nationalgrid

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National Gas Emergency Service - 0800 111 999* (24hrs)
*calls will be recorded and may be monitored

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19th May 2014 Your Reference:UNC Modification Proposal 0484S

> UNC Modification Proposal 0484S -Guidance for the production of legal text

Dear Bob,

Thank you for your invitation seeking representations with respect to the above Modification Proposal for which National Grid Gas Distribution (NGD) would like to support.

Do you support or oppose implementation?

Support

Please summarise (in one paragraph) the key reason(s) for your support/opposition:

NGD has always sought to prepare timely and accurate legal text and in particular we seek to work proactively and closely with the proposer of Modifications to assist in preparing appropriate detailed business rules (where required) and then develop legal text. The quality and clarity of requirements identified within a Modification Proposal are a fundamental pre-requisite for the preparation of legal drafting. The role of the relevant Workgroup in scrutinising business rule integrity and consistency is also of paramount importance and as regular attendees we would strongly encourage as much participation as possible by UNC parties.

Noting this view we support implementation on the basis that we can see advantages in clarifying the process for legal text preparation.

Are there any new or additional issues that you believe should be recorded in the Modification Report:

The legal status of the proposed guidelines has not been made expressly clear in the guidelines themselves. It is our understanding that the intention of the proposal is that the guidelines are not intended to be legally binding, are for guidance only and compliance with the guidelines is not mandatory under UNC or otherwise. We also have some concerns that changes might be made to the guidelines through a Modification Panel decision which might then place them in conflict with the UNC Modification Rules which we believe take precedence. We acknowledge that this is an issue present

with similar documentation currently referenced within the UNC and would not expect Modification Panel members to support changes which gave rise to conflicts with the UNC.

Self Governance Statement:

We agree that this Modification Proposal should be subject to self-governance procedures.

Relevant Objectives:

f) Promotion of efficiency in the implementation and administration of the Code.

We concur with the view set out within the Draft Modification Report and acknowledge that there are benefits in producing industry guidance concerning the production of legal text for UNC changes.

Impacts and Costs:

We concur with the statement in the Draft Modification Report concerning the funding of this Modification Proposal and we have no further comment in this respect.

Implementation:

We believe this Modification can be implemented sixteen Business Days after a decision to implement being made by the Modification Panel.

Legal Text:

NGD is satisfied that the legal text as published by the Joint Office within the Draft Modification Report broadly meets the requirements of the Modification Proposal.

However, we have suggested a small number of amendments as follows:-

- (1) deletion of the words "Subject to paragraph 9.6.6 ..." at the beginning of para 9.6.1. The reason for this suggestion is that, as the Guidance is something which Transporters are to "have regard to" pursuant to paragraph 9.6.6, we consider that there is no need for the "Subject to" wording (the obligation to "have regard" within 9.6.6 would suffice), and:
- (2) amendment of para 9.6.6 to read:

"In providing legal text pursuant to these Rules the Transporters shall have regard to".

In relation to the new definition of "Legal Text Guidance Document", the associated commentary states that this is "inserted to establish the requirement on Transporters to publish a Legal Text Guidance Document". However, there is no text suggested to place this obligation on Transporters and therefore additional wording would be required.

Is there anything further you wish to be taken into account?

We have for some time had concerns regarding the economic efficiency of the preparation of legal text and in particular the present position being that legal text (which is costly to produce) is frequently discarded. In due course we anticipate seeking a review of text preparation with the purpose of identifying, if possible, new ways of introducing efficiencies and savings thus avoiding wasteful effort.

We trust that this information will assist in the compilation of the Final Modification Report. Please contact me on 01926 653541 (chris.warner@nationalgrid.com) should you require any further information.

Yours sincerely,

Chris Warner Network Code Manager, Distribution