

Code Administration Code of Practice KPIs Joint Office of Gas Transporters 2015 Q4 Report

As part of its energy Codes Governance Review (CGR), Ofgem proposed that a Code of Practice, (the CACoP) “be established to facilitate convergence and transparency in code Modification processes and to help protect the interests of small market participants and consumers through various means including increased use of plain English in modification reports”.

The Code of Practice puts forward principles for Code Administrators to follow, but also sets out principles applicable to a code Modification process. A standard Modification process is described, including standard pro-forma code Modification documents, processes and timescales with the CACoP itself, the latest copy of which can be found at:

<https://www.ofgem.gov.uk/licences-codes-and-standards/codes/industry-codes-work/code-administration-code-practice-cacop>

The Joint Office of Gas Transporters (Joint Office) are the Code Administrator for the Uniform Network Code (UNC), which contains the terms of transportation arrangements that are common to gas transporters in England, Scotland and Wales. All modifications referred to in this document are available on the Joint Office website at:

<http://www.gasgovernance.co.uk/mods>

Where the CACoP requires us to report an average figure (e.g. days or numbers of modifications), we have included median values to address the skewing effect of particularly large, or small, occurrences.

Readers should be aware of the following when reading this document:

1. In compiling this document, we have reported on UNC Modifications that have completed their respective process cycles (Withdrawal, Panel Determination for Self Governance / Fast Track Modifications or Ofgem Decision otherwise) within the reporting period **01 October to 31 December 2015** (16 modifications) – see Appendix 2 for a full list.

Self-Governance	Fast Track	Urgent	Modification	Withdrawn
4	2	1	4	5

For example, in assessing the information for KPI 10 there are currently several modifications for which a UNC Panel recommendation was made during Q4 2015, but an Ofgem decision is awaited – these modifications will be subsequently recorded when the decision is received.

2. To ensure that we accurately represent the lifecycle of UNC modifications, effective from 01 January 2015, we will report only once on a modification regardless of whether there are Variations. This removes any duplication occurring from modifications that become effectively withdrawn when they are superseded by a Varied Modification. Alternates are still shown separately.
3. Where a single Final Modification Report is produced for multiple modifications, such as Alternatives and common topics, the total number of representations received are apportioned across the individual modifications (see KPI 5)
4. Where a modification has been withdrawn by its Proposer, regardless of whether it is Fast-Track, Self-Governance or standard Modification, it is classed as ‘Withdrawn’.
5. Items 1 and 4 are not reported in the Quarterly Reports, only in the Annual Report.
6. Only calendar days are reported (i.e. not business days).
7. A quarterly comparison and year-to-date position is shown in Appendix 1.

1. Number and percentage of survey respondents who stated they were 'satisfied' or better with the assistance offered by the code administrator

n/a

2. Number and percentage of reports 'sent' back by the Authority.

In Q4 2015, the Authority sent back zero report (0%):

	None
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3. Number and percentage of final decisions on which the Authority's assessment i) accords with the panel recommendation and ii) conflicts with the panel recommendation

5 Ofgem decisions were issued, of which 3 (60%) accorded with the panel recommendation.

		Ofgem Decision	
		Implement	Reject
Panel Recommendation	Implement	2	1
	Reject	1	1

Panel recommended implementation: Ofgem directed implementation

0560	Addressing under-allocation of flows from BBL arising from misalignment of reference conditions
0506V	Gas Performance Assurance Framework and Governance Arrangements

Panel recommended implementation: Ofgem did not direct implementation

0506AV	Gas Performance Assurance Framework and Governance Arrangements
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Panel did not recommend implementation: Ofgem did not direct implementation

0539	Removal of NTS Exit Commodity Charges for Distributed Gas
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Panel did not recommend implementation: Ofgem directed implementation

0534	Maintaining the Efficacy of the NTS Optional Commodity ("Shorthaul") Tariff at Bacton Entry Points
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4. Glossary and plain English summary to be provided with reports

n/a

5. Average number of respondents to consultation

9 consultations on draft modification reports closed in the data sample. These attracted an average of 6 responses (minimum of 2 and maximum of 9) with a median of 6 responses.

0560	Addressing under-allocation of flows from BBL arising from misalignment of reference conditions	9
0522S (0479A)	Inclusion of email as a valid UNC communication	9
0539	Removal of NTS Exit Commodity Charges for Distributed Gas	7
0534	Maintaining the Efficacy of the NTS Optional Commodity ("Shorthaul") Tariff at Bacton Entry Points	7
0506AV	Gas Performance Assurance Framework and Governance Arrangements	6
0506V	Gas Performance Assurance Framework and Governance Arrangements	5
0553S	Removal of National Grid LNG Storage UNC TPD Section Z obligations and associated cross references	4
0545S	Changes to GDN MOD186 Publication dates	4

0561S	Amendment to the oxygen limit within BBL / NTS Interconnection Agreement	2
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6. Percentage of papers published outside of modification rules requirements

The modification rules specify requirements for the publication of modification panel papers, modifications, and modification reports. These have all been met (0% outside modification rules requirements).

