

At what stage is this **UNC Final Modification Report** UNC 0601FT: 01 Modification 02 Workgroup Report Revision of National Grid Gas plc's **Draft Modification** 03 Individual Network Code to reflect the correct company name **Purpose of Modification:** To amend the Transporter name in the National Grid Gas plc Individual Network Code from 'Transco plc' to 'National Grid Gas plc'. The Panel determined that this fast track self-governance modification be implemented. High Impact: None Medium Impact: None Low Impact: All UNC parties

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1 Summary

What

National Grid Gas plc's Individual Network Code (the 'INC') - publication dated 1st May 2005 - currently reflects the correct company number (2006000) but the incorrect company name (Transco plc).

Why

The corresponding name to company number 2006000 was changed from 'Transco plc' to 'National Grid Gas plc' on 10th October 2005 but, because the operating companies remained the same, it was not deemed necessary to update the company name. The separation of National Grid's gas distribution business on 01 October 2016 necessitated a review of the INC to ensure there was absolute clarity for the remaining National Grid Gas transmission business.

How

It is proposed that the INC is revised to reflect the correct company name for company number 2006000 as described above. Further, for the purposes of maintaining consistency with current Companies House records, it is proposed to include the leading zero in the company number (i.e. 02006000).

2 Governance

Justification for Fast Track Self-Governance

Self-Governance Criteria:

As it simply updates the company name and number in the INC, this modification is unlikely to have a material impact on consumers, competition, operation of the pipeline system, matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies, or governance procedures. In addition it is unlikely to discriminate between different classes of parties to the UNC.

Fast Track Self-Governance Criteria:

This modification meets the self-governance criteria and is also properly a housekeeping modification required as a result of a factual change, which necessitates the update of a company name stated in the INC.

Requested Next Steps

This modification should:

- · be subject to fast track self-governance; and
- be implemented.

As a minor change to simply reflect a historic name change, the proposer believes that the Proposal is a low materiality, but nonetheless necessary, change.

3 Why Change?

The INC is currently titled "Network Code of Transco plc" and the definition of 'Transporter' within this INC refers to Transco plc. However, 'Transco plc' was renamed 'National Grid Gas plc' with effect from 10th October 2005.

Prior to the separation of the future National Grid Gas Distribution Ltd (NGGDL) on 01 October 2016, National Grid Gas plc maintained a single Individual Network Code for its gas distribution and transmission businesses. That separation required the establishment of a new Individual Network Code for NGGDL and the opportunity was taken to review the existing INC against the requirements of the remaining transmission business. The result of that review was that the INC remains substantially correct, requiring only minor updating to reflect changes to identifying names and company numbers.

Changes to the INC must only be made in accordance with Standard Special Condition A11(13), which are enacted by the UNC Modification Rules; see below "Code Specific Matters".

Failure to update the INC to reflect this name change may create confusion for existing and prospective Code parties. This change proposal impacts (albeit in a negligible manner) all Users of the NTS.

4 Code Specific Matters

Reference Documents

Companies House record of name change for company 02006000:

https://beta.companieshouse.gov.uk/company/02006000/filing-history/MDE0NzYzMDkzNWFkaXF6a2N4/document?format=pdf&download=0

Knowledge/Skills

The <u>Modification Rules</u> detailed in the UNC specify the mechanism by which each Individual Network Code is able to be modified. Essentially the normal UNC modification process is used for changes to Individual Network Codes.

5 Solution

It is proposed that the following changes are made to the INC:

- Revision of the title of the INC from "NETWORK CODE OF TRANSCO PLC" to "NETWORK CODE OF NATIONAL GRID GAS PLC";
- Revision of the definition of "Transporter" in the INC from "...means Transco plc registered in England..." to "...means National Grid Gas plc registered in England..."; and
- Revision of the definition of "Transporter" in the INC from "...registered in England with number 2006000 whose registered office..." to "...registered in England with number 02006000 whose registered office..."

6 Impacts & Other Considerations

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

No.

Consumer Impacts

None.

Cross Code Impacts

None.

EU Code Impacts

None.

Central Systems Impacts

None – implementation of this modification would not require any changes to central systems.

