Detailed Design Change Pack

# Communication Detail

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| Comm Reference: | 3364.3 - RT - PO  |
| Comm Title: | XRN 5851 - Change to the current Allocation of Unidentified Gas Statement frequency & scope (Modification 0868) – Detailed Design Change Pack  |
| Comm Date: | 14/04/2025 |

**Change Representation**

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| Action Required: | For Information |
| Close Out Date: | 30/04/2025 |

# Change Detail

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| Xoserve Reference Number:  | XRN 5851 |
| Change Class: | Functional, Non-Functional and Documentation Changes |
| \*ChMC Constituency Impacted: | Shipper Users |
| Change Owner:  | Kathryn Adeseye & Jayne McGlonekathryn.adeseye3@xoserve.com / jayne.mcglone@xoserve.com  |
| Background and Context: | The link to Change Proposal XRN 5851 can be found [here.](https://www.xoserve.com/change/customer-change-register/xrn-5851-modification-0868-change-to-the-current-allocation-of-unidentified-gas-statement-frequency-and-scope/) **Background:** XRN 5851 has been raised to support the delivery of [Mod 0868 - Change to the current Allocation of Unidentified Gas Statement frequency & scope](https://www.gasgovernance.co.uk/0868).The proposer for Modification 0868 and subsequent discussions at Distribution Workgroup indicated that the existing Allocation of Unidentified Gas process has been subject to diminishing returns as the areas for investigation by the AUGE have remained largely consistent, with the current process one of refinement. The aim of Modification 0868 is to retain the benefit of having an independent expert to allocate Unidentified Gas (UIG) but also ensure that the existing AUGE process evolves to meet changing industry requirements. Modification 0868 seeks to achieve this by amending the AUG Year to a 3-yearly AUG Period, giving stability to the UIG weighting factors by ensuring the values remain the same for a three-year period. By extending the AUG Year to an AUG Period, the Expert will have time to develop Value-Add Activities (subject to UNCC approval and a contract variation with the CDSP). These activities aim to engage more broadly with organisations across the energy industry, beyond just gas, to carry out Discovery Activities that could lead to UIG Reduction Initiatives, furthering progress toward net zero. Modification 0868 also formalises the requirement for the AUGE to complete Lessons Learnt Activities at the end of the AUG Period which will determine any Continuous Improvement activities that the AUG Expert is expected to undertake through the next AUG Period, ensuring economic, transparent and efficient working practice.  |

# Change Impact Assessment Dashboard

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| Functional: | Changes to Frequency that changes are made to AUG Weighting Factors held in UK Link  |
| Non-Functional: | Operational processes |
| Application: | N/A |
| User(s): | ShippersCDSP |
| Documentation: | XRN 5851, Modification 0868 & [Framework for the Appointment of an Allocation of Unidentified Gas Expert v11.1 20 March 2025.pdf](https://www.gasgovernance.co.uk/sites/default/files/related-files/2025-03/Framework%20for%20the%20Appointment%20of%20an%20Allocation%20of%20Unidentified%20Gas%20Expert%20%20v11.1%2020%20March%202025.pdf) |
| Other: | N/A |

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| Files |
| File | Parent Record | Record | Data Attribute | Hierarchy or FormatAgreed |
| N/A | N/A | N/A | N/A | N/A |

# Change Design Description

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| XRN 5851 has been raised to support the delivery of Modification 0868. **High-level process overview and impacts:**The following information details the scope of the solution that the CDSP will be required to support. For more information on the changes to the AUG process as a result of Modification 0868, please reference the Modification details which can be located on Joint Office website [here](https://www.gasgovernance.co.uk/0868).As part of Modification 0868, a requirement was identified for the 2025/2026 AUG Statement and AUG Table to roll-over for two further years. A separate modification, Modification 0873 was raised to facilitate this. **Modification 0873** **Objective A: 2025/26 AUG Statement and Table roll-over for 2 years**Modification 0873 states that the 2025/2026 AUG Statement and AUG Table will roll-over for a further two years.This means that the 2025/2026 weighting factors will apply from:* 1st October 2025 until 30th September 2028. (3 AUG Years).