7. Number and percentage of reports submitted to the authority in line with original timetable

No timetable is set for when reports should be submitted to the Authority and hence we cannot report on this KPI as described. The modification panel sets a date by which each modification workgroup is requested to report.

During Q4 2015, workgroup reports were received by the panel for 13 modifications. 7 (54%) of these were received within the original requested timetable.

8. Number of extensions to timetable requested

This KPI measures how the Workgroup assessment process is currently working and is therefore not restricted to modifications completing their cycle in this report.

At modification panel meetings held in Q4 2015, 6 requests for workgroup reporting timetables to be extended were accepted.

9. Average time between (non-urgent) proposal being raised and submitted for decision

During Q4 2015, the modification panel determined 10 non-urgent modifications. These were considered, on average, 196 days after they were raised (minimum of 13 and maximum of 525 days) with a median of 119 days.

0506V	Gas Performance Assurance Framework and Governance Arrangements	525
0522S (0479A)	Inclusion of email as a valid UNC communication	496
0506AV	Gas Performance Assurance Framework and Governance Arrangements	321
0534	Maintaining the Efficacy of the NTS Optional Commodity ("Shorthaul") Tariff at Bacton Entry Points	195
0539	Removal of NTS Exit Commodity Charges for Distributed Gas	132
0545S	Changes to GDN MOD186 Publication dates	105
0553S	Removal of National Grid LNG Storage UNC TPD Section Z obligations and associated cross references	104
0561S	Amendment to the oxygen limit within BBL / NTS Interconnection Agreement	48
0559FT	Correction of a minor legal text reference related to Information Provision changes	17
0562FT	Amendment to the Effective Date of Modification 0519 'Harmonisation of Reference Conditions at Interconnection Points'	13

10. Average time between proposal being submitted for decision and decision being published

This KPI disregards self-governance and fast track modifications but measures the number of days between the Final Modification Report being issued to Ofgem and the date of a decision

letter by Ofgem. During Q4 2015, 5 decisions were received from Ofgem. On average, these were received after 29 days (in the range 15 to 35 days) with a median of 28 days.

0539	Removal of NTS Exit Commodity Charges for Distributed Gas	35
0534	Maintaining the Efficacy of the NTS Optional Commodity ("Shorthaul") Tariff at Bacton Entry Points	35
0506AV	Gas Performance Assurance Framework and Governance Arrangements	28
0506V	Gas Performance Assurance Framework and Governance Arrangements	28
0560	Addressing under-allocation of flows from BBL arising from misalignment of reference conditions	15

11a. Average time between decision and implementation (separately identifying systems and non-system changes) - for modifications that completed their cycle and were implemented during Q4

6 modifications completed their governance cycle and were implemented during Q4 2015, none of which required changes to central systems. The average time between decision and implementation was 19 days (with a range of 4 to 22 days) and a median of 22 days.

0562FT	Amendment to the Effective Date of Modification 0519 'Harmonisation of Reference Conditions at Interconnection Points'	22
0561S	Amendment to the oxygen limit within BBL / NTS Interconnection Agreement	22
0559FT	Correction of a minor legal text reference related to Information Provision changes	22
0553S	Removal of National Grid LNG Storage UNC TPD Section Z obligations and associated cross references	22
0545S	Changes to GDN MOD186 Publication dates	22
0560	Addressing under-allocation of flows from BBL arising from misalignment of reference conditions	4

11b. Average time between decision and implementation (separately identifying systems and non-system changes) - for modifications completing their cycle up to Q3 2015 but implemented in Q4

12 modifications completed their cycles previously but were implemented during Q4 2015, 3 of which required changes to central systems. The average time between decision and implementation was 128 days (with a range of 10 to 552 days) and a median of 33 days.

0461	Changing the UNC Gas Day to Align with the Gas Day in EU Network Codes	552
0494	Imbalance Charge amendments required to align the UNC with the Network Code on Gas Balancing of Transmission Networks	373
0489	EU Gas Balancing Code - Information Provision changes required to align the UNC with the EU Code	244
0538FT	Correcting legal text errors - gas Security of Supply Significant Code Review	105
0519	Harmonisation of Reference Conditions at Interconnection Points	98
0525	Enabling EU Compliant Interconnection Agreements	43
0556FT	Amendment to the Legal Text provided for "Modification 0548 Project Nexus - deferral of Implementation Date"	22
0554FT	Gender-neutral terms within the UNC	22

0552S	UNC Section Y Housekeeping	22
0547S	Corrections to the EID arising from implementation of Modifications 0493/0500	22
0546S	Reduction of the Minimum Eligible Quantity (100,000kWh) for European IP capacity	22
0510V	Reform of Gas Allocation Regime at GB Interconnection Points	10

12. Number and percentage of reports for which implementation cost estimates were available for consultation

An estimate of implementation costs for central systems (which may be zero) was included in all 9 modifications subject to consultation in Q4 2015 (100%).

