

**UNIFORM NETWORK CODE – MODIFICATION RULES****1 INTRODUCTION****1.1 Status**

Each of the Transporters is required, together with the other Transporters, to establish and operate procedures for the Modification of the Uniform Network Code and each Individual Network Code, so as to better facilitate, consistently with the duties imposed on each Transporter under Section 9(1) and (2) of the Act, the achievement of the Relevant Objectives. The procedures are to provide for:

- (a) a mechanism by which the Uniform Network Code and each Individual Network Code may be modified and/or reviewed;
- (b) the making of proposals for the modification of the Uniform Network Code either by a Transporter, the ISOP, a User, an Independent Gas Transporter, a Third Party Participant or, in certain circumstances, the Authority;
- (c) the making of proposals for the modification of each Individual Network Code by a Relevant Transporter, the ISOP, a Relevant Shipper, a Third Party Participant or, in relation to National Gas Transmission's Individual Network Code only, an Independent Gas Transporter or, in certain circumstances, the Authority;
- (d) subject to paragraphs 6.4.5(b) and 6.4.5(c), where a proposal is made for the modification of the Uniform Network Code (other than a proposal made by the Authority in the circumstances specified at paragraph 6.1.4), the making of an alternative proposal for the modification of the Uniform Network Code by any Transporter, the ISOP, User, Independent Gas Transporter, or Third Party Participant or, in certain circumstances, the Authority other than the person who raised the original modification proposal;
- (e) subject to paragraphs 6.4.5(b) and 6.4.5(c), where a proposal is made for the modification of an Individual Network Code (other than a proposal made by the Authority in the circumstances specified at paragraph 6.1.4), the making of an alternative proposal for the modification of that Individual Network Code by a Relevant Transporter, the ISOP, a Relevant Shipper, a Third Party Participant or, in relation to National Gas Transmission's Individual Network Code only, an Independent Gas Transporter or, in certain circumstances, the Authority other than the person who raised the original modification proposal;
- (f) determination by the Modification Panel whether a proposal for modification of the Uniform Network Code or an Individual Network Code (other than a proposal made by the Authority in the circumstances specified at paragraph 6.1.4), is a Self-Governance Modification Proposal;
- (g) determination by the Modification Panel whether a proposal for modification of the Uniform Network Code or an Individual Network Code (other than a proposal made by the Authority in the circumstances specified at paragraph 6.1.4), satisfies the Fast Track Self-Governance Criteria;
- (h) a right of appeal in respect of any determination by the Modification Panel to implement or not to implement a Self-Governance Modification Proposal;

- (i) the giving of adequate publicity to any such proposals including, in particular, drawing them to the attention of Transporters, the ISOP and Users and sending a copy of the proposal to any other person who asks for one;
- (j) the seeking of the View of the Authority on any matter connected with any such proposals other than Self-Governance Modification Proposals or Significant Code Review Modification Proposals made by the Authority in the circumstances specified at paragraph 6.1.4;
- (k) the consideration of any representations relating to such proposals (excluding Significant Code Review Modification Proposals made by the Authority in the circumstances specified at paragraph 6.1.4) made (and not withdrawn) by a Transporter, the ISOP, a User, the Users, an Independent Gas Transporter or any other person likely to be materially affected were the proposals to be implemented;
- (l) where the Authority accepts that the Uniform Network Code or an Individual Network Code may require modification as a matter of urgency, the exclusion, acceleration or other variation, subject to the Authority's approval, of any particular procedural steps which would otherwise be applicable; and
- (m) the making of Significant Code Review Modification Proposals by the Authority and the co-ordination of the processes for modification of the Uniform Network Code and Individual Network Codes with Significant Code Reviews,

and may include provisions which differ as between proposed modifications to the Uniform Network Code and proposed modifications to an Individual Network Code.

## **1.2 Application**

These Rules do not apply to any Modification which a Transporter may, from time to time, be required to make pursuant to Standard Special Condition A11(16).

## **1.3 Transporters' obligations**

Where for the purposes of these Rules the Transporters are required to undertake any obligation, it is acknowledged they may discharge the performance of that obligation through the Code Administrator.

## **1.4 Materially Affected Party**

The Transporters shall provide, to the extent that is reasonably practicable, information and assistance reasonably required by a Materially Affected Party for the purpose of preparing a Modification Proposal that includes a proposed modification to a NTS Charging Methodology or a DN Charging Methodology.

## **1.5 Code of Practice**

- 1.5.1 The Code Administrator shall in conjunction with other code administrators, maintain, publish, review and (where appropriate) amend the Code of Practice.
- 1.5.2 Where the Code Administrator undertakes any obligation for the purposes of these Rules, the Code Administrator shall do so in compliance with the Code of Practice unless it conflicts with these Rules.

## 1.6 Assistance

1.6.1 In carrying out its obligations including under these Rules and in compliance with the Code of Practice, the Code Administrator shall provide such assistance as a User (and in particular Small Participants) or Consumer Representatives may reasonably require, which shall include but not be limited to assistance in relation to:

- (a) the drafting of a Modification Proposal;
- (b) the provision of advice in relation to the operation and effect of the Uniform Network Code or an Individual Network Code;
- (c) the User's participation, involvement and representation in the Modification Procedures; and
- (d) access to information relating to a Modification Proposal, Modifications and the Modification Procedures.

## 2 INTERPRETATION

### 2.1 Defined terms

In addition to terms defined elsewhere in the Uniform Network Code, the following terms and expressions are used with the following meanings in these Rules:

**“Agenda”**: an agenda detailing (amongst other things) the nature of the matters and materials to be discussed at the meeting of the Modification Panel to which the agenda relates;

**“Annual Modification Panel Report”**: a report prepared annually by the Panel Chairperson to help ensure the efficient and effective operation of the Modification Panel, UNC Committee and associated processes and performance including management information;

**“Appeal”**: an appeal made by an Appealing Party to the Modification Panel of a determination by the Modification Panel under paragraph 9.3.10(a) in respect of a Self-Governance Modification Proposal;

**“Appeal Criteria”**: the following criteria in respect of an Authority Appeal:

- (a) the Authority Appeal has been made within the time specified in these Rules;
  - (b) in the opinion of the Authority;
    - (i) the Appealing Party is, or is likely to be, unfairly prejudiced by the implementation or non-implementation of the Self-Governance Modification Proposal;
    - (ii) the Authority Appeal has been made on the grounds that the Appealing Party reasonably believes that:
      - (1) where the Modification Panel has made the determination to implement the proposal, the proposal does not better facilitate the achievement of at least one of the Relevant Objectives; or
      - (2) where the Modification Panel has made the determination not to implement the proposal, the proposal does better facilitate the achievement of at least one of the Relevant Objectives;
- and

- (iii) the Authority Appeal has not been made for reasons that are trivial, frivolous or vexatious; and
- (iv) the Authority Appeal has a reasonable prospect of success;

**“Appeal Procedures”**: the procedures for the making of an Appeal and an Authority Appeal as set out in paragraph 13;

**“Appealing Party”**: in relation to an Appeal or an Authority Appeal, a User, a Materially Affected Party, Transporter, Independent Gas Transporter, the ISOP or Third Party Participant making such appeal;

**“Appointment Period”**: has the meaning given in paragraph 4.1.7;

**“Assimilated Law”**: has the same meaning as that given by section 6(7) of the European Union (Withdrawal) Act 2018;

**“Authority Appeal”**: an appeal to the Authority made by the Appealing Party under paragraph 13.5;

**“Authority Decision Date”**: the date on which the Authority gives notice to the Secretary in accordance with paragraph 9.3.5(b) of its determination to implement the Modification;

**“Backstop Lead Time”**: where the Authority Decision Date is later than the last Proposed Authority Decision Date, the proposed period of time (commencing on the Authority Decision Date) required to enable the Modification to be implemented;

**“Carbon Costs Guidance”**: guidance published by the Authority from time to time on the treatment of carbon costs and the evaluation of Greenhouse Gas Emissions including the document entitled 'Guidance on the treatment of carbon costs under the current industry code objectives';

**“Casting Vote”**: a vote exercisable by the Panel Chairperson in favour of or against any matter to be determined by the Modification Panel except the making of a recommendation under paragraph 9.2.1(b) or 9.3.3(a);

**“Code Administrator”**: is the joint office established by the Transporters pursuant to Standard Special Condition A12;

**“Code of Practice”**: is the 'Code Administration Code of Practice' approved by the Authority and developed, maintained and published by the Code Administrator and other code administrators, as may be amended with the Authority's approval;

**“Conflicting Appointment”**: has the meaning given in paragraph 4.4.5;

**“Consultation”**: those provisions of the Modification Procedures set out in paragraphs 7.3 and 9 and, as the context may require, any of those provisions;

**“Consumers' Representative(s)”**:

- (a) the representative (if any) for the time being appointed by Citizens Advice or Citizens Advice Scotland; and
- (b) the representative (if any) of consumers for the time being appointed by the Authority,

to the Modification Panel in accordance with these Rules;

**“Cross-Code Change”** means a proposed change, amendment or modification (**“principal change proposal”**) to an Energy Code (**“principal”** Energy Code) which the Cross-Code Steering Group determines gives rise to a requirement to make

a consequential change, amendment or modification proposal (“**subsidiary change proposal**”) in relation to a different Energy Code (“**subsidiary**” Energy Code);

“**Cross-Code Steering Group**” means the group of that name established in accordance with the Retail Energy Code;

“**Designated Person**”:

- (a) subject to (b) below, the individual for the time being appointed as the Chief Executive of the Joint Office of Gas Transporters; or
- (b) any other individual of whose identity the Panel Chairperson may be notified by the Authority;

“**DN Charging Methodology**”: means the methodology in relation to charging in respect of a transportation arrangement established pursuant to paragraph 5 of Standard Special Condition A4;

“**DN Charging Methodology Forum**”: means a Workgroup chaired by a representative of the Code Administrator and operating within the Code of Practice, which is convened for the general purposes of consideration and discussion of matters relating to a DN Charging Methodology in accordance with its Terms of Reference (which group shall have no power or authority to bind any Materially Affected Party, User or Transporter) and which may not be dissolved by the Modification Panel;

“**Energy Code**” has the meaning given in the Retail Energy Code;

“**Emissions**”: has the meaning given in section 97 of the Climate Change Act 2008;

“**Fast Track Self Governance Criteria**”: has the meaning given to “fast track self-governance criteria” in Standard Special Condition A11, paragraph 24(a) of the Transporter’s Licence;

“**Fixed Implementation Date**”: the proposed implementation date of a Modification, such date being included in accordance with paragraph 6.2.1(e)(i) and, except where the Proposal is a Self Governance Modification Proposal, paragraph 9.4.1(g)(i);

“**Greenhouse Gas**”: has the meaning given in section 24(1) of the Climate Change Act 2008 to the term ‘targeted greenhouse gas’;

“**Independent Gas Transporter**”: has the meaning given in GT Section B2.1.4;

“**Independent Suppliers’ Representative**”: the individual (if any) for the time being appointed by the Designated Person to represent independent supplier organisations (and not affiliated to a User who has a representative on the Modification Panel) in accordance with these Rules;

“**Independent Gas Transporters’ Representative**”: the individual (if any) for the time being appointed by the Independent Networks Association (a company incorporated in England and Wales, with company registration number 06621212) in accordance with these Rules;

“**Individual Network Code**”: for the purposes of these Rules, a Transporter’s Network Code, excluding the terms of the Uniform Network Code incorporated within it;

“**Legal Text Guidance Document**”: the guidance document published by the Transporters which contains guidance in respect of the provision of legal text pursuant to these Rules;

“**legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators**” means any relevant legally binding

decisions of the European Commission and/or the Agency, but a binding decision does not include a decision that is not, or so much of a decision as is not, Assimilated Law;

**“Materially Affected Party”**: has the meaning given in Standard Special Condition A11(24)(a) of the Transporter's Licence;

**“Member”**: any individual for the time being appointed to the Modification Panel;

**“Modification”**: any modification of the Uniform Network Code or, as the case may be, an Individual Network Code, made pursuant to these Rules and in accordance with Standard Special Condition A11, and "Modifications" shall be construed accordingly;

**“Modification Panel”**: the modification panel established and constituted from time to time pursuant to and in accordance with these Rules;

**“Modification Procedures”**: the provisions relating to Modifications and Modification Proposals set out in these Rules and, as the context may require, any of those provisions;

**“Modification Proposal”** means:

- (a) a Modification proposal in respect of the Uniform Network Code; or
- (b) a Modification proposal in respect of an Individual Network Code, (including a proposal to modify Annex V-1 ("Table of Operational and Market Data") in the Uniform Network Code made by a Third Party Participant);

**“Modification Proposal Guidance Document”**: the guidance document published by the Transporters which contains guidance in respect of the development of new Modification Proposals pursuant to these Rules.

