UNC Modification Panel – Implementing Code Governance Review Ph 3 (DRAFT)

Updated as at 20 October 2016 (changes this version shown with the number highlighted)

FP document paragraph references (x.xx) for final proposals are shown with each Requirement

	CGR3 Requirement	UNC Progress Update	Status
	Individual code modifications		
1	Modifications to codes to implement SCR proposals (2.28 – 2.30)	WWU will raise the modification after the Statutory Consultation is launched, aiming to implement by end of 2016.	Mod 0596 at Panel Oct 16
2	Modifications to codes such that Industry assesses whether a modification is material, and therefore requires the consent of the Authority, in deciding whether to use the self-governance route (3.15, 3.17)	WWU will raise a modification to amend the Modification Rules accordingly.	Mod 0596 at Panel Oct 16
	Code administrators to develop and/or implement proposals to individual codes or processes		
3	All codes to make better use of the self-governance provisions (3.12)	Panel believe that SG is used appropriately - no further action.	Complete
4	Code administrators to publish and follow Critical Friend 'Top 5' (4.21)	Complete http://www.gasgovernance.co.uk/criticalfriend	Complete
5	All codes to have a dedicated CACoP web page (4.34)	Complete http://www.gasgovernance.co.uk/cacop	Complete
6	All new Modification Proposals to follow the new standard modification templates (including a consumer impacts section) (4.81)	Industry standard template has been tailored to the needs of UNC and approved at June 16 Panel meeting. Will be implemented on 01 July 16 for all new modifications.	Complete
7	All cross-code Modification Proposals to follow the new joint process (4.70)	Complete. Process is available and published. http://www.gasgovernance.co.uk/cacop Panel will apply the requirements to all new modifications raised after 01 June 2016	Complete
8	The development of Forward Work plans by code administrators and ensure that they are consistent across all codes (4.71)	Panel believes that the Gas Industry Central Services Change Horizon is pitched at the right level. http://www.gasgovernance.co.uk/GCSCHT	Plan in development – update at the meeting
9	The development of Project Management and Assurance provisions by code administrators (4.72)	Suggestion is that Code is modified to create provisions such that Panel can appoint bodies to perform such work in the future. Also to clarify the situations where this might be needed. As above, further development required.	Await confirmation

10	All parties to ensure that clear reasons are given in modification reports (4.111)	Panel believes that current practice is appropriate, providing outlying views continue to be captured – no further action.	Complete
11	The Code Administrator to act as Workgroup Chair (unless there is a conflict of interest) (4.119)	Where a vested interest exists, Panel will direct the JO to appoint an independent WG chair. To be directed by Panel as-needed. Informal, reciprocal tripartite agreement in place with CUSC and Grid Code administrators to supply WG Chair when needed.	Complete
12	All relevant Code Administrators to ensure better use of the pre-modification process for charging methodologies (5.9)	Charging methodologies are part of UNC and are included in the wider pre-engagement processes (since 0566S in Feb 16). FPs draw attention to this UNC guidance.	Complete
13	DCUSA and SPAA Panels to review Panel Voting	n/a	
14	All relevant papers to be made available on the DCUSA website	n/a	
15	DCUSA Panel to explore the role of panel sponsors	n/a	
	Code administrators to work together to develop proposals		
16	The development of guidance in respect of materiality for self-governance (3.30)	Simple 1-page guidance note approved at Panel 18 August 2016. To be published alongside the modification template and other guidance.	Complete
17	Code administrators to implement the use of the Lead Code Administrator (4.94)	No immediate action for the JO other than to support the current lead (Elexon)	Complete
18	Code administrators to capture CACoP minor changes on an ongoing basis (4.45)	CAs agreed the approach that changes should be brought to the attention of the lead CA for consideration at the annual CACoP review meeting.	Complete
19	Code administrators to develop and implement a cross-code Modifications Register (4.69)	MRA to manage the Cross Code modifications register as they currently do. Ofgem is to publish a link to the MRA website.	Complete
20	Development of a process to ensure consistency in code Forward Work plans where appropriate. (4.71)	Dependant on 8 above.	Await advice

Commentary:

There are 3 significant things to resolve:

- Changes to the Modification Rules (no.s 1 & 2)
  - New UNC Modification 0596 – Implementing CGR3 decisions on Significant Code Reviews and self-governance – at October Panel for direction to Workgroup assessment.
  - Anticipate consultation in November and Panel recommendation in December 2016.
  - Likely to require Authority decision on implementation.
- Development of a forward workplan and processes to support it (no.s 8 & 20)
  - Outline form of plan has been agreed by Code Administrators
  - Features a Horizon view followed by more detail on imminent (1-2 years ahead) change
  - JO are piloting a development version
- Development of Project Management and Assurance provisions by administrators (9)
  - This is more involved and has funding implications
  - Potential crossover with the new obligations coming from the CMA findings
  - To be discussed with Ofgem.