

## UNC Modification Panel – Implementing Code Governance Review Ph 3

Text in italics shows items requiring Panel input

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

	CGR3 Requirement	UNC Progress Update	Status
	<b>Individual code modifications</b>		
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.	Planned (Due end 2016)
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)	<i>Potentially this does not require changes to the Modification Rules, which refer to the SG criteria, and can be implemented whenever Panel direct with a simple tweak to the SG criteria used in the template to reverse the test (see below). However, the GT Licence SSC A11 (15D) and (24)(a) – the source of the criteria – needs to be compatible. Statutory Licence consultation due out soon. Recommend do this in tandem with new Mod template (see 6)</i> WWU to seek legal opinion and feedback to Panel.	Await advice
	<b>Code administrators to develop and/or implement proposals to individual codes or processes</b>		
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 <a href="http://www.gasgovernance.co.uk/criticalfriend">http://www.gasgovernance.co.uk/criticalfriend</a>	Complete
5	All codes to have a dedicated CACoP web page (4.34)	Complete <a href="http://www.gasgovernance.co.uk/cacop">http://www.gasgovernance.co.uk/cacop</a>	Complete
6	All new Modification Proposals to follow the new standard modification templates (including a consumer impacts section) (4.81)	<i>Template is available (std version requires tailoring for UNC) and can be implemented upon Panel direction.</i> JO will provide a UNC-specific version for next meeting. Panel to then direct the implementation date.	In progress (Due date tbc)
7	All cross-code Modification Proposals to follow the new joint process (4.70)	Complete. Process is available and published. <a href="http://www.gasgovernance.co.uk/cacop">http://www.gasgovernance.co.uk/cacop</a>  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. JO will feed back after the CA meeting on 03 June. CAs still to agree this process and believe 2 level may be required: 1. Change Horizon level; 2. More detailed approach focusing on major changes.	Await advice
9	The development of Project Management and Assurance provisions by code	Suggestion is that Code is modified to create provisions such that Panel can appoint bodies to perform such work in the future.	Await advice

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	administrators (4.72)	Also to clarify the situations where this might be needed. JO to report after CA meeting on 03 June <b>As above, further development required.</b>	
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. CAs to consider reciprocal arrangements for chairing 'vested interest' topics at meeting on 03 June. Mod template to be amended to identify the need. <b>Current example where BSC Panel may choose to nominate a Chair. This could be adopted by UNC Panel where they consider there is a need to do so.</b>	Await advice
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	
<b>Code administrators to work together to develop proposals</b>			
16	The development of guidance in respect of materiality for self-governance (3.30)	JO will summarise precedents used in recent times so that Panel can agree suitable guidance by August 2016. In principle, Panel believe that Ofgem should provide the guidance. <b>CAs to meet again to discuss what guidance on criteria is to be provided and seek approval from Ofgem.</b>	In progress Due August 2016
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)	JO will feed back after the CA meeting on 03 June. <b>CA agreed the approach that changes should be brought to the attention of the lead CA for consideration at the annual CACoP review meeting.</b>	Await advice
19	Code administrators to develop and implement a cross-code Modifications Register (4.69)	DCUSA leading on this. JO will feed back after the CA meeting on 03 June. <b>MRA to manage the Cross Code modifications register as they currently do. Ofgem is to publish a link to the MRA website.</b>	Await advice

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20	Development of a process to ensure consistency in code Forward Work plans where appropriate. (4.71)	JO will feed back after the CA meeting on 03 June.	Await advice
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#### **Suggested amendment to the Self Governance Criteria guidance within the Mod template:**

The modification is Self Governance unless it:

- 1) is likely to have a material effect on:
  - a) existing or future gas consumers; and
  - b) competition in the shipping, transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes; and
  - c) the operation of one or more pipe-line system(s); and
  - d) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and
  - e) the uniform network code governance procedures or the network code modification procedures; and
- 2) is likely to discriminate between different classes of parties to the uniform network code/relevant gas transporters, gas shippers or DN operators.