**“Modification Report”**: a draft, final or amended final report prepared in accordance with paragraph 9 or paragraph 10.1.2(c);

**“Non-Code Party”**: any person to whom the Code Administrator shall send a copy of a Modification Proposal or a Modification Report, or from whom the Code Administrator shall invite representations pursuant to paragraph 7.6;

**“NTS Charging Methodology”**: means the methodology in relation to charging in respect of a transportation arrangement established pursuant to paragraph 5 of Standard Special Condition A4 and the methodology in relation to charging in respect of a connection pursuant to paragraph 3 of Standard Condition 4B;

**“NTS Charging Methodology Forum”**: means a Workgroup chaired by a representative of the Code Administrator and operating within the Code of Practice, which is convened for the general purposes of consideration and discussion of matters relating to a NTS Charging Methodology in accordance with its Terms of Reference (which group shall have no power or authority to bind any Materially Affected Party, User or Transporter) and which may not be dissolved by the Modification Panel;

**“Ofgem Representative”**: the individual (if any) for the time being appointed by the Authority as their representative to the Modification Panel in accordance with these Rules;

**“Panel Chairperson”**: the person appointed as Chairperson of the Modification Panel by the Transporters with the approval of the Authority, and as the context may require, a deputy Panel Chairperson;

**“Panel Constituency”**: has the meaning given in paragraph 3.2.1;

**“Panel Majority”**: in relation to

(a) a Modification Panel recommendation made pursuant to paragraph 9.2.1(b) or 9.3.3(a) to be determined at a quorate and duly convened meeting of the Modification Panel means:

a majority (in number) of the votes exercisable by the Voting Members present at that meeting and voting in favour of such matter; and

(b) any other Modification Panel determination to be determined at a quorate and duly convened meeting of the Modification Panel means:

(i) a majority (in number) of the votes exercised by the Voting Members present at that meeting and voting in favour of such matter; or

(ii) if there is an equal number of votes by the Voting Members present at that meeting in favour of and against such matter, where the Panel Chairperson has exercised a Casting Vote in favour of such matter;

**“Proposed Authority Decision Date”**: the proposed date by which the Authority shall give notice to the Secretary in accordance with paragraph 9.3.5(b) of its determination to implement the Modification, such date being included in accordance with paragraph 6.2.1(e)(ii) and, except where the Proposal is a Self Governance Modification Proposal, paragraph 9.4.1(g)(ii);

**“Proposed Self-Governance Modification Proposal Determination Date”**: the proposed date on which the Modification Panel is to make a determination whether to implement or not to implement a Self-Governance Modification Proposal;

**“Proposer”**: the person who shall have made the relevant Modification Proposal pursuant to paragraph 6.1.1 or 6.1.2 or the relevant Request under paragraph 11.1;

**“Regulation”** means Regulation 2009/715/EC of the European Parliament and of the Council of 13 July 2009 concerning conditions for access to the national gas transmission networks (as a component of Assimilated Law) as amended by Schedule 2 of The Electricity and Gas etc. (Amendment etc.) (EU Exit) Regulations 2019 and section 3 of The Electricity and Gas etc. (Amendment) (EU Exit) Regulations 2020;

**“Relevant Objectives”**: has the meaning given in Standard Special Condition A11(24)(a) of the Transporter’s Licence;

**“Relevant Shipper”**: for the purposes of these Rules only in relation to an Individual Network Code Modification Proposal means:

(a) a Shipper User who has a transportation arrangement with the Transporter in respect of the System(s) to which the Individual Network Code relates;

(b) where such proposal relates to National Gas Transmission’s Network Code, a Trader User;

**“Relevant Transporter”**: for the purposes of these Rules only in relation to an Individual Network Code Modification Proposal means:

(a) a Transporter which is the owner or operator of the System(s) to which the Individual Network Code relates; and

(b) (in the context of making, and submitting representations on, a Modification Proposal or alternative Modification Proposal in respect of an Individual Network Code) a DNO User;

**“Request”**: has the meaning given in paragraph 11.1;

**“Request Procedures”**: means the procedures set out in paragraph 11;

**“Rules”**: these Modification Rules;

**“Secretary”**: means:

- (a) the individual for the time being appointed as secretary; or
- (b) as the case may be, any individual for the time being appointed as a deputy secretary,

of the Modification Panel pursuant to paragraph 3.5;

**“Self-Governance Criteria”**: has the meaning given to "self-governance criteria" in Standard Special Condition A11(24)(a) of the Transporter's Licence;

**“Self-Governance Modification Proposal”**: a Modification Proposal or an alternative to such proposal which:

- (a) the Modification Panel has determined satisfies the Self-Governance Criteria under paragraph 7.2.3(a)(i) (including after any variation of such proposal under paragraph 6.5) and in respect of which the Code Administrator on behalf of the Modification Panel has submitted to the Authority a Self-Governance Statement (which has not been rejected by the Authority by the Self-Governance Modification Proposal Determination Date or withdrawn by the Code Administrator on behalf of the Modification Panel pursuant to paragraph 6.6.6 without having been subsequently reinstated pursuant to paragraph 6.6.7); or
- (b) the Authority has determined satisfies the Self-Governance Criteria under paragraph 6.6.7;

**“Self-Governance Modification Proposal Determination Date”**: the date on which the Modification Panel:

- (a) makes a determination to implement or not to implement a Self-Governance Modification Proposal under paragraph 9.3.10(a);
- (b) for the purpose of paragraph 13.5, decides, under paragraph 13.4(a), to confirm its determination under paragraph 9.3.10(a);

**“Self-Governance Statement”**: has the meaning given to "self-governance statement" in Standard Special Condition A11(24)(a) of the Transporter's Licence and which identifies the Proposed Self-Governance Modification Proposal Determination Date in respect of the relevant proposal;

**“Significant Code Review”**: has the meaning given in Standard Special Condition A11(24)(a);

**“Significant Code Review Modification Proposal”**: a Modification Proposal made by:

- (a) the Authority in respect of a Significant Code Review; or
- (b) a Transporter pursuant to a direction of the Authority which is made further to a Significant Code Review;

**“Significant Code Review Suspended Modification Proposal”**: unless 6.7.3 applies a Modification Proposal in respect of which the application of the Modification Procedures is suspended pursuant to paragraph 6.7.2 until the end of the Significant Code Review Phase;

**“Significant Code Review Phase”**: has the meaning given in Standard Special Condition A11(24)(a);

**“Small Participant”**: means

- (a) any User that can demonstrate to the Code Administrator's reasonable satisfaction that it is resource constrained and therefore in particular need of assistance;
- (b) any other User which the Code Administrator considers to be in particular need of assistance; and
- (c) any other person (or class of person) which the Authority has notified the Code Administrator as being in particular need of assistance,

in relation to the application of these Rules and such person's participation in the Modification Procedures;

**“Suggested Text”**: means indicative legal text, in respect of a Modification Proposal, which has been provided by the Proposer or a Transporter other than legal text which is prepared under paragraph 9.6.1;

**“Terminal Operator”**: a person who is for the time being the operator of a terminal the address of which is specified in the schedule to the Gas Transporters Exemption Order 1996 or any later order of like effect;

**“Terminal Operators' Representative”**: the individual (if any) for the time being appointed by Terminal Operators to the Modification Panel in accordance with these Rules (and not affiliated to a User who has a representative on the Panel);

**“Terms of Reference”**: means those terms of reference in relation to a Modification Proposal referred to a Workgroup by the Modification Panel, pursuant to paragraph 7.2.3(b)(ii), finalised by the Code Administrator under paragraphs 7.5 and 12.9 and as may be amended pursuant to paragraph 12.9.3;

**“Third Party Participant”**: (as required by Standard Special Condition A11(11)(a)(iv)) any person or body who is not a User but who is representative of interested third parties, as may be designated in writing for this purpose by the Authority, from time to time, and maintained on a register held by the Authority;

**“Transporter”**: for the purposes of these Rules, references to a Transporter in the context of an Individual Network Code Modification Proposal includes a Relevant Transporter;

**“Transporters' Representative”**: any individual for the time being appointed (or, as the case may be, re-appointed) by the Transporters as a Member;

**“Unanimously”**: in respect of a meeting of the Modification Panel, a determination made with the agreement of all Voting Members participating in the meeting;

**“Urgent Modification”**: a Modification made pursuant to an Urgent Modification Proposal;

**“Urgent Modification Proposal”**: a Modification Proposal in respect of which it is to be submitted to the Authority that the Modification is required as a matter of urgency as described in Standard Special Condition A11(9)(g);

**“User”**: for the purposes of these Rules, references to a User:

- (a) in the context of an Individual Network Code Modification Proposal, includes
  - (i) a Relevant Shipper;
  - (ii) a Trader User;

(iii) in the context of the definition of Relevant Transporter, sub paragraph (b), a DNO User; and

(b) in all other contexts excludes a DNO User;

**“Users’ Representative”**: each of those individuals for the time being appointed (or, as the case may be, re-appointed) pursuant to paragraph 4.2.4, re-appointed pursuant to paragraph 4.2.6 or appointed pursuant to paragraph 4.4.2(d);

**“View”**: the view of the Authority referred to in Standard Special Condition A11(9)(e);

**“Voting Member”**: any Transporters’ Representative, any Users’ Representative, the Independent Gas Transporters’ Representative and any Consumers’ Representative and shall not include the Panel Chairperson except where the Panel Chairperson exercises a Casting Vote under paragraph 5.8.2;

**“Workgroup”**:

- (a) a group constituted in accordance with paragraph 8.1 (which may include but shall not be limited to Users, Transporters, Independent Gas Transporters, the ISOP, the CDSP, Third Party Participants and Non-Code Parties), chaired by a representative of the Code Administrator and operating in compliance with the Code of Practice, which is convened for the general purposes of consideration and discussion of matters relating to the Uniform Network Code, an Individual Network Code or a Modification Proposal in accordance with its Terms of Reference (which group shall have no power or authority to bind any member of such group);
- (b) the NTS Charging Methodology Forum, in respect of a Modification Proposal which proposes a modification to a NTS Charging Methodology;
- (c) the DN Charging Methodology Forum, in respect of a Modification Proposal which proposes a modification to a NTS Charging Methodology;

**“Workgroup Assessment”**: those provisions of the Modification Procedures set out in paragraph 8 and, as the context may require, any of those provisions; and

**“Workgroup Report”**: the report of a Workgroup in relation to a Modification Proposal referred to it by the Modification Panel prepared pursuant to paragraph 8.3.

## 2.2 References to a Transporter's Licence

The references in these Rules to a Transporter's Licence are for the purposes of interpretation and reference only and no provision in a Transporter's Licence shall (whether in whole or in part) form any part of or otherwise be incorporated howsoever into these Rules.

## 2.3 References to notices

The references in these Rules to a **“Notice”** shall unless the context shall otherwise require be treated as including references to the Agenda of the meeting and to the materials to be considered at the meeting to which the notice relates.

## 2.4 Electronic Publication

Where pursuant to these Rules the Code Administrator or Secretary is required to send, provide or make available any information to another person, the Code

Administrator shall be treated as having satisfied such obligation where the Code Administrator:

- (a) publishes such information on the website [www.gasgovernance.co.uk](http://www.gasgovernance.co.uk); and
- (b) sends confirmation of such publication to the email address of those persons who have provided them to the Code Administrator before the time of such publication.

### **3 THE MODIFICATION PANEL**

#### **3.1 Establishment**

The Modification Panel is established with effect from the UNC Implementation Date.

#### **3.2 Members**

3.2.1 The Modification Panel shall be composed of:

- (a) the Panel Chairperson, being (without prejudice to paragraph 5.8.2) a non-voting Member;
- (b) up to five (5) other Transporters' Representatives, being Voting Members;
- (c) if appointed, up to six (6) Users' Representatives, being Voting Members;
- (d) if appointed, the Ofgem Representative, being a non-voting Member;
- (e) if appointed, the Terminal Operators' Representative, being a non-voting Member;
- (f) if appointed, up to two (2) Consumers' Representative(s), being Voting Members;
- (g) if appointed, the Independent Suppliers' Representative, being a non-voting Member;
- (h) if appointed, the Independent Gas Transporters' Representative, being a Voting Member; and
- (i) if appointed, the ISOP Representative, being a non-voting Member (the persons appointing the Members under paragraphs (b), (c), (f) and (h) being the "**Panel Constituency**" in respect of such Members).

3.2.2 It is expected that each Voting Member shall, as appropriate, represent and inform the Modification Panel of the views of that Member's appointor (or appointors) in relation to Modification Proposals and Requests.

3.2.3 It is expected that the Terminal Operators' Representative, the Independent Suppliers' Representative, the Independent Transporters' Representative and the ISOP Representative shall, as appropriate, inform the Modification Panel of the views of those persons which they represent.

#### **3.3 Transporters' Representatives**

The Transporters shall appoint (and as the case may be re-appoint) up to five (5)

representatives to the Modification Panel.

### **3.4 Users' Representatives**

The Designated Person shall have the right to appoint (and as may be the case re-appoint) on behalf of Users up to six (6) Users' Representatives.

### **3.5 Secretary**

3.5.1 The Code Administrator shall, from time to time, appoint an individual (being an individual other than a Member) as the Secretary (and may remove and replace any individual so appointed). The Code Administrator may, from time to time, appoint (and may revoke the appointment of) any individual (being an individual other than a Member) as deputy Secretary.

3.5.2 The Secretary or, as the case may be, deputy Secretary (if any), shall attend meetings of the Modification Panel, and any deputy Secretary may attend any meeting of the Modification Panel at which the Secretary is also in attendance.

### **3.6 The Panel Chairperson**

The Transporters shall appoint by notice to the Secretary (and as the case may be, remove and reappoint):

where such appointment or reappointment has been approved by the Authority, one (1) person, from time to time, as the Panel Chairperson; and

one (1) person, from time to time, as the deputy Panel Chairperson.

### **3.7 Notice of Changes**

The Secretary shall notify the Authority of any changes in the composition of the Modification Panel.

### **3.8 Consumers' Representatives**

The Consumers' Representative appointed by:

- (a) Citizens Advice or Citizens Advice Scotland to be a Voting Member shall be an individual who is an employee, representative, officer or contractor of the Citizens Advice or Citizens Advice Scotland;
- (b) the Authority to be a Voting Member, shall be an individual, or an employee, representative or officer of a corporate entity or other organisation (other than the Authority);

and the Modification Panel may ask the Consumers' representative to provide evidence that such is the case (and in the event such is not the case the Consumers' Representative shall not be a Voting Member).

## **4 MEMBERSHIP OF THE MODIFICATION PANEL**

### **4.1 Appointment**

4.1.1 The Authority may, from time to time, by notice to the Secretary identify any

individual to be appointed (and revoke that appointment) as the “**Ofgem Representative**”.

- 4.1.2 The Terminal Operators may, from time to time, by notice to the Secretary signed by all the Terminal Operators, unanimously identify any individual to be appointed (and revoke that appointment) as the “**Terminal Operators' Representative**”.
- 4.1.3 Citizens Advice or Citizens Advice Scotland and the Authority may, from time to time, by notice to the Secretary identify one (1) individual to be appointed by the Authority and one (1) by Citizens Advice or Citizens Advice Scotland (and revoke any such appointment) as a “**Consumers' Representative**”.
- 4.1.4 The Designated Person may, from time to time, by notice to the Secretary, appoint (and revoke that appointment) an individual as the “**Suppliers Representative**”.
- 4.1.5 The Independent Networks Association may, from time to time by notice to the Secretary, appoint (and revoke that appointment) an individual as the “**Independent Transporter's Representative**”.
- 4.1.6 The ISOP may, from time to time, by notice to the Secretary, identify any individual to be appointed (and revoke that appointment) as the “**ISOP Representative**”.
- 4.1.7 Each Voting Member shall be appointed for a two (2) year period commencing on 1 October (in alternate Gas Years) and ending with effect from the second anniversary of such date (“**Appointment Period**”).
- 4.1.8 Each Voting Member shall prior to attending their first meeting of the Modification Panel confirm by notice to the Secretary (in such form as the Secretary may reasonably request) the Voting Member does not hold a Conflicting Appointment, and until such time as the Voting Member has submitted such notice the Voting Member shall not be entitled to attend a meeting of the Modification Panel or exercise any voting rights.

## 4.2 Retirement

- 4.2.1 Each Voting Member shall retire at end of their Appointment Period. Each retiring Member shall be eligible for re-appointment.
- 4.2.2 Any Voting Member who is, pursuant to paragraph 4.2.1, to retire and who is not to be re-appointed (and consequently in respect of whom no notice shall have been received pursuant to paragraphs 4.2.3 or paragraph 4.2.4) shall not be entitled to receive notice of any meeting of the Modification Panel which is to take place after the end of their Appointment Period.
- 4.2.3 In respect of each individual who is a Transporters' Representative, the Transporters shall, not later than 1st September in the Gas Year preceding the Gas Year in respect of which the Transporters' Representative's Appointment Period commences, notify the Secretary:
  - (a) that such individual is to be re-appointed as a Transporters' Representative; or
  - (b) that such individual is not to be so re-appointed and the identity of the individual to be appointed as a Transporters' Representative.

