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The Joint Office, Relevant Gas Transporters and other
interested parties

Direct Dial: 020 7901 7355
Our Ref: UNC/MOD/068

24 November 2005

Dear Colleague

Request for Urgent Status for modification proposal 068 'Extending established Uniform Network Code governance arrangements to include the Safety Monitor referred to in Section Q of the Code'

Having considered the request that modification proposal 068 'Extending established Uniform Network Code governance arrangements to include the Safety Monitor referred to in Section Q of the Code'¹ follow urgent procedures, Ofgem has today decided not to grant that request, for the reasons set out below.

Ofgem considers that as far as practicable, modification proposals should follow the procedures as set out in the UNC Modification Rules produced in accordance with Standard Special Condition A11 of the Gas Transporters' licence. These procedures include, among other things, opportunity for the modification panel to assess whether the proposal is sufficiently clear to proceed to consultation or alternatively requires further development, before being subject to an appropriate period of consultation. However, Ofgem recognises that there may be instances where a modification proposal needs to be considered as a matter of urgency and cannot appropriately follow the ordinary modification procedures. Although in each case a modification proposal must be considered on its own merits, Ofgem considers that such a proposal is likely to exhibit certain characteristics, and to this end has developed what are now well established criteria² for assessing the relative urgency of the proposal and whether a foreshortening or even exclusion of the ordinary procedures is warranted.

Based upon the details contained within the modification proposal, Ofgem does not consider that the proposer's justification for urgency accords with Ofgem's criteria for granting urgent status. In particular, Ofgem does not consider there to be a genuinely imminent event. The proposers' justification is in anticipation of the adjustment by National Grid National Transmission System (NG NTS) of the safety monitors, which may or may not happen and cannot be considered to be imminent with any degree of certainty. Ofgem is further concerned that the nature of the proposal, having an obvious relationship with NG NTS's means of discharging its safety obligations, needs careful consideration.

For the avoidance of doubt, in deciding this request for urgency, Ofgem has made no assessment of the merits of the modification proposal itself and nothing in this letter in any way fetters the discretion of the Authority in respect of this modification proposal. Moreover, whilst Ofgem has not granted this

¹www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/12950_Modification_Proposal_068.pdf?wtfom=/ofgem/work/index.jsp§ion=/areasofwork/gasgovernance

²www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11700_Urgency_Criteria.pdf

modification proposal urgent status, this in no way prevents the modification panel from deciding to follow an expedited process if they wish.

If you have any queries in relation to the issues raised in this letter, please feel free to email modifications@ofgem.gov.uk.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'N. Simpson', written over a horizontal line.

Nick Simpson
Director, Modifications

Signed on behalf of the Authority and authorised for that purpose by the Authority