

Bob Fletcher
Joint Office of Gas Transporters
31 Homer Road
Solihull
B91 3LT

27 January 2015

Dear Bob,

Re: UNC Modification Proposal 0479S - Inclusion of email as a valid UNC communication

Thank you for the opportunity to provide representation of the above noted Modification Proposal. Northern Gas Networks (NGN) supports Modification Proposal 0479S. Please find below NGN's comments in respect of the Modification Proposal.

NGN supports Modification Proposal 0479S.

Summary of key reasons:

Email has been an allowable form of communication in the Balancing and Settlement Code (BSC) in the electricity industry for more than ten years, with only limited moves within the gas industry in the same direction, for instance UNC Mod 033, 'Notification to Users of Emergency Incidents - Impacts on Code Communications'.

Nonetheless it is clear that email has become a common communication method for code communications in the gas industry. In some cases this may be accompanied by a fax or letter to ensure compliance but in many cases they are sent without an accompanying code compliant method. The reasons for this are the ease of use, reliability, efficiency and security that email provides.

Mod 0479S seeks to codify this existing practice that has developed organically within the industry and provide an appropriate regulatory framework within which email can be used as a code communication.

We have used the BSC modifications P113 and P159, which both allowed the use of email in certain circumstances, as the basis of our own proposals and indeed much of our legal text intentionally mirrors that used within the BSC modifications.

We have developed this proposal to allow the principal of email as a valid code communication within the UNC. If this proposal is implemented, it will fall into the existing governance process for determining appropriate code communications, namely the UK Link Committee as a delegated authority from the UNC Committee and the UK Link Manual as the document detailing the communication methods for each relevant code reference.

This will put email alongside post, fax, telephone and hand delivery as conventional communication methods and avoid unnecessarily burdensome governance arrangements.

Further to the UNC changes outlined in the proposal, we are also proposing changes to how the UK Link Manual is written that sit outside of the UNC but by necessity are referenced within the proposal as relevant to the overall governance of code communications.

These changes, outlined in the proposal, will provide greater granularity on conventional communications within the UK Link Manual, enabling UK Link Committee members to determine specific conventional communications and excluding others, for example, email instead of fax, or email in addition to post or fax, or post alone with no email or fax. This will ensure only the most appropriate communication method is chosen by the UK Link Committee.

We are also proposing a transparency measure in obligating the UK Link Committee to provide a report on new and amended code communications to the UNC Committee, providing greater oversight of the committee when dealing with communication methods.

Taken together as an overall package, we believe this proposal and associated recommendations to the UK Link Committee will bring efficiencies to every party to the UNC, acknowledge and codify existing practice and bring the UNC more in line with the actual business practices of code parties, improving the efficiency and administration of the UNC.

Additional or new issues:

NA

Self-Governance Statement:

Do you agree with the Modification Panel's decision that this should be a self-governance modification?

Yes.

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

Condition	Description	NGN View
A11.1(a)	Efficient and economic operation of the pipe-line system	
A11.1(b)	Efficient and economic operation of the combined pipe-line systems	
A11.1(c)	Efficient discharge of the licensee's obligations	
A11.1(d)	Securing effective competition: i) Between shippers ii) Between suppliers iii) Between DN operators and shippers	

A11.1(e)	Provision of economic incentives for security of supply to domestic customers	
A11.1(f)	Promote efficiency in the implementation and administration of the UNC	We believe the proposal furthers this relevant objective for the reasons set out above.

Impact and costs:

What analysis, development and ongoing costs would you face if this modification were implemented?

There would be no impact or costs on NGN if the proposal is implemented as it merely allows the principle of email as a code communication within the UNC.

Implementation:

What lead-time would you wish to see prior to this modification being implemented, and why?

As a self-governance proposal this can be implemented 16 business days after a Mod Panel determination.

Legal Text:

Are you satisfied that the legal text will deliver the intent of the modification?

Yes.

Any further information:

NA

I hope these comments will be of assistance and please contact me should you require any further information in respect of this response.

Yours sincerely,



Alex Ross-Shaw
Network Code Officer