- 4.2.4 In respect of each individual who is a Users' Representative, the Designated Person may, not later than 1st September in the Gas Year in preceding the Gas Year in respect of which the Users' Representative's Period of Appointment Period commences, notify the Secretary (copying the notice to the Authority):
- (a) that such individual is to be re-appointed as a Users' Representative; or
  - (b) that such individual is not to be so re-appointed at the relevant meeting and the identity of the individual to be appointed as a Users' Representative.
- 4.2.5 If notices shall be received in accordance with paragraph 4.2.4 in respect of less than six (6) individuals to be appointed (or, as the case may be, re-appointed) as Users' Representatives all individuals identified in such notices shall, pursuant to paragraph 4.2.4 be appointed (or, as the case may be, re-appointed) and the individuals who are, pursuant to paragraph 4.2.1, to retire and in respect of whom no notice shall have been received pursuant to paragraph 4.2.4(a), shall retire at the end of their Appointment Period.
- 4.2.6 If less than six (6) individuals are appointed (or, as the case may be, re-appointed) as Users' Representatives the Designated Person may at any time during the Appointment Period by notice to the Secretary nominate any individual to act as an additional Users' Representative.
- 4.2.7 In respect of the individual who is the Independent Gas Transporters' Representative, the Independent Networks Association may, no later than 1<sup>st</sup> September in the Gas Year preceding the Gas Year in respect of which the Independent Transporters Representative's Appointment Period commences, notify the Secretary (copying the notice to the Authority):
- (a) that such individual is to be re-appointed as the Independent Gas Transporters' Representative; or
  - (b) that such individual is not to be so re-appointed at the relevant meeting and the identity of the individual to be appointed as the Independent Gas Transporters' Representative.
- 4.2.8 In respect of the individual who is the ISOP Representative, the ISOP may, no later than 01 September in the Gas Year preceding the Gas Year in respect of which the ISOP Representative's Appointment Period commences, notify the Secretary (copying the notice to the Authority):
- (a) that such individual is to be re-appointed as the ISOP Representative; or
  - (b) that such individual is not to be so re-appointed at the identity of the individual to be appointed as the ISOP Representative.
- 4.2.9 If no notice is received by the Secretary in accordance with paragraphs 4.2.3, 4.2.4, 4.2.7 or 4.2.8 then the Secretary shall be treated as having received notice pursuant to paragraph 4.2.3(a), 4.2.4(a), 4.2.7(a) or 4.2.8(a) in respect of each Transporters' Representative, Users' Representative, Independent Gas Transporters' Representative or the ISOP Representative.

### **4.3 Appointment and re-appointment**

- 4.3.1 Where any notice is received pursuant to paragraphs 4.1.1, 4.1.2, 4.2.3, 4.2.4, 4.2.7 or 4.2.8, the appointment or, as the case may be, the re-appointment to

which such notice relates shall have effect from the 1 October specified in such notice. Each individual who is to be appointed or, as the case may be, re-appointed as a Member at that meeting shall be entitled to receive notice of any meeting of the Modification Panel which is to take place after the commencement of their Appointment Period.

- 4.3.2 Where any notice is received by the Secretary pursuant to paragraphs 4.1.3, 4.1.4, 4.1.5, 4.1.6, 4.2.6 or 4.4.2, the appointment to which such notice relates shall take effect in accordance with such notice.

#### **4.4 Ceasing to be a Member**

- 4.4.1 A Member shall, other than by way of retirement pursuant to paragraph 4.2.1, cease to be a Member where:

- (a) the Member notifies the Secretary that they wish to cease to be a Member;
- (b) in the case of a Voting Member:
  - (i) the Member is absent from three (3) consecutive monthly meetings (convened in accordance with paragraph 5.2.1) of the Modification Panel;
  - (ii) the Member notifies the Panel Chairperson that they holds (or will hold) a Conflicting Appointment in accordance with paragraph 4.4.5;
  - (iii) the Panel Chairperson determines the Member hold (or will hold) a Conflicting Appointment in accordance with paragraph 4.4.6;
- (c) the Member (other than the Panel Chairperson) notifies the Secretary that they have ceased (or will cease) to be employed or engaged by the entity which employed or engaged the Member at the time of the Member's nomination for appointment or re-appointment (and the Member shall be required to notify the Secretary as soon as practicable of the cessation of such employment or engagement, together with the date on which the cessation occurred (or will occur));
- (d) the Secretary is informed a Member (other than the Panel Chairperson) has ceased (or will cease) to be employed or engaged by the entity which employed or engaged the Member at the time of the Member's nomination for appointment or re-appointment (and the Secretary having taken such steps as are reasonable in the circumstances is satisfied as to the accuracy of such information)

and the Secretary shall notify the other Members and any other person, as the Secretary may determine, of receipt of a notice under paragraph (a) or (c) or on the occurrence of any of the circumstances referred to in paragraph (b) or (d), and the Member shall cease to be a Member with effect from:

- (i) in the case of paragraph (c), the later of the date on which the Member will cease to be so employed or engaged, and the date following the day on which the Secretary received the Member's notice;
- (ii) in the case of paragraph (d), the later of the date on which the

Member will cease to be so employed or engaged, and the date following the day on which the Secretary was so informed.

- 4.4.2 Where pursuant to paragraph 4.4.1 or otherwise a vacancy shall arise, in the case of:
- (a) a Transporters' Representative, the Transporters shall, by notice to the Secretary, identify another individual to be appointed as a Transporters' Representative;
  - (b) the Ofgem Representative, the Authority may identify another individual to be appointed as the Ofgem Representative;
  - (c) the Terminal Operators' Representative, the Terminal Operators may identify another individual to be appointed as the Terminal Operators' Representative;
  - (d) a Users' Representative, the Designated Person may notify the Secretary of the identity of a replacement to be appointed as a Users' Representative;
  - (e) a Consumers' Representative:
    - (i) where appointed by the Citizens Advice or Citizens Advice Scotland, Citizens Advice or Citizens Advice Scotland may, by notice to the Secretary, identify another individual to be appointed Citizens Advice or Citizens Advice Scotland appointed Consumers' Representative;
    - (ii) where appointed by the Authority, the Authority may, by notice to the Secretary, identify another individual to be appointed as the Authority's appointed Consumers' Representative;
  - (f) the Independent Suppliers' Representative, the Designated Person may, by notice to the Secretary, identify another individual to be appointed as the Independent Suppliers's Representative;
  - (g) the Independent Gas Transporters' Representative, the Independent Networks Association may, by notice to the Secretary, identify another individual to be appointed as the Independent Gas Transporters' Representative; and
  - (h) the ISOP Representative, the ISOP may, by notice to the Secretary, identify another individual to be appointed as the ISOP Representative.
- 4.4.3 No notice under paragraph 4.4.2 may effect an appointment after 30th September in the Gas Year in which the notice is given or (where paragraph 4.4.1 applies) before the relevant retirement pursuant to the notice under that paragraph.
- 4.4.4 An individual shall cease to be a Users' Representative in accordance with any notice to that effect given by the Designated Person to the Secretary.
- 4.4.5 For the purposes of paragraph 4.4.1(b)(ii) a Voting Member or its alternate holds a **“Conflicting Appointment”** where the Voting Member or alternate is employed or engaged by, or represents in any capacity, an organisation (or other body affiliated to or representing such organisation) which is represented by another Voting Member representing a different Panel Constituency; and where a Voting Member or an alternate holds (or will hold)

a Conflicting Appointment the Voting Member or alternate shall promptly notify the Panel Chairperson and the Secretary, and the Secretary shall notify the other Members and such other relevant persons as the Secretary determines, and the Voting Member or alternate shall cease to be a Member or an alternate with immediate effect.

- 4.4.6 Where a Member has bona fide grounds for believing a Voting Member or its alternate holds (or will hold) a Conflicting Appointment the Member may notify the Panel Chairperson, and the Panel Chairperson may investigate the matter; and where the Panel Chairperson determines (that in its reasonable opinion) the Voting Member or alternate holds (or will hold) a Conflicting Appointment the Secretary shall notify the Voting Member or the alternate, the other Members and such other relevant persons as the Secretary determines) and the Voting Member or the alternate shall cease to be a Member or an alternate with immediate effect.
- 4.4.7 For the purposes of an investigation in accordance with paragraph 4.4.6 the Panel Chairperson may engage a suitably qualified third party to assist with the investigation.
- 4.4.8 Where a Voting Member or an alternate ceases to be a Member in accordance with paragraph 4.4.6 or 4.4.7 the relevant individual may not:
- (a) act as a Member or as an alternate until such time as there is no longer a Conflicting Appointment;
  - (b) be appointed to fill the vacancy arising as a result of the Voting Member or alternate ceasing to be a Voting Member or alternate.

## **4.5 Alternates**

- 4.5.1 Each Voting member shall, and each other Member may, appoint an individual (including another Member other than the Panel Chairperson) to be the Member's alternate; provided that each Voting Member shall be required to appoint two (2) alternates.
- 4.5.2 The appointment (and revocation of the appointment) of an alternate shall be conditional upon and shall only be effective upon:
- (a) in respect of an appointment receipt of notice by the Secretary (in such form as the Secretary may reasonably request):
    - (i) from the Member identifying the individual to be appointed as the alternate; and
    - (ii) from the alternate to confirm a willingness to act as the Member's alternate and (in the case of an alternate to a Voting Member) to confirm the alternate does not hold a Conflicting Appointment;
  - (b) in respect of a revocation of appointment receipt of notice by the Secretary (in such form as the Secretary may reasonably request):
    - (i) of the Member's notice of revocation of the alternate's appointment; or
    - (ii) from the alternate's confirming they no longer wish to act as an alternate.
- 4.5.3 A Member who is, by reason of also being an alternate of a Voting Member,

entitled to exercise more than one (1) vote shall not be required to exercise all the votes which that Member is entitled to exercise, or to exercise all of the votes which that Member is entitled to exercise in the same way.

- 4.5.4 In addition to notices sent to Members, each alternate for the time being shall be entitled to be sent notices.
- 4.5.5 An alternate may attend any meeting of the Modification Panel which is not also attended by the Member (in their capacity as a Member) who appointed them. If that alternate is the alternate of a Voting Member, they may also vote and generally at any such meeting shall have and shall be able to exercise and discharge any and all of the functions, powers and duties of the Member who shall have appointed that alternate; provided in the event both alternates of a Voting Member attend only the first to attend the meeting shall be able to vote, and the alternate second to attend shall have observer status only. Alternates of Voting Members may sign written resolutions pursuant to paragraph 5.9, provided that if an alternate of a Voting Member and the Voting Member who appointed them shall sign a written resolution the signature of the Voting Member shall be effective and the signature of the alternate shall be disregarded.
- 4.5.6 If a Member ceases, for whatever reason, to be a Member the appointment of any alternate of the Member shall lapse with immediate effect; provided that if any Member retires but is reappointed any appointment made by that Member pursuant to paragraph 4.5.1 which is, and continues to be, effective prior to the retirement of that Member shall continue to be effective after that Member's re-appointment.
- 4.5.7 Where an alternate to a Voting Member ceases to be an alternate in accordance with paragraph 4.4.5 or 4.4.6, notifies the Voting Member that they no longer wish to be an alternate or has their appointment revoked, the Voting Member shall appoint a replacement alternate as soon as reasonably practicable.

## **5 MEETINGS OF THE MODIFICATION PANEL**

### **5.1 Purpose**

- 5.1.1 Meetings of the Modification Panel will provide a forum in which Modification Proposals and Requests can be discussed pursuant to and in accordance with the Modification Procedures and the Request Procedures. Those functions of the Modification Panel expressly provided in these Rules relating to the Modification Procedures and the Request Procedures shall be discharged in accordance with these Rules.
- 5.1.2 Except as otherwise permitted in these Rules:
- (a) determinations of the Modification Panel shall be made by Panel Majority; and
  - (b) Workgroups (other than a NTS Charging Methodology Forum and a DN Charging Methodology Forum) may be created or dissolved by Panel Majority.
- 5.1.3 Other than as expressly provided in these Rules, the Modification Panel shall have no ability to determine any matter and no competence to discharge any function or to exercise any power.

## **5.2 Frequency of meetings**

- 5.2.1 Subject to paragraphs 5.4.1, 5.4.2 and 10, the Secretary shall convene meetings of the Modification Panel by notice to the Members not less frequently than once each month unless there is no matter as an Agenda item for the Modification Panel to discuss. In any event, a meeting of the Modification Panel will be convened once every three calendar months.

## **5.3 Notice convening meetings**

- 5.3.1 Subject to paragraphs 5.4.1, 5.4.2 and 10, meetings of the Modification Panel will be convened on not less than ten (10) Business Days' notice.
- 5.3.2 Every notice convening a meeting of the Modification Panel shall specify the place, day and time of the meeting and enclose an Agenda. All relevant materials in respect of a meeting of the Modification Panel will be circulated not less than five (5) Business Days prior to the meeting to which they relate, subject to paragraph 10 or paragraph 5.3.3 where in the opinion of the Secretary a shorter period would better facilitate the exercise by the Modification Panel of its powers, within such shorter period as the Secretary shall determine. Each Member shall (subject to paragraph 12.6.7) be entitled to receive each notice and the relevant materials. At the same time as any notice is despatched to Members a copy of such notice shall (subject to paragraph 12.6.7) be despatched by the Secretary to each User, each Transporter and each Independent Gas Transporter, the ISOP and the CDSP. There may be circumstances where materials to be despatched with a notice have, pursuant to these Rules, already been sent to Users, Transporters or Independent Gas Transporters. In any such circumstance the relevant materials may be, but do not have to be, sent with the notice.
- 5.3.3 Notwithstanding where the Secretary has determined a shorter period to circulate the relevant materials in respect of a meeting of the Modification Panel pursuant to paragraph 5.3.2, no new items to the Agenda shall be considered except by determination of the Modification Panel.

## **5.4 Short Notice**

- 5.4.1 The Modification Panel may at any meeting of the Modification Panel determine that the next following meeting of the Modification Panel be convened on shorter notice than specified in paragraph 5.3.1 and where the Modification Panel shall so determine the Secretary shall convene a meeting of the Modification Panel in accordance with that determination.
- 5.4.2 Without prejudice to paragraph 5.4.1, if a majority of the Voting Members agree in writing the Secretary shall convene a meeting of the Modification Panel on shorter notice than specified in paragraph 5.3.1.
- 5.4.3 Any meeting of the Modification Panel convened pursuant to paragraph 5.4.1 or paragraph 5.4.2 shall, notwithstanding that such meeting is convened on shorter notice than that specified in paragraph 5.3.1, be duly convened.