The 2025/2026 AUG weighting factors must be retained in Central Systems and used to allocate and reconcile UIG based on the Class and EUC’s throughput for the full three year period shown above.**NB:** **CDSP operational processes will be updated to reflect this.** **Modification 0868:** **Objective B: AUG Statement & Table**The Allocation of Unidentified Gas Statement and Table will be published every three years instead of on an annual basis. The new three-year period will be called an AUG Period. Development of the first AUG Statement and Table will take place from 1st October 2025 up to and including 30th September 2028. The role of the AUG Expert will be to produce the first AUG Statement and Table which will apply for the first AUG Period. This first AUG Statement and Table will apply from 1st October 2028 until 30th September 2031. The full changes to the Allocation of Unidentified Gas process can be found in the Framework referenced earlier in this document. Most of the changes which relate to the production of the AUG Statement and AUG Table are in Section 5.1 and Section 7.0 of the Framework. The process to create the AUG Statement and Table remains relatively unchanged. The assumption is that the support, advice and facilitation of data requests that the CDSP currently provides to the AUG Expert will continue as they currently are. We do not anticipate that there will be increase in support required and as such service levels should remain as they are now. **Alterations to existing CDSP operational process:** * Although the concept of AUG weighting factors to be applied in Central Systems is an unchanging requirement, **the period that the AUG weighting factors will apply for will change from one year to three years**. The dates of the first AUG Period are included above.
* CDSP representation at AUG Sub-Committee and UNCC is a continued requirement but **attendance at AUG Sub-Committee will be required as per the new dates in the timetable** included in Section 7.0 of the Framework.
* The frequency of the AUG Sub-Committee is not anticipated to change, with these taking place on a two monthly basis.
* CDSP to **support the AUG Expert in the production of three indicative AUG Statements** as per the dates in Section 7.0 of the Framework. The CDSP will also **provide data for a data refresh in January of Year 3** so the AUG Expert can apply the most up-to-date data to the AUG Statement and Table.
* **CDSP to produce two Interim Progress Review of the AUG Period Report.** The first towards the end of Year 1 and the second towards the end of Year 2 of the AUG Period. See Framework for exact dates.
* **CDSP to produce a Final Review of the AUG Period Report** towards the end of Year 3 of the AUG Period. See Framework for exact dates.
* This aligns with the current frequency of CDSP reporting performed to support the Annual Review of AUG Year.

**NB:** **CDSP operational processes will be updated to reflect the above alterations.** **Objective C: Procurement**CDSP to procure an AUG Expert on behalf of Code Parties based on the requirements outlined in Modification 0868 and the Framework for the Allocation of Unidentified Gas Expert. * CDSP to procure an AUG Expert on 0868 scope as soon as practicable. New AUG Expert to be in place no later than 1st October-25 as this is the start of the start of the development window for the first AUG Statement and Table.
* To support procurement, a Stakeholder Evaluation Panel made up of external industry representatives will work with the CDSP on the Procurement exercise and regular updates will be provided at the relevant industry forums, such as the AUG Sub-Committee; the UNCC; and the Contract Management Committee.
* The industry will be notified when the successful candidate has been appointed as the new AUG Expert.
* In the event that a new AUGE cannot be appointed, the CDSP shall seek advice on next steps from the UNCC.

**Objective D: AUG Value-Add Activities & Contract Variations**The AUG Expert will have the option to propose AUG Value-Add Activities during the AUG Period. The UNCC will have to approve AUG Value-Add Activity Final Proposals prior to the AUG Expert beginning work. For full details of the process for AUG Value-Add Activities please see the Framework Section 5.2 and Section 7.0 for dates. A separate DSC Change Proposal ([XRN5892](https://www.xoserve.com/change/customer-change-register/xrn-5892-ring-fenced-dsc-budget-to-support-allocation-of-unidentified-gas-value-add-activities/)) has been raised for the AUG Value-Add Activities Ring-Fenced Budget. Specific activities that will be required to facilitate AUG Value-Add Activities are outlined below: * DSC Change Management Committee to set the annual AUG Value-Add Activities ring-fenced budget;
* DSC Change Management Committee to set the ceiling budget for an individual AUG Value-Add Activity;
* CDSP to track draw down on the AUG Value-Add Activity ring-fenced budget each year to ensure that all monies are accounted for;
* Post UNCC approval of an AUG Value-Add Activity, the CDSP will manage a change request with the AUG Expert to facilitate the start of work for the AUG Value-Add Activity. The change request must outline clear delivery and payment milestones that the AUG Expert will need to demonstrate have been met.
* CDSP to terminate the Value-Add Activity agreed under the change request on instruction of UNCC, if delivery milestones for an AUG Value-Add Activity are consistently not met. (Ie. Remedial activities by the AUGE have not be conducted satisfactorily).
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# Associated Changes

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| Associated Change(s) and Title(s): | [XRN 5892 | Xoserve](https://www.xoserve.com/change/customer-change-register/xrn-5892-ring-fenced-dsc-budget-to-support-allocation-of-unidentified-gas-value-add-activities/) |

# DSG

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| Target DSG discussion date: | 22/04/2025 |
| Any further information: | N/A |

# Implementation

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| Target Release: | Adhoc - October 2025 |
| Status: |  |

Industry Response Detailed Design Review

«RangeStart:HDS»

Change Representation

(To be completed by User and returned for response)

# *Please consider any commercial impacts to your organisation that Xoserve need to be aware of when formulating your response*

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| User Contact Details: | Organisation: | «h1\_organisation» |
| Name: | «h1\_name» |
| Email: | «h1\_email» |
| Telephone: | «h1\_telephone» |
| Customer decision on Change Pack: | «h1\_userDataStatus» |
| Commercial impacts: | «h1\_commercial\_impacts» |
| Representation Publication: | «h1\_consultation» |
| Representation Comments: | «h1\_userDataComments» |

# Xoserve’ s Response

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| Xoserve Response to Organisations Comments: | «h1\_xoserveResponse» |

Please send the completed representation response to uklink@xoserve.com

«RangeEnd:HDS»

Version Control

# Document

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| --- | --- | --- | --- | --- |
| Version | Status | Date | Author(s) | Remarks |
| 1.0 | DRAFT | 26/03/2025 | Kathryn Adeseye |  |