User Pays	
Classification of the modification as User Pays, or not, and the justification for such classification.	No User Pays service would be created or amended by implementation of this modification and it is not, therefore, classified as a User Pays Modification.
Identification of Users of the service, the proposed split of the recovery between Gas Transporters and Users for User Pays costs and the justification for such view.	Not applicable
Proposed charge(s) for application of User Pays charges to Shippers.	Not applicable
Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Xoserve.	Not applicable

7 Relevant Objectives

Impact of the modification on the Relevant Objectives:		
Relevant Objective	Identified impact	
a) Efficient and economic operation of the pipe-line system.	None	
b) Coordinated, efficient and economic operation of	None	
(i) the combined pipe-line system, and/ or		
(ii) the pipe-line system of one or more other relevant gas transporters.		
c) Efficient discharge of the licensee's obligations.	Positive	
d) Securing of effective competition:	None	
(i) between relevant shippers;		
(ii) between relevant suppliers; and/or		
(iii) between DN operators (who have entered into transportation		
arrangements with other relevant gas transporters) and relevant shippers.		
e) Provision of reasonable economic incentives for relevant suppliers to	None	
secure that the domestic customer supply security standards are satisfied as respects the availability of gas to their domestic customers.		
f) Promotion of efficiency in the implementation and administration of the Code.	Positive	
g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None	

The modification seeks to clarify the identity of a Code party, hence implementation would better facilitate the relevant objective (c) of the Promotion of efficiency in the implementation and administration of the Code.

Further, ensuring the accuracy of the Code party identified in the transportation arrangements established by National Grid NTS (pursuant to its obligation detailed in Standard Special Condition A11) would better facilitate the relevant objective (f) of the efficient discharge of the licensee's obligations.

8 Implementation

It is anticipated that implementation of this Proposal will not impose implementation costs on any Code parties.

As fast track self-governance procedures are proposed, implementation could be sixteen business days after a unanimous vote in favour of implementation by the Modification Panel, subject to no Objection being raised.

9 Legal Text

Text Commentary

The name of the transporter in the INC is updated to reflect the current company name in the following locations:

- the title of the INC changing from "NETWORK CODE OF TRANSCO PLC" to "NETWORK CODE OF NATIONAL GRID GAS PLC"; and
- the definition of "Transporter" in the INC changing from "...means Transco plc registered in England..." to "...means National Grid Gas plc registered in England..."

The company number of the transporter in the INC is updated to reflect current Companies House records in the following location:

 the definition of "Transporter" in the INC changing from "...registered in England with number 2006000 whose registered office..." to "...registered in England with number 02006000 whose registered office..."

Text

Delete all existing text in the INC and replace with the following:

NETWORK CODE OF NATIONAL GRID GAS PLC

1 Network Code

This document is the network code of National Grid Gas plc prepared pursuant to Standard Special Condition A11(3) of the Transporter's Licence.

2 Interpretation

In this document:

"Transporter" means National Grid Gas plc registered in England with number 02006000 whose registered office is at 1-3 Strand, London WC2N 5EH a corporation organised and existing under the laws of England;

"**Transporter's Licence**" means the gas transporter's licence granted or treated as granted to the Transporter under Section 7(2) of the Gas Act 1986, as from time to time in force;

"Network Code" means this document as from time to time modified in accordance with the network code modification procedures set out in the Uniform Network Code or the Transporter's Licence:

"Uniform Network Code" means the Uniform Network Code prepared by the Transporter (together with other relevant gas transporters) pursuant to Standard Special Condition A11(6) of the Transporter's Licence.

3 Provisions of Network Code

The Network Code comprises the provisions set out in the Uniform Network Code, which are hereby incorporated into this document.

10 Panel Discussions

Discussion

The Panel Chair summarised that 0601FT is proposed as a housekeeping modification that seeks to amend the Transporter name in the National Grid Gas plc Individual Network Code (INC) from 'Transco plc' to 'National Grid Gas plc' together with the associated company number.

Members agreed with the Proposer that there were no impacts on any other party since it was only updating factual information. Members considered that, on this basis, the self governance and the fast-track criteria were met.

Consideration of the Relevant Objectives

Members considered relevant objective c) *Efficient discharge of the licensee's obligations* and f) *Promotion of efficiency in the implementation and administration of the Code*, agreeing that implementation would have a positive impact because failure to update the INC to reflect this name change may create confusion for existing and prospective Code parties in the future.

Determinations

Members voted unanimously to implement Modification 0601FT.

11 Recommendations

Panel Determination

Members agreed:

that Modification 0601FT should be implemented.