## **5.5 Quorum**

- 5.5.1 Members (of whom two (2) shall be Transporters' Representatives and two (2) shall be Users' Representatives (excluding the Panel Chairperson)) present

at a meeting of the Modification Panel who can exercise six (6) votes shall be a quorum.

- 5.5.2 If a quorum is not present at the time for the holding of a meeting (specified in the notice convening the meeting) or at any time during the hour following that time or shall at any time during the meeting cease to be present for more than fifteen (15) minutes, the meeting shall stand adjourned to the same place and at the time specified in the notice convening the meeting five (5) Business Days later and the Secretary shall notify each Member and (for information purposes only) each User, each Transporter and each Independent Gas Transporter that such is the case. If at such place and time the meeting so adjourned shall not be quorate in accordance with paragraph 5.5.1 the Voting Members (if any) present shall be a quorum.
- 5.5.3 Any meeting of the Modification Panel at which a quorum is and remains present shall be competent to discharge any and all of the functions within the competence of the Modification Panel.

## **5.6 Panel Chairperson**

- 5.6.1 The Panel Chairperson or, in the absence of the Panel Chairperson, the deputy Panel Chairperson, shall preside at meetings of the Modification Panel.
- 5.6.2 The Panel Chairperson shall conduct all meetings of the Modification Panel in compliance with the Code of Practice.

## **5.7 Location and form of meetings**

- 5.7.1 Unless the Modification Panel shall in respect of any meeting of the Modification Panel otherwise determine, meetings of the Modification Panel will take place in a location in Great Britain specified by the Code Administrator. The Code Administrator shall, wherever practical, provide not less than three months notice of the location of any meeting of the Modification Panel.
- 5.7.2 Meetings of the Modification Panel may take place by means of telephone, conference telephone, video link or any other audio, audio-visual or interactive communication notwithstanding that the Members treated as being present (pursuant to paragraph 5.7.3) by any such means of communication may not all be meeting in the same place provided that each Member shall be able to communicate to each of the other Members and be heard by each of the other Members simultaneously.
- 5.7.3 Any Member who shall be able to participate in the manner envisaged by paragraph 5.7.2 in any meeting of the Modification Panel shall be treated as being present at such meeting and accordingly shall, if such Member is a voting Member, be entitled to vote and shall count towards a quorum.

## **5.8 Voting**

- 5.8.1 Subject to paragraph 5.9, the discharge of all of the functions within the competence of the Modification Panel and expressed to require a determination of the Modification Panel shall be determined by a vote conducted on a show of hands or, if the meeting takes place pursuant to paragraph 5.7.2, on a show of hands or such other demonstration of affirmation or consent as may be appropriate. On any vote each Voting

Member present shall (subject to paragraphs 3.8, 4.5.2 and 4.5.4) be entitled to exercise one (1) vote.

- 5.8.2 The Panel Chairperson may exercise a Casting Vote, where on a vote conducted under paragraph 5.8.1, there is an equal number of votes in favour of and against making a determination.

## **5.9 Written resolutions**

A resolution in writing signed by Voting Members, including any alternates appointed by such Members in accordance with paragraph 4.5, shall be valid and effective for the purposes of discharging any function requiring a determination of the Modification Panel as if such vote were conducted in accordance with paragraph 5.8 at a duly convened meeting of the Modification Panel provided that votes are received by the Secretary from such Members as would, if present, form a quorum in accordance with paragraph 5.5 not later than three (3) Business Days (or such shorter period as the Secretary may reasonably notify) following receipt by Voting Members of such documents as are necessary for the purposes of such written resolution. Such determinations may consist of several documents in the same form each such document being signed by one (1) (or more) of the Voting Members or alternates. The Secretary shall, where reasonably practicable, notify Members in advance that such vote will take place and shall send copies of any such written resolutions to all non-voting Members, all Users, all Transporters and all Independent Gas Transporters.

## **5.10 Observers and Invitees**

- 5.10.1 Any individual (who is not a Member) may attend a meeting of the Modification Panel as an observer on behalf of a User, Transporter, Independent Gas Transporter, the ISOP, the CDSF or a Non-Code Party and may participate in the business of the meeting unless the Panel Chairperson determines otherwise.
- 5.10.2 The Modification Panel may, from time to time, determine to invite any individual to attend all or part of a meeting of the Modification Panel.
- 5.10.3 The Secretary may, at the written request of the Authority, invite any individual to a meeting or meetings of the Modification Panel as an observer. Where such an invitation is made, the Secretary shall give as much notice as reasonably practicable to Members of the Modification Panel of the name of the individual invited, the organisation that the individual represents and the date of the relevant meeting(s). Where the Authority requests the Secretary to invite any individual, the Secretary shall set out in writing to the Authority details of any objections that the Transporters, Independent Gas Transporters or Users may have to such attendance.
- 5.10.4 Any invitee to a meeting of the Modification Panel pursuant to paragraph 5.10.3 shall be entitled to receive copies of any relevant minutes, Agendas, notices and Modification Proposals due to be discussed at that meeting (but shall not be entitled to participate in the business of the meeting).

## **5.11 Minutes**

- 5.11.1 The Secretary shall:
- (a) ensure that all meetings of the Modification Panel and all determinations of the Modification Panel (at meetings of the

Modification Panel) are minuted and, as regards such determinations, that the minutes record the manner in which each Voting Member cast their vote in respect of each matter determined by the Modification Panel); and

- (b) issue a report of determinations of the Modification Panel to each Member, each Transporter, each Independent Gas Transporter and each User within three (3) Business Days of the meeting of the Modification Panel at which such determinations were made.

5.11.2 The Secretary shall, within five (5) Business Days following the date of the relevant meeting, send each Member, each Transporter, each Independent Gas Transporter and each User:

- (a) a copy of any minutes of that meeting made pursuant to paragraph 5.11.1; and
- (b) notification of any determination made pursuant to paragraph 7.4.

5.11.3 The Secretary shall in respect of each meeting of the Modification Panel make a record of the individuals who attended the meeting and show such record in the minutes prepared in accordance with the paragraph 5.11.2.

## **5.12 Provision of information**

5.12.1 The Modification Panel may, from time to time, determine to provide (subject to paragraph 12.6.7) to any person a document derived from the application of these Rules (including, but without limitation, any minutes made pursuant to paragraph 5.11.1), or considered in accordance with these Rules.

5.12.2 If the Modification Panel shall so determine the Secretary shall ensure that within a reasonable period of time the document which is the subject of such determination shall be sent to such person.

## **6 MODIFICATION PROPOSALS**

### **6.1 Relevant persons**

6.1.1 Without prejudice to paragraph 6.4 or paragraph 12.4 and subject to paragraph 6.1.5, a Modification Proposal in respect of the Uniform Network Code may be made from time to time by:

- (a) a Transporter;
- (b) a User;
- (c) a Third Party Participant, only insofar as such Modification Proposal relates to a proposal to modify Annex V-1 (“Table of Operational and Market Data”) in the Uniform Network Code;
- (d) a Materially Affected Party (but only in respect of a Modification Proposal which proposes a modification to a NTS Charging Methodology or a DN Charging Methodology);
- (e) an Independent Gas Transporter;
- (f) the Authority, where such Modification Proposal is either:
  - (i) one which the Authority reasonably considers is necessary to comply with or implement the Regulation and/or any

relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators; or

- (ii) a Significant Code Review Modification Proposal.
  - (g) the CDSP (but only in respect of a Modification Proposal made to authorise the amendment of the DSC, and only where the CDSP considers that an amendment of the DSC is appropriate for the fulfillment of the DSC Objectives or is necessary to allow the CDSP to comply with a Legal Requirement);
  - (h) the ISOP; and
  - (i) those persons specified in paragraph 15.6.
- 6.1.2 Without prejudice to paragraph 6.4 or paragraph 12.4, and subject to paragraph 6.1.6, a Modification Proposal in respect of an Individual Network Code may be made from time to time by:
- (a) a Relevant Transporter;
  - (b) any Relevant Shipper;
  - (c) a Materially Affected Party (but only in respect of a Modification Proposal which proposes a modification to a NTS Charging Methodology or a DN Charging Methodology); and/or
  - (d) an Independent Gas Transporter in relation to National Gas Transmission's Individual Network Code;
  - (e) the Authority where such Modification Proposal is either:
    - (i) one which the Authority reasonably considers is necessary to comply with or implement the Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators); or
    - (ii) a Significant Code Review Modification Proposal; and
  - (f) the ISOP.
- 6.1.3 The Authority may direct a Transporter to make a Significant Code Review Modification Proposal in respect of the Uniform Network Code and/or the Individual Network Code and without prejudice to paragraph 6.4 or paragraph 12.4, the Transporter shall make a proposal in accordance with that direction and such a proposal shall proceed in accordance with the Modification Procedures.
- 6.1.4 Without prejudice to the generality of paragraph 6.1.2(d)(ii), where the Authority has either issued:
- (a) a statement (that it will continue work on a Significant Code Review) in accordance with Standard Special Condition A11(15C)(bb) of the Transporter's Licence; or
  - (b) a direction (a backstop direction) in accordance with Standard Special Condition A11(15CD) of the Transporter's Licence,
- the Authority may make a Significant Code Review Modification Proposal.

- 6.1.5 If:
- (a) the Code Administrator in respect of any Modification Proposal considers that such Modification Proposal should be treated as an Urgent Modification Proposal; or
  - (b) the Proposer shall in accordance with paragraph 6.2.1(e) have identified the proposal as one which the Proposer considers should be treated as an Urgent Modification Proposal,
- that Modification Proposal shall be subject to paragraph 10.
- 6.1.6 A Transporter, the ISOP, a User, a Third Party Participant, a Materially Affected Party or an Independent Gas Transporter may not make a Modification Proposal in respect of the Uniform Network Code during the relevant Significant Code Review Phase if the subject matter of such proposal relates to a matter which is the subject of a Significant Code Review, unless:
- (a) the Authority directs that it may do so, having taken into account, among other things, the urgency of the subject matter of such proposal; or
  - (b) the Modification is made by the Transporter in accordance with Standard Special Condition A11(15A)(b).
- 6.1.7 A Relevant Transporter, the ISOP, a Relevant Shipper, a Materially Affected Party or an Independent Gas Transporter may not make a Modification Proposal in respect of an Individual Network Code during the relevant Significant Code Review Phase if the subject matter of such proposal relates to a matter which is the subject of a Significant Code Review unless:
- (a) the Authority directs that it may do so, having taken into account, among other things, the urgency of the subject matter of such proposal; or
  - (b) the Modification is made by the Transporter in accordance with Standard Special Condition A11(15A)(b).

## **6.2 Content of Modification Proposal**

- 6.2.1 Each Modification Proposal made pursuant to paragraphs 6.1.1 or 6.1.2 shall set out the information and be in the form specified in the Code of Practice and:
- (a) in the case of a Modification Proposal which proposes a modification to a NTS Charging Methodology, shall state the Proposer's opinion why the Modification Proposal does not conflict with:
    - (i) paragraphs 8, 9, 10 and 11 of Standard Condition 4B of the Transporter's Licence; or
    - (ii) paragraphs 2, 2A and 3 of Standard Special Condition A4 of the Transporter's Licence;
  - (b) in the case of a Modification Proposal which proposes a modification to a DN Charging Methodology, shall state the Proposer's opinion why the Modification Proposal does not conflict with paragraphs 2, 2A and 3 of Standard Special Condition A4 of the Transporter's Licence;
  - (c) shall state the Proposer's view as to

- (i) whether it should be a Self-Governance Modification Proposal and the Proposer's reasons for such a view;
- (ii) shall state the Proposer's view as to whether, if the Proposer's view is that it should be a Self-Governance Modification, it satisfies the Fast Track Self-Governance Criteria and the Proposer's reasons for such a view;
- (d) shall where it is made pursuant to a direction of the Authority state that it is so made;
- (e) in the case of a Modification which proposes a timescale for the implementation of the Modification (for the purposes of enabling the Authority and any persons, including but not limited to Users, Transporters, Independent Gas Transporters, Third Party Participants, Non Code Parties and the ISOP to be aware of the potential benefits or constraints associated with such timing), except in the case where the Authority has directed a timetable in accordance with paragraph 12.5.2 and/or 12.5.3, where only one Fixed Implementation Date may be included, shall include:
  - (i) two or more Fixed Implementation Dates;
  - (ii) a Proposed Authority Decision Date in respect of each Fixed Implementation Date, for the purposes of enabling the Modification to be implemented by the Fixed Implementation Date;
  - (iii) a Backstop Lead Time;
  - (iv) the reasons why it is proposing each date under paragraph (i), (ii) and (iii).
- (f) shall be in writing and shall specify whether it relates to the Uniform Network Code or an Individual Network Code;
- (g) shall set out in reasonable but not excessive detail the case for change and the solution proposed;
- (h) shall set out on the basis upon which the Proposer considers that it would better facilitate the achievement of the Relevant Objectives;
- (i) shall detail the sections and paragraphs of the Uniform Network Code or the Individual Network Code which are potentially impacted by the Modification Proposal;
- (j) shall, if the Proposer considers that the Modification Proposal should be treated as an Urgent Modification Proposal, identify the Modification Proposal as such and indicate the Proposer's justification for such belief;
- (k) shall, where it is made by a Transporter pursuant to Standard Special Condition A11(14), state it is so made;
- (l) shall state the name of the Proposing User and contact details;
- (m) shall, without prejudice to the Modification Panel's right of determination pursuant to paragraph 7.2, state the Proposer's preference as to whether the Modification Proposal should:
  - (i) be subject to the Request Procedures;

- (ii) proceed to Workgroup Assessment; or
  - (iii) proceed to Consultation; or
  - (iv) where paragraph 6.2.1(c)(ii) or 6.2.1(q) applies, be implemented;
- (n) may state the Proposer’s opinion of the likely impact of the implementation of the Modification Proposal upon User’s computer systems and/or manual processes and procedures;
- (o) may include the Proposer’s Suggested Text. This Suggested Text will be considered by the Transporters when preparing the text of the Modification pursuant to paragraph 9.6;
- (p) where it is an Significant Code Review Modification Proposal made by the Authority:
- (i) shall state that it is such and whether it is being made in the circumstances specified at paragraph 6.1.4; and
  - (ii) shall, where it is being made in such circumstances, include the legal text of the proposed Modification;
- (q) shall state whether the Modification Proposal is a Cross-Code Change, and whether the Modification Proposal is the principal change proposal or a subsidiary change proposal (and where the Modification Proposal is a subsidiary change proposal, the Energy Code in respect of which the principal change proposal relates);
- (r) shall have regard to the Modification Proposal Guidelines Document which may be amended only by a determination of the Modification Panel in accordance with paragraph 5.1.2(a); and
- (s) may state, in relation to a Modification Proposal which relates to the performance assurance requirements in TPD Section V16, whether or not the Modification Proposal is supported by the Performance Assurance Committee.
- 6.2.2 Each Modification Proposal shall be given to the Secretary who shall ensure that the information required pursuant to the Code of Practice has been provided, and the form of the Modification is as specified in the Code of Practice, before accepting such Modification Proposal.
- 6.2.3 Where a Modification Proposal, does not comply with paragraph 6.2.2 the Secretary may reject such Modification Proposal.
- 6.2.4 Where the Proposer requests that the Modification Proposal should proceed direct to Consultation then the Proposer shall ensure that the Modification Proposal contains all the information required by a Workgroup Report in accordance with paragraph 8.3, except where such information is not relevant to the Modification Proposal.
- 6.2.5 Where in the opinion of the Proposer, the impact (if any) of the Modification proposed in a Modification Proposal on Greenhouse Gas Emissions is likely to be material, the Proposer shall assess the quantifiable impact of such Modification (if any) on Greenhouse Gas Emissions (in accordance with Carbon Costs Guidance) for the purposes of information to be submitted in respect of the Modification Proposal as required by the Code of Practice.