13a. Accuracy percentage difference (whether higher or lower) between estimated and actual implementation costs for modifications that were specific to Q4 only

No modifications implemented during Q4 2015 required changes to central systems, therefore no report is made at this time.

13b. Accuracy percentage difference (whether higher or lower) between estimated and actual implementation costs for modifications rolling over (as in KPI 11) from previous periods to Q4

3 modifications (0461, 0519 & 0510V) rolled over from previous reports that were implemented during Q4 2015 required changes to central systems, though these changes have yet to be completed and no report is made at this time.

Appendix 1 – Comparison and Year to Date Performance*

KPI Reference			2015						2014	2013	2012
			Q1	Q2	Q3	Q4	Year Total				
2	Reports Sent Back by the Authority		1	0	1	0	2		2	1	2
3	Decisions Panel vs Authority	i) Accord	8	4	10	3	25		18	18	15
		ii) Conflict	0	2	3	2	7		9	2	10
5	Respondents to Consultations	i) Average	8	6	5	6	6		8	7	8
		ii) Median	7	7	4	6	6		7	6	8
8	Extensions to Timetable		2	13	12	6	33		42	52	26
9	Time between 'raised' and 'submitted' (days)	i) Average	322	182	201	196	223		187	225	229
		ii) Median	260	203	177	119	195		133	168	196
10	Time between 'submitted' and decision being published (days)	i) Average	110	131	59	29	80		65	44	125
		ii) Median	89	140	36	28	36		36	34	39

*All data is 'number'

Appendix 2 – Modifications included in this Report (Q4 specific)

0562FT	Amendment to the Effective Date of Modification 0519 'Harmonisation of Reference Conditions at Interconnection Points'	Fast Track
0561S	Amendment to the oxygen limit within BBL / NTS Interconnection Agreement	Self-Governance
0560	Addressing under-allocation of flows from BBL arising from misalignment of reference conditions	Urgent
0559FT	Correction of a minor legal text reference related to Information Provision changes	Fast Track
0558	Standardisation of Industry Payment Terms	Withdrawn
0557	Notice Period for Changes to Transportation Charges resulting from Uncertain costs allowed expenditure - financial adjustments	Withdrawn
0553S	Removal of National Grid LNG Storage UNC TPD Section Z obligations and associated cross references	Self-Governance
0549	Improving Arrangements for Managing Major Industry Changes	Withdrawn
0545S	Changes to GDN MOD186 Publication dates	Self-Governance
0541	Removal of uncontrollable UNC charges at ASEPs which include sub-terminals operating on a 06:00 to 06:00 Gas Day via an ex-ante, quantity adjustment	Withdrawn
0539	Removal of NTS Exit Commodity Charges for Distributed Gas	Modification
0534	Maintaining the Efficacy of the NTS Optional Commodity ("Shorthaul") Tariff at Bacton Entry Points	Modification
0522S (0479A)	Inclusion of email as a valid UNC communication	Self-Governance
0506AV	Gas Performance Assurance Framework and Governance Arrangements	Modification
0506V	Gas Performance Assurance Framework and Governance Arrangements	Modification
0468	Unique Property Reference Number (UPRN) Population by Gas Transporters	Withdrawn

Appendix 3 – Modifications included in this Report (previous periods rolled into Q4)

The data sampling approach taken in compiling this report means that a modification completing its relevant governance cycle in any given quarter but being implemented in another might not feature in KPIs 11 (time between decision and implementation) and 13 (accuracy of estimated versus actual implementation costs. To avoid this, KPI 11b and 13b has been included to identify those modifications ‘rolled over’ from a previous quarter.

The table below identifies the modifications that fall into this description for this report.

0556FT	Amendment to the Legal Text provided for "Modification 0548 Project Nexus - deferral of Implementation Date"	Fast Track
0554FT	Gender-neutral terms within the UNC	Fast Track
0552S	UNC Section Y Housekeeping	Self-Governance
0547S	Corrections to the EID arising from implementation of Modifications 0493/0500	Self-Governance
0546S	Reduction of the Minimum Eligible Quantity (100,000kWh) for European IP capacity	Self-Governance
0538FT	Correcting legal text errors - gas Security of Supply Significant Code Review	Fast Track
0525	Enabling EU Compliant Interconnection Agreements	Modification
0519	Harmonisation of Reference Conditions at Interconnection Points	Modification
0510V	Reform of Gas Allocation Regime at GB Interconnection Points	Modification
0494	Imbalance Charge amendments required to align the UNC with the Network Code on Gas Balancing of Transmission Networks	Modification
0489	EU Gas Balancing Code - Information Provision changes required to align the UNC with the EU Code	Modification
0461	Changing the UNC Gas Day to Align with the Gas Day in EU Network Codes	Modification