none"> <li>No regret spend incurred on creation of an AUG Statement which is not required.</li> </ul>	<b>Risks</b> <ul style="list-style-type: none"> <li>Notifying the AUGÉ to cease the service before the Modification is approved could put parties in breach of UNC obligations</li> <li>It is unknown which (if any) industry committee could instruct the CDSP to notify the AUGÉ to cease the service.</li> </ul>	<b>Benefits</b> N/A	<b>Risks</b> <ul style="list-style-type: none"> <li>Notifying the AUGÉ to cease the service before the Modification is approved could put parties in breach of UNC obligations</li> <li>It is unknown which (if any) industry committee could instruct the CDSP to notify the AUGÉ to cease the service.</li> <li>Depending on when the decision is made, it might not be possible for the AUGÉ to create the AUG Statement in time and at a minimum they would have an expedited timeline to do so.</li> </ul>
AUGÉ continue BAU work on the AUG Statement AND 0831 approved		AUGÉ continue BAU work on the AUG Statement AND 0831 rejected	
<b>Benefits</b> <ul style="list-style-type: none"> <li>Existing UNC obligations are met.</li> <li>The CDSP do not require an instruction from the industry to give notice to the AUGÉ to cease the service.</li> </ul>	<b>Risk</b> <ul style="list-style-type: none"> <li>Regret spend is likely as the AUGÉ will continue to create the AUG Statement which would not be required following the 0831 decision.</li> </ul>	<b>Benefits</b> <ul style="list-style-type: none"> <li>Existing UNC obligations are met.</li> <li>The CDSP do not require an instruction from the industry to give notice to the AUGÉ to cease the service.</li> <li>An AUG Statement is created and available as per the BAU process timeline.</li> </ul>	<b>Risks</b> N/A