### 6.3 Proposer's representative

- 6.3.1 Subject to paragraph 10, each Proposer or party making a Request (as the case may be) shall ensure the attendance of its representative at the meeting of the Modification Panel at which a Modification Proposal or Request is to be discussed initially; at such meeting the representative may give a presentation in respect of the Modification Proposal or Request and shall endeavour to answer any questions which the Modification Panel may have in respect of the Modification Proposal or Request and any presentation given.
- 6.3.2 If a representative of the Proposer or party making a Request does not for whatever reason attend the meeting of the Modification Panel at which the relevant Modification Proposal or Request is to be discussed initially the Modification Panel may determine that, notwithstanding such non-attendance of the representative, the Modification Panel shall proceed to discuss the Modification Proposal or Request.
- 6.3.3 If the Modification Panel shall not make a determination pursuant to paragraph 6.3.2, the Modification Panel will not discuss the Modification Proposal or Request further unless and until the representative of the Proposer or party making a Request shall have attended a meeting of the Modification Panel pursuant to paragraph 6.3.1 or the Modification Panel shall determine to discuss the Modification Proposal or Request further.

### 6.4 Alternative Proposals

- 6.4.1 In respect of a Modification Proposal which the Modification Panel pursuant to paragraph 7.2.3 has determined should be referred to a Workgroup:
- (a) where the Modification Proposal is made in respect of the Uniform Network Code, any person who is eligible to make an alternative Modification Proposal under paragraph 6.1.1;
  - (b) where the Modification Proposal is made in respect of an Individual Network Code, any person who is eligible to make an alternative Modification Proposal under paragraph 6.1.2;
- being a person other than the Proposer, may, subject to paragraph 6.4.5, make an alternative Modification Proposal in accordance with paragraph 6.2 and the Workgroup shall only consider an alternative Modification Proposal made under this paragraph 6.4.1 if it is made no less than five (5) Business Days before the next meeting of the Workgroup. Where there are fewer than five (5) Business Days before such Workgroup meeting the alternative Modification Proposal will be included on the agenda for the following Workgroup meeting.
- 6.4.2 Where a Modification Proposal has been referred to a Workgroup and the Workgroup requests that the Modification Proposal should be amended but the Proposer of the Modification Proposal does not agree to amend the Modification Proposal, any person (other than the Proposer) who is eligible to make an alternative Modification Proposal under paragraph 6.4.1 may, in accordance with paragraph 6.2, make an alternative Modification Proposal under this paragraph 6.4.2 which shall include the amendment.
- 6.4.3 Where the Modification Panel has determined a Modification Proposal should be referred to a Workgroup and:

- (a) the Workgroup Report in respect of such Modification Proposal has been sent to all Members in accordance with paragraph 8.4; or
- (b) the Modification Panel has made a determination to refer the Workgroup Report in respect of such Modification Proposal back to the Workgroup for revision or further work under paragraph 8.5.1(b)(ii) and such Workgroup Report has been sent to all Members in accordance with paragraph 8.4 after such revision or further work; an alternative Modification Proposal shall not be made in respect of Modification Proposal or be considered by the Workgroup under paragraph 6.4.1.

6.4.4 Where the Modification Panel has determined a Modification Proposal should be referred to a Workgroup under paragraph 7.2.3(b)(ii) and the Workgroup Report in respect of such Modification Proposal has been sent to the Modification Panel an alternative Modification Proposal shall not be made in respect of such Modification Proposal or be considered by the Workgroup under paragraph 6.4.1.

6.4.5 An alternative Modification Proposal may not be made:

- (a) in respect of a Modification Proposal after the Modification Panel pursuant to paragraph 7.2.3(b) has determined such Modification Proposal should proceed to Consultation;
- (b) where the Authority directs a Transporter in writing that an alternative Modification Proposal shall not be made in respect of a Modification Proposal; or
- (c) by the Authority, unless such alternative Modification Proposal is either:
  - (i) one which the Authority reasonably considers is necessary to comply with or implement the Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators; or
  - (ii) in respect of a Significant Code Review.

In case of paragraph (b), the Transporter shall notify the Secretary about the direction as soon as reasonably practicable after it has been received by the Transporter, and the Modification Panel shall ensure that a Modification Proposal will not be considered as an alternative Modification Proposal to the relevant Modification Proposal.

6.4.6 In respect of any Modification Proposal which is withdrawn pursuant to paragraph 6.5.1, or deemed withdrawn pursuant to paragraph 6.5.4 or 6.5.6, any of the parties (except for the Proposer):

- (a) in paragraph 6.1.1 (where such proposal is made pursuant to paragraph 6.1.1); or
- (b) in paragraph 6.1.2 (where such proposal is made pursuant to paragraph 6.1.2),

may, but shall not be required to, either raise an alternative Modification Proposal in accordance with paragraph 6.2) or adopt the withdrawn proposal (in which case the adopted proposal shall continue through the Modification Procedures from the point at which it was

withdrawn).

## **6.5 Withdrawal or variation of Modification Proposals**

6.5.1 A Proposer may:

- (a) subject to paragraph 6.5.7, withdraw a Modification Proposal, at any time before the final Modification Report is circulated to the Authority pursuant to paragraph 9.3.4 or in respect of a Self-Governance Modification Proposal at any time before the Modification Panel makes a determination under paragraph 9.3.10(a), by notice to the Secretary, and subject to paragraphs 6.4 and 12.4, any Modification Proposal so withdrawn shall lapse; or
- (b) subject to paragraph 6.5.7, vary a Modification Proposal, at any time before the Modification Panel has determined to proceed to Consultation pursuant to paragraph 7.2.3(b)(i), by notice to the Secretary, and subject to paragraph 6.4, and to paragraph 12.4, any Modification Proposal so varied shall replace the original Proposal;
- (c) subject to paragraphs 6.4, 6.5.7, 6.5.8 and 12.4, request a variation to a Modification Proposal ("variation request"), at any time after the Modification Panel has determined to proceed to Consultation pursuant to paragraph 7.2.3(b)(i) and before the Modification Panel has made a determination in respect of such Modification Proposal pursuant to paragraph 9.3.3(a), by notice to the Secretary, and any such variation request shall contain a description of the nature of the variation.

6.5.2 The Secretary shall, within a reasonable period of time following any withdrawal (including any withdrawal directed by the Authority pursuant to paragraph 6.5.8), variation or variation request (except where such variation request is made at the Modification Panel meeting) notify each Transporter, each Member, each User, each Independent Gas Transporter, each Third Party Participant, each Non-Code Party and the ISOP of such withdrawal, variation or variation request (as the case may be).

6.5.3 Following receipt of the notice given pursuant to paragraph 6.5.1(c) the Secretary shall submit such variation request to the appropriate Modification Panel which the Proposer may attend for the purpose of explaining the variation request.

6.5.4 Subject to paragraph 6.4, and paragraph 12.4, the Modification Proposal shall be varied to replace the original Proposal which shall be deemed withdrawn where the Modification Panel:

- (a) determines by a unanimous vote that the variation request is immaterial, and in such case the varied Modification Proposal shall continue through the Modification Procedures from the point at which the original Proposal was deemed withdrawn;
- (b) does not so determine in accordance with (a), and in such case the Modification Panel shall make a determination in respect of the varied Modification Proposal in accordance with paragraph 7.2.3.

6.5.5 The Proposer of a variation request may withdraw it at any time before the Modification Panel votes in accordance with paragraph 6.5.4.

6.5.6 A Modification Proposal made by a User shall be deemed withdrawn:

- (a) on the User Discontinuance Date in accordance with TPD Section V4.2 or 4.3 where the User ceases to be a User of the Total System; or
- (b) on the date upon which the Proposer ceases to hold a Shipper's Licence or Transporter's Licence.

6.5.7 For the purposes of this paragraph 6.5:

- (a) the Authority, upon request by a Proposer of a Significant Code Review Modification Proposal, may direct:
  - (i) that the Proposer may vary, withdraw or make a variation request in respect of the relevant Significant Code Review Modification Proposal in accordance with paragraph 6.5; or
  - (ii) that the Proposer may not vary, withdraw or make a variation request in respect of the relevant Significant Code Review Modification Proposal and that such proposal shall proceed in accordance with the Modification Procedures;
- (b) where the Proposer of a Modification Proposal is a Transporter, and the Authority has, in accordance with paragraph 12.5.2, issued a direction to the Transporter setting and/or amending a timetable (in relation to the Modification Proposal, which Modification Proposal is either one that the Authority reasonably considers is necessary to comply with or implement the Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators or a Significant Code Review Modification Proposal) for the raising of such Modification Proposal by the Transporter, the completing of each of the procedural steps in these Rules (to the extent that they are relevant) and/or implementation of the Modification Proposal, then the Proposer may not withdraw the relevant Modification Proposal without the Authority's prior consent.

6.5.8 Any Significant Code Review Modification Proposal and any alternative to such Significant Code Review Modification Proposal shall be withdrawn where the Authority issues a direction to that effect.

## **6.6 Self-Governance Modification Proposals**

- 6.6.1 Subject to paragraph 6.6.2, where the Modification Panel under paragraph 7.2.3(a)(i) determines that a Modification Proposal satisfies the Self-Governance Criteria, the Code Administrator shall on behalf of the Modification Panel submit to the Authority a Self-Governance Statement in respect of such proposal as soon as reasonably practicable and set a Proposed Self-Governance Modification Proposal Determination Date.
- 6.6.2 The Code Administrator shall not submit to the Authority a Self-Governance Statement in respect of a Modification Proposal (or set a Proposed Self-Governance Modification Proposal Determination Date in relation to it) pursuant to paragraph 6.6.1 where such Modification Proposal is an alternative Modification Proposal made under paragraph 6.4.1 or 6.4.2 in respect of an original Modification Proposal which is not itself a Self-Governance Modification Proposal unless that original Modification Proposal has been withdrawn.
- 6.6.3 The Authority may until the Self-Governance Modification Proposal Determination Date, reject the Self-Governance Statement.

- 6.6.4 Where the Authority rejects a Self-Governance Statement in respect of a Modification Proposal or the Code Administrator is prohibited from submitting to the Authority a Self-Governance Statement in respect of a Modification Proposal by paragraph 6.6.2, such Modification Proposal shall:
- (a) not be a Self-Governance Modification Proposal; and
  - (b) be subject to the Modification Procedures.
- 6.6.5 The Modification Panel may withdraw a Self-Governance Statement that it submits under paragraph 6.6.1 at any time before the Self-Governance Modification Proposal Determination Date in respect of the related Self-Governance Modification Proposal.
- 6.6.6 The Modification Panel shall withdraw a Self-Governance Statement in respect of a Self-Governance Modification Proposal where, prior to the Self-Governance Modification Proposal Determination Date, an alternative Modification Proposal is made in respect of such Self-Governance Modification Proposal under paragraph 6.4.1 or 6.4.2 and:
- (a) the Modification Panel determines under paragraph 7.2.3(a)(i) that such alternative Modification Proposal does not satisfy the Self-Governance Criteria;
  - (b) the Authority rejects a Self-Governance Statement in respect of such alternative Modification Proposal, or
  - (c) the Modification Panel, pursuant to paragraph 6.6.5, withdraws a Self-Governance Statement in respect of such alternative Modification Proposal.
- Where a Self-Governance Statement in respect of a Modification Proposal is withdrawn pursuant to this paragraph 6.6.5, such Modification Proposal shall, subject to paragraph 6.6.7, cease to be a Self-Governance Modification Proposal.
- 6.6.7 Where the Modification Panel has determined under paragraph 7.2.3(a)(i) that a Modification Proposal does not satisfy the Self-Governance Criteria or the Modification Panel has withdrawn a Self-Governance Statement in respect of a Modification Proposal under paragraph 6.6.5, the Authority may determine that the relevant Modification Proposal satisfies the Self-Governance Criteria and is a Self-Governance Modification Proposal, and, where the Authority so determines:
- (a) its determination shall be effective upon the Authority giving notice of the same to the Secretary; and
  - (b) any Self-Governance Statement in respect of any other Modification Proposal that was withdrawn pursuant to paragraph 6.6.6 as a consequence of the Modification Panel's determination with respect to, or withdrawal of, such relevant Modification Proposal shall be reinstated, and the Code Administrator shall, on behalf of the Modification Panel, resubmit such Self-Governance Statement(s) to the Authority, and the Modification Proposals to which such Self-Governance Statement(s) relate shall be reinstated as Self-Governance Modification Proposal(s) accordingly.
- 6.6.8 The Authority may, at any time before the Self-Governance Modification Proposal Determination Date in respect of a Self-Governance Modification Proposal, direct that its approval is required in respect of the implementation

of such proposal.

- 6.6.9 Where the Modification Panel determines under paragraph 7.2.3(a)(i) that a Modification Proposal does not satisfy the Self-Governance Criteria, the Code Administrator shall as soon as reasonably practicable submit to the Authority a statement on behalf of the Modification Panel in respect of such Modification Proposal setting out why in the opinion of the Modification Panel it could be reasonably expected that the Modification Proposal would have a material impact if implemented.

## **6.7 Modification Proposals made during a Significant Code Review Phase**

- 6.7.1 Where the Authority has received a written assessment of the Modification Panel under paragraph 7.2.8 in respect of a Modification Proposal, the Secretary shall inform the Proposer and each Transporter, User, Independent Gas Transporter, Third Party Participant, and Non-Code Party (if any), the ISOP and the CDSP of the direction or re-direction it has received from the Authority.
- 6.7.2 Where the direction or re-direction received by the Secretary from the Authority is not to proceed with the Modification Proposal that Modification Proposal shall become a Significant Code Review Suspended Modification Proposal and shall continue to be so until either the end of the Significant Code Review Phase or unless the Authority directs otherwise (having taken into account, among other things not limited to, the urgency of the subject matter of such a proposal).
- 6.7.3 Where the Authority:
- (a) has not made a direction or has not made a re-direction not to proceed with a Modification Proposal in respect of which the Authority has received a written assessment under paragraph 7.2.8; or
  - (b) directs that Standard Special Condition A11(15A)(a) or (b) of the Transporter's Licence applies to such proposal;
- such proposal shall not be or shall cease to be a Significant Code Review Suspended Modification Proposal and that Modification Proposal shall proceed in accordance with the Modification Procedures.

