

Consequential changes to the UNC resulting from RIIO



Transmission Workgroup
4th October 2012

Background

- As part of the RIIO-T1 price control process, the GT licence will need to be amended to reflect the Final Proposals
- The RIIO-GD1 price control process is also making changes to the DN licences
- Ofgem issued an informal consultation (105/12) regarding licence drafting alongside its Initial Proposals on 27 July:

<http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?file=RIIOT1%20and%20GD1%20Draft%20licence%20conditions%20First%20informal%20licence%20drafting%20consultation.pdf&refer=Networks/Trans/PriceControls/RIIO-T1/ConRes>

- A second informal consultation on licence drafting is due on 30 October
- Plan is to issue the formal Section 23 notice alongside the Final Proposals in December, so that the licence is changed from 1 April 2013

Issue

- References to the NTS and DN GT licences in the UNC will need to be amended
- Steer from Mod Panel was that a Mod is required (not CtM)
- There is no desire to change any policy or intent of the UNC references to the relevant GT licence
- Recognise that full details of the proposed licence changes will not be fully known until the formal Section 23 notice, but we propose to start the process earlier to ensure delivery in a timely manner
- Once Ofgem's second informal consultation is issued, we should have more certainty over the condition numbering and so should be able to update the references and hence develop legal text

Proposed Approach

- We intend to raise a UNC Mod to amend Licence references in Code which are changing due to RIIO
- Our initial assessment has revealed some potential inaccuracies in referencing (unrelated to RIIO) which we also envisage the Mod will address
- We propose to table a draft Mod for discussion at the November Transmission Workgroup and then formally submit to the November Mod Panel