## **7 MODIFICATION PROCEDURES**

### **7.1 Circulation of Modification Proposals**

- 7.1.1 The Secretary shall:
- (a) on receipt of a Modification Proposal allocate a unique reference number to that proposal;
  - (b) by the later of:
    - (i) the end of the third Business Day following receipt of a Modification Proposal made pursuant to paragraph 6.1.1 or 6.4 (as the case may be); and
    - (ii) the end of the first Business Day following the date on which the Secretary receives notification of any decision of the Authority pursuant to paragraph 10.1.2 or 10.1.3 as to

whether the Modification Proposal should be treated as an Urgent Modification Proposal,

send a copy of that proposal to each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, each Non-Code Party (if any), the ISOP and the CDSP;

- (c) subject to paragraph 10, put initial discussion of, or, in the case of a Significant Code Review Modification Proposal made by the Authority in the circumstances specified at paragraph 6.1.4, the making of a recommendation on, the Modification Proposal on the Agenda for the next meeting of the Modification Panel (provided the Modification Proposal is received no later than eight (8) Business Days prior to the date of the next meeting of the Modification Panel) and the next meeting of the Modification Panel shall (subject to paragraphs 5.4.1 and 5.4.2) be convened pursuant to paragraph 5.3.1; and
- (d) notify the Proposer of the meeting of the Modification Panel at which the Modification Proposal is to be discussed, and request the attendance of the Proposer's representative.

7.1.2 Where:

- (a) the Authority decides that a Modification Proposal should not be treated as an Urgent Modification Proposal; and
- (b) at the date on which the Secretary receives notification of such decision, no meeting of the Modification Panel will, in accordance with paragraph 5.2, take place within ten (10) Business Days of such date, the Secretary shall seek in writing, from Members in accordance with paragraph 5.9, a determination of the Modification Panel as to which of the procedures set out in paragraph 7.2.3 should apply to the Modification Proposal.

7.1.3 For the avoidance of doubt, where a Modification Proposal is received 8 Business Days prior to the date of the next meeting of the Modification Panel the secretary shall take the relevant action as per 7.1.1(b) by 5 Business Days prior to the next meeting of the Modification Panel.

## **7.2 Discussion of Modification Proposals**

7.2.1 Subject to paragraph 6.4 and paragraph 10, the Modification Panel shall discuss each new Modification Proposal at a meeting of the Modification Panel.

7.2.2 The Modification Panel shall make determinations under paragraphs 7.2.3(a), (b) and (d) having:

- (a) discussed the Modification Proposal and, subject to paragraph 6.3.2;
- (b) heard the presentation of the Proposer's representative;
- (c) had an opportunity to ask the Proposer's representative questions in respect of the Modification Proposal and the presentation of the Proposer's representative;
- (d) considered whether there are any persons from whom representations should, pursuant to paragraph 7.6, be invited;
- (e) considered whether a Modification Proposal in respect of a NTS

Charging Methodology conflicts with:

- (i) paragraphs 8, 9, 10 and 11 of Standard Condition 4B of the Transporter's Licence; or
  - (ii) paragraphs 2, 2A and 3 of Standard Special Condition A4 of the Transporter's Licence;
- (f) considered whether a Modification Proposal in respect of a DN Charging Methodology conflicts with paragraphs 2, 2A and 3 of Standard Special Condition A4 of the Transporter's Licence; and
- (g) determined whether it could be reasonably expected that the Modification Proposal would, if implemented, have a material impact having regard to:
- (i) any guidance set out in the Code Administration Code of Practice as to what amounts to a material impact for the purposes of determining whether it is necessary to refer Modification Proposals to the Authority for determination; and
  - (ii) any statements made by the Proposer pursuant to paragraph 6.2.1(c) as to whether and why the Modification Proposal should be a Self-Governance Modification Proposal,
- or where it has received a referral pursuant to paragraph 9.6.3.

7.2.3 Subject to paragraphs 7.2.2, 7.2.8 and 7.2.11, the Modification Panel may, without prejudice to paragraph 7.2.4, determine that:

- (a) a Modification Proposal:
  - (i) either satisfies the Self-Governance Criteria or does not; and, if applicable
  - (ii) satisfies the Fast Track Self-Governance Criteria

For the avoidance of doubt, a Modification Panel determination under 7.2.3(a)(ii) must be unanimous

- (b) a Modification Proposal:
  - (i) subject to paragraph 7.2.3(d), should proceed to Consultation in accordance with paragraph 7.3; or
  - (ii) should be referred to a Workgroup for Workgroup Assessment in accordance with paragraph 7.5 (and the Modification Panel may determine the Terms of Reference for such work (including terms as to the identity of any third parties to be consulted) and the date upon which it requires the Workgroup to submit its Workgroup Report);
  - (iii) should be deferred to a subsequent meeting of the Modification Panel for further discussion; or
  - (iv) be implemented, subject to unanimous determination under 7.2.3(a)(ii) that Fast Track Self-Governance Criteria are satisfied and subject to Panel determining unanimously that the Modification Proposal be implemented; or
  - (v) be referred back to the Proposer for further development.

- (c) at any time before a Modification Proposal proceeds to Consultation in accordance with paragraph 7.3 the CDSP shall in accordance with a period determined by the Modification Panel, provide a rough order of magnitude assessment of the Modification Proposal; and
  - (d) the impact (if any) of the Modification proposed in a Modification Proposal on Greenhouse Gas Emissions is likely to be material (after considering any assessment by the Proposer under paragraph 6.2.6 of the quantifiable impact of the Modification proposed in a Modification Proposal on Greenhouse Gas Emissions) and shall have regard to such determination (if any) in determining whether the Modification Proposal should proceed to Consultation under paragraph 7.2.3(b)(i) (provided that where the Modification Panel determines the likely impact will be material and the Proposer provided no assessment in respect of such impact under paragraph 6.2.6 the Modification Proposal shall not proceed to Consultation).
- 7.2.4 Where the Modification Panel discusses a Modification Proposal together with the relevant Workgroup Report the Modification Panel may:
- (a) make a determination in accordance with paragraph 7.2.3(b); or
  - (b) determine that any further discussion of the Modification Proposal should be deferred to a subsequent meeting of the Modification Panel.
- 7.2.5 Where the Modification Panel considers that a more detailed analysis and cost estimate is required in respect of a Modification Proposal it may:
- (a) determine that the CDSP shall prepare and submit to the Modification Panel (within a period determined by it) such an analysis and estimate; and
  - (b) where its Workgroup Assessment concludes that such analysis and estimate is satisfactory, make a determination in accordance with paragraph 7.2.3(b)(i).
- 7.2.6 Where the Panel makes a determination under paragraph 7.2.5(a) the CDSP and the DSC Change Management Committee shall:
- (a) take the necessary steps to ensure compliance with such determination;
  - (b) keep the Modification Panel informed of any delay or likely delay in doing so.
- 7.2.7 The requirement for the CDSP pursuant to paragraph 7.2.3(c) shall cease:
- (a) in accordance with a determination by the Modification Panel; or
  - (b) where the Modification Proposal is withdrawn pursuant to paragraph 6.5.1(a) or varied pursuant to paragraph 6.5.1(b).
- 7.2.8 The Modification Panel shall assess whether the subject matter of a Modification Proposal made during a Significant Code Review Phase relates to a matter that is the subject of an ongoing Significant Code Review and instruct the Secretary to submit to the Authority as soon as is reasonably practicable a written assessment including:
- (a) representations received as to whether such proposal relates to the matter which is the subject of a Significant Code Review;
  - (b) its determination as to whether such proposal relates to the matter which is the subject of Significant Code Review;

- (c) its reasons for making such determination;
  - (d) a copy of the relevant Modification Proposal;
  - (e) its assessment of whether the exceptions under Standard Special Condition A11(15A)(a) or (b) of the Transporter's Licence may be applicable.
- 7.2.9 If the Modification Panel determine that a Modification Proposal satisfies the Fast Track Self Governance Criteria but fail to vote unanimously to implement under 7.2.3(b)(iv) the Modification shall become a Self Governance Modification and be further determined by the Modification Panel under 7.2.3(b).
- 7.2.10 Where the Modification Panel determines that 7.2.3(b)(v) applies they shall:
- (a) set out the questions to be answered and specify any areas for further development by the Proposer;
  - (b) only be entitled to exercise this vote once per Modification Proposal.
- 7.2.11 Paragraphs 7.2.2 to 7.2.10 shall not apply to any Significant Code Review Modification Proposals made by the Authority in the circumstances specified at paragraph 6.1.4.

### **7.3 Modification Proposal to proceed to Consultation**

- 7.3.1 If the Modification Panel determines pursuant to paragraph 7.2.3(b)(i) that a Modification Proposal should proceed to Consultation:
- (a) the Modification Panel shall be deemed to have requested that the Transporters provide legal text unless the Modification Panel determines that legal text is not required for the purposes of the Modification Report (which may be the case where Suggested Text has been provided by the Proposer and is sufficient in the view of the Modification Panel);
  - (b) the Modification Panel shall inform the Code Administrator if it determines that the time periods set out in paragraph 9 for Consultation should, in its opinion, be deviated from in relation to the relevant Modification Proposal;
  - (c) in respect of such Modification Proposal:
    - (i) unless the Modification Panel determines otherwise, the CDSP shall prepare and submit to the Modification Panel (within a period determined by the Modification Panel) for inclusion within the Modification Report:
      - (1) the most accurate cost estimate including all forecast, development, implementation and operational costs associated with the Modification Proposal) which is available at such time;
    - (ii) where the CDSP is unable to comply with paragraph (c)(i)(1) the CDSP shall provide to the Modification Panel:
      - (1) a written explanation as to reasons for such inability at the earliest opportunity and in any event no later than two (2) Business Days after the final date for such submission;

- (2) a list of information required to enable the most recent cost estimate to be prepared;
- (3) a date by which the cost estimate will be provided, having regard to the explanation provided;
- (d) where the Modification Proposal is a Self-Governance Modification Proposal, the Code Administrator may invite each Transporter, each User, each Independent Gas Transporter, the CDSP, Non-Code Party (if any) and the ISOP to make representations in respect of whether such Modification Proposal should be a Self-Governance Modification Proposal.

#### **7.4 Determination**

If the Modification Panel does not, at the meeting, make a determination pursuant to paragraph 7.2.3(b), 7.2.4(a) or 7.2.4(b) the Code Administrator may refer the Modification Proposal to the relevant, or a new, Workgroup.

#### **7.5 Workgroup Assessment**

If the Modification Panel determines pursuant to paragraph 7.2.3(b)(ii) that the Modification Proposal should proceed to Workgroup Assessment or determines pursuant to paragraph 11.4.4(b) that a Request should proceed to Workgroup Assessment the Code Administrator shall within ten (10) Business Days of such determination finalise the Terms of Reference in accordance with paragraph 12.9 and notify each Transporter, the ISOP, each Independent Gas Transporter and each User and the CDSP of the composition of the Workgroup and invite each Transporter, each User, each Independent Gas Transporter and Non-Code Party (if any) and the CDSP to make representations in respect of the Modification Proposal within fifteen (15) Business Days following the date of the invitation.

#### **7.6 Non-Code Parties**

7.6.1 The Code Administrators shall:

- (a) for the purposes of compliance with the Transporter's Licence and for the purpose referred in Standard Special Condition A11(9)(d) and (f) send copies of any Modification Proposal and any Modification Report prepared in respect of such proposal to and invite representations in respect thereof from, other persons;
- (b) send copies of any Request or report prepared in respect of such Request to and invite representations in respect thereof from, other persons.

### **8 MODIFICATION PROCEDURES - WORKGROUP ASSESSMENT**

#### **8.1 Composition of Workgroups**

8.1.1 Each Workgroup shall conduct its business in such manner as to allow any person to attend and participate in meetings of the Workgroup.

#### **8.2 Proceedings of Workgroups**

- 8.2.1 The Code Administrator shall ensure that the Authority is notified of all meetings of each Workgroup. The Authority (or any representative of the Authority (including, but without limitation, the Ofgem Representative) shall be invited to all the meetings of all Workgroups.
- 8.2.2 The proceedings of Workgroups shall be conducted in accordance with the Code of Practice.

### **8.3 Workgroup Report**

- 8.3.1 Without prejudice to paragraph 8.3.3, the Code Administrator shall, prepare a Workgroup Report which shall set out the information, and be in the form, specified in the Code of Practice.
- 8.3.2 The Code Administrator and the Workgroup shall together use their reasonable endeavours to complete the Workgroup Report in the timescale determined in accordance with paragraph 12.9.2.
- 8.3.3 If two (2) or more Modification Proposals shall have been considered together by the Workgroup, the Workgroup Report shall report on each Modification Proposal.

### **8.4 Circulation of Workgroup Reports**

Each Workgroup Report shall (subject to paragraphs 5.4.1 and 5.4.2) be sent to all Members as soon as reasonably practicable but in any event not less than eight (8) Business Days prior to the meeting of the Modification Panel at which that report is to be discussed.

### **8.5 Discussion of Workgroup Report**

- 8.5.1 Having:
- (a) discussed the Workgroup Report; and
  - (b) allowed any person who attended and participated in the relevant Workgroup (in attendance at the meeting of the Modification Panel) to express any views on the substance of the Workgroup Report or the conduct of the consideration of the Modification Proposal by the Workgroup, the Modification Panel shall determine:
    - (i) that the Modification Proposal shall proceed to Consultation in accordance with paragraph 7.3; or
    - (ii) to refer the Workgroup Report back to the Workgroup for revision or further work; or
    - (iii) to continue to consider or to consider further the Workgroup Report at a subsequent meeting of the Modification Panel.

## **9 MODIFICATION PROCEDURES – CONSULTATION AND PANEL RECOMMENDATIONS**

### **9.1 Consultation - Draft Modification Report**

- 9.1.1 Following determination of the Modification Panel that a Modification Proposal should proceed to Consultation under paragraph 7.3, the Code

Administrator shall prepare a draft Modification Report in accordance with paragraph 9.4 and shall provide such report to the Secretary within:

- (a) fifteen (15) Business Days, where the Modification Panel has determined that legal text is required;
- (b) three (3) Business Days, where the Modification Panel has determined that legal text is not required,

or such other time period as the Modification Panel shall determine.

9.1.2 Where the Modification Panel has determined that legal text is required, then within one Business Day of receiving such Draft Modification Report the Secretary shall circulate the Draft Modification Report to the next meeting of the Modification Panel and subject to paragraph 9.1.3, within one Business Day following date upon which the panel meeting is convened, the Secretary shall circulate it to each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant and each Non-Code Party (if any), the ISOP and the CDSP inviting them to make (or withdraw earlier) representations to the Transporters within fifteen (15) Business Days following the date of that invitation.

9.1.3 Where the Modification Proposal has been referred to the Modification Panel in accordance with paragraph 9.6.3 it may determine legal text is not required with the Draft Modification Report.

9.1.4 Where the Modification Panel has determined that legal text is not required:

- (a) pursuant to paragraph 7.3.1(a), within one (1) Business Day of receiving the Draft Modification Report;
- (b) pursuant to paragraph 9.1.3, within one (1) Business Day of such determination;

the Secretary shall circulate the Draft Modification Report to each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, each Non-Code Party (if any), the ISOP and the CDSP inviting them to make (or withdraw earlier) representations to the Code Administrator within fifteen (15) Business Days following the date of that invitation.

## **9.2 Significant Code Review Modification Proposals made by the Authority during Significant Code Reviews**

9.2.1 Upon receipt of a Significant Code Review Modification Proposal made by the Authority in the circumstances specified in paragraph 6.1.4, the Modification Panel shall:

- (a) determine the factors which (in its opinion) justify the making or not making of the proposed modification, including:
  - (i) whether, and if so, how, the proposed modification would better facilitate the achievement of the relevant objectives;
  - (ii) whether its implementation is likely to have a material effect on Greenhouse Gas Emissions, and if it is, (in accordance with the Carbon Costs Guidance) its quantifiable impact on Greenhouse Gas Emissions; and
- (b) determine whether or not to recommend the implementation of the

Modification Proposal to the Authority; and

- (c) instruct the Secretary to send its recommendation to the Code Administrator and require the Code Administrator to prepare a report on the factors on which that recommendation is based.

9.2.2 The Code Administrator shall, within [five (5)] Business Days of receipt from the Secretary of a Modification Panel recommendation pursuant to paragraph 9.2.1 (or within such other period as may be determined by the Authority under paragraph 12.5.2):

- (a) prepare a Modification Report setting out in detail the factors which (in the opinion of the Modification Panel) justify the making or not making of the proposed modification; and
- (b) submit copies of the report and the Modification Panel's recommendation to the Authority and provide copies to each Transporter, each User, each Member, each Third Party Participant and each Non-Code Party (if any).

9.2.3 The contents of any Significant Code Review Modification Proposal made by the Authority and any conclusions published by the Authority in respect of matters relating thereto shall not fetter the discretion of the Modification Panel or any Member Panel in connection with the Modification Panel's determination pursuant to paragraph 9.2.1(b) in respect of a Significant Code Review Modification Proposal made by the Authority or in relation to any factor taken into account in making any such determination,

### **9.3 Consultation - Final Modification Report**

9.3.1 Within five (5) Business Days following the last day for representations to the draft Modification Report in accordance with paragraph 9.1.2 or 9.1.4;

- (a) subject to (d), the Code Administrator shall prepare a final Modification Report in accordance with paragraph 9.4 for approval of the Modification Panel;
- (b) the Secretary shall submit a copy of that final Modification Report to:
  - (i) each Third Party Participant, each Transporter, each User, each Independent Gas Transporter and each Non-Code Party (if any), the ISOP and the CDSP that submitted (and did not so withdraw) a representation with regard to the draft Modification Report pursuant to paragraph 9.1.2 or 9.1.4; and
  - (ii) each Member,and shall attach to that report all representations (if any) so received (and not so withdrawn); and
- (c) the Code Administrator shall request the Secretary to add the Modification Proposal as an Agenda item for the Modification Panel to discuss;
- (d) where the Code Administrator considers that any representation made identifies issues that may arise through implementation of the proposal then the Code Administrator shall record such issues and include them in the final Modification Report and the Secretary shall submit it to the

next Modification Panel for determination pursuant to paragraph 9.3.2.

9.3.2 Where the Modification Panel determines that views on such issues should be obtained by the relevant Workgroup then:

- (a) the Code Administrator shall request the Secretary to submit the final Modification Report to the relevant Workgroup and to obtain a report containing their views; and
- (b) within three (3) Business Days following receipt of such report the Secretary shall submit a copy of the final Modification Report to:
  - (i) each Third Party Participant, each Transporter, each User, each Independent Gas Transporter and each Non-Code Party (if any), the ISOP and the CDSP; and
  - (ii) each Member;

and shall attach to that report all representations (if any) so received (and not so withdrawn) and the report (if any) received pursuant to (b); and

- (c) the Code Administrator shall request the Secretary to add the Modification Proposal as an Agenda item for the Modification Panel to discuss.

9.3.3 Upon receipt of the final Modification Report under paragraph 9.3.1 or 9.3.2 the Modification Panel shall assess whether the final Modification Report complies with paragraph 9.4, and if it is compliant, shall:

- (a) determine whether or not to recommend the implementation of the Modification Proposal to the Authority; and
- (b) submit to the Authority its determination under paragraph 9.3.3(a) and the factors which (in its opinion), justify its determination and which shall include details of the Modification Panel's reasoning for determining whether or not the Modification Proposal better facilitates achievement of the Relevant Objectives or not; and

instruct the Secretary to send the final Modification Report, together with its recommendation to the Authority, to the Code Administrator.

9.3.4 The Code Administrator shall, within one (1) Business Day of receipt from the Secretary of the final Modification Report, circulate to the Authority and each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, each Non-Code Party (if any), the ISOP and the CDSP the following:

- (a) a copy of the final Modification Report and any other attachments; and
- (b) a copy of the Modification Panel's recommendation to the Authority seeking a determination of the Authority as to whether the Modification should be implemented or not.

9.3.5 Where the Authority receives a final Modification Report pursuant to paragraph 9.2.2 or 9.3.4, the Authority may determine whether the proposed Modification shall be implemented and may give notice of its decision to the Secretary, in which case on receipt of such notice from the Authority:

- (a) if the notice confirms the Authority's determination not to implement the proposed Modification, the Secretary shall circulate to each Transporter, each User, each Independent Gas Transporter, each

- Member, each Third Party Participant, each Non-Code Party (if any), the ISOP and the CDSP a non-implementation notice; and
- (b) if the notice confirms the Authority's determination to implement the Modification, the Secretary shall circulate to each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, each Non-Code Party (if any), the ISOP and the CDSP an implementation notice.
- 9.3.6 Any question arising under these Rules as to whether:
- (a) (in the context of representations) a User or other person is likely to be materially affected by a Modification Proposal were that proposal to be implemented; or
- (b) representations made (and not withdrawn) pursuant to these Rules in relation to a Modification Proposal or Request have been properly considered by the Code Administrator or the Modification Panel; shall be determined by the Authority.
- 9.3.7 Not Used.
- 9.3.8 Where a Modification Report is received by the Authority pursuant to paragraph 9.2.2 or 9.3.4, the Authority, pursuant to Standard Special Condition A11, may direct that the Modification Report, including any legal text, should be amended and resubmitted and where it makes such a direction:
- (a) the Secretary shall notify each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, each Non-Code Party (if any), the ISOP and the CDSP that the Authority is of such opinion (and the Authority's reasons for making such direction);
- (b) the Modification Panel shall discuss the Modification Report at the next meeting of the Modification Panel, shall instruct the Code Administrator to amend the Modification Report (including in respect of the legal text, the timetable, analysis or supporting information) in accordance with the direction of the Authority and decide on what steps to take, in accordance with paragraph 7.2 and shall send the Authority a revised Modification Report as soon as reasonably practicable (taking into account the complexity, importance and urgency of the Modification Proposal).
- 9.3.9 Where the Modification Proposal is a Self-Governance Modification Proposal:
- (a) the Code Administrator shall submit all representations received in respect of such proposal during Consultation to the Authority (unless the Authority directs otherwise) at least seven (7) days before the Proposed Self-Governance Modification Proposal Determination Date for such proposal; and
- (b) paragraphs 9.3.3 to 9.3.5 (inclusive) and paragraphs 9.4.2, 9.4.3 and 9.5 shall not apply to such proposal.
- 9.3.10 The Modification Panel shall upon receipt of the final Modification Report under paragraph 9.3.1 or 9.3.2 in respect of a Self-Governance Modification Proposal:
- (a) assess whether the final Modification Report complies with paragraph

- 9.4, and if it is compliant, shall make a determination as to whether or not the Self-Governance Modification Proposal should be implemented (having regard to whether or not the Self-Governance Modification Proposal better facilitates the achievement of the Relevant Objectives than either the status quo or any alternative Self-Governance Modification Proposals made under paragraph 6.1 or 6.2 in respect of such Self-Governance Modification Proposal, or, as the case may be any Modification Proposal in relation to which the Self-Governance Proposal to which the Modification Report relates is an alternative Modification Proposal made under paragraph 6.1 or 6.2) no earlier than the Proposed Self-Governance Modification Proposal Determination Date;
- (b) instruct the Code Administrator to include such determination and the Modification Panel's reasoning for such determination in the Final Modification Report; and
  - (c) instruct the Secretary to circulate an implementation notice or a non-implementation notice (as the case may be) in respect of such proposal to each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, each Non-Code Party (if any), the ISOP, the CDSP and the Authority.
- 9.3.11 The Code Administrator shall, within one (1) Business Day of receipt from the Secretary of the final Modification Report circulate to each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, each Non-Code Party (if any), the ISOP, the CDSP and the Authority a copy of the final Modification Report and any other attachments.
- 9.3.12 Subject to paragraph 9.3.13, where the Modification Panel makes a determination in respect of a Self-Governance Modification Proposal under paragraph 9.3.10(a), an Appealing Party may appeal such determination in accordance with the Appeal Procedures and the Self-Governance Modification Proposal shall not be implemented until:
- (a) the Panel has made a determination in respect of an appeal made under paragraph 13.1 and (where no subsequent appeal is made to the Authority under paragraph 13.5) and implementation notice has been sent in accordance with paragraph 13.4; or
  - (b) the Authority has made a determination in respect of an appeal made under paragraph 13.5 and an implementation notice had been sent in accordance with paragraph 3.11.
- 9.3.13 For the avoidance of doubt, an Appealing Party may not submit more than one Appeal and one Authority Appeal in respect of the same Self-Governance Modification Proposal.
- 9.3.14 Paragraphs 9.3.9 to 9.3.13 (inclusive) shall not apply to a Self-Governance Modification Proposal where the Authority has directed under paragraph 6.6.8 that its approval is required in respect of the implementation of such Proposal.
- 9.3.15 Following any change made to the final Modification Report after a determination under paragraph 9.3.3(a) or 9.3.10(a) the Modification Panel shall discuss the Modification Report at the next meeting of the Modification Panel and determine by Majority Vote to reconsult in accordance with paragraph 9.5.2(b).

- 9.3.16 Where the Modification Panel makes a determination in respect of a Self-Governance Modification Proposal under paragraph 7.2.3(b)(iv) a Party or the Authority may object to such determination and the Self-Governance Modification Proposal shall not be implemented. Any such objection shall be received within 15 working days immediately following the day the implementation notice under 9.3.10(c) was issued.
- 9.3.17 Where a Self-Governance Modification Proposal is objected to under paragraph 9.3.16 then the Self-Governance Modification Proposal shall return to the Modification Panel and be considered as a Modification Proposal under the provisions of paragraph 7.2.3.
- 9.3.18 If any Modification Proposal is returned to the Modification Panel under 9.3.17, the Modification Panel may not determine that such Modification Proposal meets the Fast Track Self-Governance Criteria in accordance with 7.2.3(a)(ii).

#### **9.4 Content of Modification Report**

- 9.4.1 Each Modification Report shall set out the information, and be in the form, specified in the Code of Practice (in the case of Modification Reports prepared pursuant to paragraph 9.2.2, to the extent reasonably practicable) and:
- (a) shall in relation to a recommendation of the Modification Panel under paragraph 9.2.1(b) or 9.3.3(b), include details of the Modification Panel's reasoning for determining whether or not the Modification Proposal better facilitates achievement of the Relevant Objectives;
  - (b) state whether or not a determination has been made by the Modification Panel under paragraph 9.2.1(b) or 9.3.3(a) and the number of Voting Members in favour of, and the number of Voting Members present and not voting in favour of, the implementation of the Modification Proposal;
  - (c) where it relates to a Modification Proposal in respect of a NTS Charging Methodology, state the view of the Modification Panel as to whether the Modification Proposal conflicts with:
    - (i) with paragraphs 8, 9, 10 and 11 of Standard Condition 4B of the Transporter's Licence; or
    - (ii) paragraphs 1, 2A and 3 of Standard Special Condition A4 of the Transporter's Licence;
  - (d) where it relates to a Modification Proposal in respect of a DN Charging Methodology, shall state the view of the Modification Panel as to whether the Modification Proposal conflicts with paragraphs 2, 2A and 3 of Standard Special Condition A4 of the Transporter's Licence.
  - (e) where it relates to a Self-Governance Modification Proposal, state that fact and whether the Modification Panel or the Authority determined that such proposal satisfied the Self-Governance Criteria; or
  - (f) state whether the proposal is made in respect of a Significant Code Review by, or at the direction of, the Authority; and
  - (g) where it relates to a Modification Proposal other than a Self Governance Modification Proposal and where the Proposer has

proposed a timescale for the implementation of the Modification in accordance with paragraph 6.2.1(e) (but in the case of a Modification Report made pursuant to paragraph 9.2.2, only here the Modification Panel has determined such matters), shall include:

- (i) two or more Fixed Implementation Dates;
  - (ii) a Proposed Authority Decision Date in respect of each Fixed Implementation Date, for the purposes of enabling the Modification to be implemented by the Fixed Implementation Date;
  - (iii) a Backstop Lead Time; and
  - (iv) the reasons why it is proposing each date under paragraph (i), (ii) and (iii); and
- (h) shall state whether the Modification Proposal is a Cross-Code Change, and whether the Modification Proposal is the principal change proposal or a subsidiary change proposal (and where the Modification Proposal is a subsidiary change proposal, the Energy Code in respect of which the principal change proposal relates).

9.4.2 Where two or more Modification Proposals have proceeded through the Modification Procedures together (and neither proposal has been withdrawn and all work has not been discontinued following a decision of the Modification Panel in respect of either proposal) the Modification Report shall, in addition to the analysis referred to in paragraph 9.4.1(b), provide an analysis as to which of the Modification Proposals would in the opinion of the Modification Panel better facilitate the achievement of the Relevant Objectives. Where two (2) Modification Proposals were proceeding through the Modification Procedures together and the Modification Panel shall have determined that only one (1) of the Modification Proposals should proceed, the Modification Report shall provide a commentary as to the circumstances in which the Modification Panel so determined.

9.4.3 Each Modification Report shall be addressed and furnished to the Authority (as the notice required by Standard Special Condition A11(15)(a) or, in the case of a Modification Report in respect of a Significant Code Review Modification Proposal made by the Authority in the circumstances set out in paragraph 6.1.4, as the notice required by Standard Special Condition A11(15CC)(a)) and none of the facts contained or opinions stated in any Modification Report should be relied upon by any other person.

9.4.4 In preparing any Modification Report, the Code Administrator shall:

- (a) do so on the basis set out in these Rules; and
- (b) not be required to have regard (other than as expressly provided in these Rules) to the consequences of any Modification on any person or persons.

9.4.5 Where a Workgroup Report has been prepared in accordance with paragraph 8.3 the Modification Panel may determine that it shall constitute the Draft Modification Report.

## 9.5 Further Consultation

9.5.1 If, in respect of a Modification Proposal which is the subject of a

Modification Report previously submitted to the Authority by the Code Administrator in accordance with paragraph 9.3.4 or 10.2:

- (a) the Authority has not given notice of its decision in respect of that Modification Report within two (2) calendar months (in the case of Urgent Proposals), or four (4) calendar months (in the case of non-Urgent proposals) from the date upon which the relevant Modification Report was submitted to it; or
- (b) the Authority, or any Voting Member, by notice to the Secretary expresses the reasonable opinion that the circumstances relating to that Modification have materially changed,  
  
the Secretary shall place that Modification Proposal on the Agenda for consideration at the next Modification Panel meeting.

9.5.2 Having considered the circumstances relating to the Modification Proposal which is subject to paragraph 9.5.1, the Modification Panel may determine that:

- (a) the Secretary should request the Authority to give an indication of the likely date by which the Authority's decision shall be made; or
- (b) the Code Administrator should within five (5) days of the date of the meeting prepare and circulate a notice to each Transporter, Users, each Independent Gas Transporter, the ISOP, the CDSP and Non-Code Parties outlining the change in circumstances or reasons for delay and inviting further representations within ten (10) days of the date of the notice; or
- (c) the Secretary should place the Modification Proposal on the Agenda for further consideration at a future meeting of the Modification Panel as determined by the Modification Panel.

9.5.3 If the Modification Panel makes a determination in accordance with 9.5.2(a) then the Secretary shall within five (5) Business Days formally request a response from the Authority and place the Modification Proposal on the Agenda for further consideration at the next Modification Panel meeting, it being recognised at all times that the Authority is not obliged, as a result of a request pursuant to 9.5.2(a), to provide any response or indication.

9.5.4 If the Modification Panel makes a determination in accordance with 9.5.2(b) the Secretary shall within five (5) Business Days of the date upon which the invitation for representations closed prepare, and submit a supplemental report (which need not be in the form of a Modification Report) and also procure that the Code Administrator submits that report and copies of any representations received to the Authority and circulates a copy to each Transporter, Users, each Independent Gas Transporter, the ISOP, the CDSP and Non-Code Parties.

9.5.5 Any Report submitted to the Authority under paragraph 9.5.4 shall be supplemental to the Modification Report. Supplemental reports may, but need not, express a view and recommendation which confirms those expressed in the Modification Report to which it refers.

## **9.6 Legal Text for Modification**

9.6.1 Subject to paragraphs 6.2.1(q)(i) and 9.6.6, in relation to each Modification

Proposal, the Transporters shall prepare the legal text of the Modification:

- (a) where requested by the Modification Panel by way of Panel Majority vote at any time prior to a determination under paragraph 9.3.3(a) or paragraph 9.3.10(a) or where directed by the Modification Panel, for inclusion in the draft Modification Report prepared pursuant to paragraph 9.1.1 (unless the Modification Panel has determined that legal text is not required pursuant to paragraph 7.3.1(a) or 9.1.3); or
- (b) if requested or directed to do so by the Authority:

in the case of paragraph (a) the Transporters shall provide the legal text within 15 Business Days of such request unless the Transporters confirm at that meeting of the Modification Panel that existing legal text provided is suitable for inclusion in the draft Modification Report.

- 9.6.2 Subject to paragraph 10, the Suggested Text and/or any legal text provided by the Transporters pursuant to paragraph 9.6.1 prior to a determination under 7.3.1 of each Modification shall be considered by the relevant Workgroup to which such Modification Proposal has been referred in accordance with these Rules. If the Suggested Text and/or any legal text provided by the Transporters pursuant to paragraph 9.6.1 prior to a determination under 7.3.1 of a Modification is not considered by a Workgroup prior to that Workgroup's report being discussed by the Modification Panel pursuant to paragraph 8.5.1, the Workgroup shall, where requested by the Modification Panel, having considered the legal text of a Modification and prior to the preparation of the draft Modification Report pursuant to paragraph 9.1.1, prepare a supplemental report commenting as appropriate on the legal text.
- 9.6.3 If it is considered that the Modification Proposal is not sufficiently clear or complete to enable the preparation of the legal text, a written report setting out the reasons for this will be prepared by the Code Administrator and the Code Administrator shall refer the Modification Proposal to the next Modification Panel for determination pursuant to paragraph 9.1.3.
- 9.6.4 Not Used.
- 9.6.5 At any time following a request for legal text pursuant to paragraph 9.6.1(a) and prior to a determination under paragraph 9.3.3(a) or paragraph 9.3.10(a) the Transporters may provide revised legal text in relation to a Modification Proposal and such legal text shall replace all earlier versions of legal text provided by the Transporters.
- 9.6.6 The provision of legal text pursuant to these Rules shall have regard to the Legal Text Guidance Document which may be amended only by a determination of the Modification Panel in accordance with paragraph 5.1.2(a).

## **9.7 Modification**

- 9.7.1 Subject to paragraph 9.7.2, the Code Administrator shall modify the Uniform Network Code or, as the case may be, the Relevant Transporter shall modify the relevant Individual Network Code in accordance with each consent given and each direction made by the Authority (including any direction given by the Authority pursuant to paragraph 9.2.4).
- 9.7.2 The Code Administrator shall modify the Uniform Network Code or, as the case may be, the Relevant Transporter shall modify the relevant Individual

Network Code without the consent of the Authority in accordance with a determination made by the Modification Panel in respect of a Self-Governance Modification Proposal under paragraph 9.3.10(a) no less than fifteen (15) Business Days after the date of such determination provided that:

- (a) either:
  - (i) paragraph 6.6.1 applies and the Modification Panel has not instructed the Code Administrator to withdraw the Self-Governance Statement submitted to the Authority under paragraph 6.6.5; or
  - (ii) paragraph 6.6.7 applies;
- (b) the Authority has not directed that its approval is required in respect of such proposal under paragraph 6.6.8;
- (c) subject to (d), no Appeal has been made in accordance with paragraph 13.1 which is still outstanding in respect of such proposal;
- (d) where an Appeal has been made, the Secretary has sent an implementation notice under paragraph 13.4(a) or (b) and the Appealing Party has not made an Authority Appeal in respect of such proposal by the end of period specified in paragraph 13.5.

9.7.3 The Code Administrator shall, as soon as reasonably practicable, notify each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, each Non-Code Party (if any), the ISOP and the CDSP of each Modification. Each such notice shall specify the legal text of the Modification and the date upon which the Modification shall become effective and may provide (for the purposes of information only) an explanatory note (which note should not be relied upon) in respect of the Modification. Each Modification shall become effective upon the date specified in the relevant notice. Having so notified each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, each Non-Code Party (if any), the ISOP and the CDSP, the Code Administrator may, with the agreement of the Transporters and the Authority, notify all Users, all Transporters, all Independent Gas Transporters, Members, each Third Party Participant, Non-Code Parties (if any), the ISOP and the CDSP of any amendment to the date specified in the earlier notice, and the date specified in any such notice shall be the date upon which the relevant Modification shall become effective.

## **10 URGENT MODIFICATION PROPOSALS**

### **10.1 Procedure**

10.1.1 If a Modification Proposal has been considered or identified pursuant to paragraph 6.1.5(b) as one which should be treated as an Urgent Modification Proposal the Secretary shall as soon as possible send a copy of the Modification Proposal to the Authority, and:

- (a) following consultation with the Authority the Code Administrator shall recommend the procedure and timetable to be followed in respect of each Urgent Modification Proposal
- (b) where the Authority requests the Modification Panel to provide the Authority with the opinion of the Modification Panel on whether or not

the Modification Proposal should be considered as an Urgent Modification:

- (i) the Secretary shall convene a meeting of the Modification Panel within five (5) Business Days of the Authority requesting the opinion of the Modification Panel and place such request on the Agenda for that meeting; and
- (ii) the Modification Panel shall provide the Authority with its opinion.

10.1.2 If the Authority considers it appropriate that the Modification Proposal referred to in paragraph 10.1.1 should be treated as an Urgent Modification Proposal:

- (a) the Secretary shall notify each Transporter, each User, each Independent Gas Transporter, each Member and each Non-Code Party (if any), the ISOP and the CDSP;
- (b) to the extent that the Authority agrees with the recommendation made in the procedure and timetable submitted by the Code Administrator, all or any of the Modification Rules (including, but without limitation, consulting with the Modification Panel and seeking representations from each Transporter, Users, Independent Gas Transporters, any Non-Code Party, the ISOP and the CDSP), may be deviated from or any other procedure accepted by the Authority may be followed;
- (c) the Secretary shall prepare and submit to the Code Administrator, a Modification Report in a format and in accordance with a timetable accepted by the Authority; and
- (d) the Code Administrator shall send the Modification Report to the Authority.

10.1.3 If the Authority does not accept that the Modification Proposal should be treated as an Urgent Modification Proposal the Secretary shall notify the Proposer and paragraphs 7, 8 (if applicable) and 9 shall apply in respect of the Modification Proposal.

## **10.2 Modification Report**

10.2.1 Each Modification Report and attachments (if any) prepared pursuant to paragraph 10.1.2(c) shall, in addition to reporting to the extent relevant upon the matters referred to in paragraph 9.4.1, detail:

- (a) the reasons why it is an Urgent Modification Proposal; and
- (b) the procedures that the Code Administrator has followed pursuant to paragraph 10.1.2(b) where these differ from the Modification Procedures.

10.2.2 The Code Administrator may submit a Modification Report (in whole or in part) orally and/or in writing. The Code Administrator shall in respect of any Modification Report (or any part thereof) submitted orally as soon as possible confirm that oral submission in writing. The Code Administrator shall as soon as reasonably practicable send a copy of each such report to each Transporter, each User, each Independent Gas Transporter, each Member, each Non-Code Party (if any) and the ISOP.

### **10.3 Report on Modification**

Where an urgent Modification is implemented, the Secretary shall at the next following meeting of the Modification Panel report to the Modification Panel in respect of the urgent Modification. The Modification Panel may determine at that meeting that the subject matter of the urgent Modification so made shall be referred to a Workgroup. If the Modification Panel shall so determine, the Code Administrator shall refer such proposal to the relevant Workgroup together with the Terms of Reference to be applicable.

## **11 REQUESTS**

### **11.1 Purpose**

These Request Procedures provide a means by which a person who is eligible to be a Proposer may submit a request for consideration of a matter that may be (but is not as at the date such request is made) the subject of a Modification Proposal in respect of the Uniform Network Code or an Individual Network Code (as the case may be) for consideration by the Modification Panel (a “Request”).

### **11.2 Requests**

11.2.1 The Modification Panel may determine that any matter or a Request discussed at a meeting of the Modification Panel should be subject to the Request Procedures.

11.2.2 A Request may be withdrawn at any time before a Modification Proposal is deemed to have been made in respect of the Request under paragraph 11.4.4(a).

11.2.3 The Code Administrator shall allocate to each Request a unique reference number.

### **11.3 Form of Request**

11.3.1 Each Request shall:

- (a) be in writing;
- (b) be in the form set out at the website [www.gasgovernance.co.uk](http://www.gasgovernance.co.uk); and
- (c) set out in reasonable detail the nature of the matter which is the subject of the Request.

11.3.2 The Code Administrator may, from time to time, stipulate the form which a Request should take.

### **11.4 Request Procedures**

11.4.1 Following the submission of a Request, the Modification Panel may determine:

- (a) that such Request be subject to consideration by a Workgroup with such Terms of Reference, procedures and such timetable as the Modification Panel shall determine; or
- (b) subject to paragraphs 11.4.4 (a) and (b), the Request shall lapse and in

such case the Code Administrator shall notify the person making the Request.

- 11.4.2 Following review by a Workgroup, the Workgroup shall submit a report to the Modification Panel which shall set out or append in full any draft form of Modification Proposal developed by the Workgroup in relation to the Request.
- 11.4.3 Following submission of a report under paragraph 11.4.2, the Modification Panel shall consider the report, and in the event that the Modification Panel does not determine that a further assessment be undertaken by the Workgroup, the Code Administrator shall circulate the report to the person making the Request, all Transporters, all Independent Gas Transporters, all Users, the ISOP and the CDSP.
- 11.4.4 Where the report submitted in accordance with paragraph 11.4.2 contains a recommendation in the form of a draft Modification Proposal and the Modification Panel:
- (a) determines to support such recommendation, a Modification Proposal shall be deemed to have been made by person making the Request and such Modification Proposal shall be dealt with in accordance with paragraph 7.3; or
  - (b) makes no determination, the Workgroup may reconsider and resubmit the report (whether or not containing a new recommendation) for reconsideration by the Modification Panel and paragraph 11.4.3 shall apply.

## **12 GENERAL**

### **12.1 Notices**

Unless otherwise expressly provided, any document, notice or other communication to be given to or made by any person pursuant to or in accordance with these Rules shall be made in accordance with GT Section B5.2.

### **12.2 Non-receipt**

No accidental omission or neglect in sending any document or notice or other communication to, or (other than in the case of any document or notice or other communication submitted by the Transporters or the Code Administrator to the Authority) non-receipt of any document or notice or other communication by, any person shall be capable of invalidating any act or thing done pursuant to these Rules.

### **12.3 Representations**

12.3.1 All representations (and any withdrawal of the same) made by each User, any Independent Gas Transporter or any Transporter, the ISOP or the CDSP pursuant to these Rules shall be readily identifiable as representations (or, as the case may be, a withdrawal thereof), shall identify the unique reference designation on the Modification Proposal or Request to which they relate and shall be sent to the Secretary at the address of the Code Administrator, for the time being, notified to Users for the purposes of paragraph 12.1.

12.3.2 Any Transporter, User, Independent Gas Transporter, Third Party Participant

or Non-Code Party, the ISOP or the CDSP may at any time prior to the submission of the Modification Report by notice to the Secretary withdraw any representation made by it, whether made in writing or at a meeting of Users or Non-Code Parties.

- 12.3.3 The Code Administrator shall send to the Authority copies of all representations, but the Code Administrator shall not be required to take account of representations received after the expiry of the period established in accordance with these Rules, or of any representations which in the Code Administrator's reasonable opinion are of no relevance to the subject matter to which they are intended to relate, or from persons who are not likely to be materially affected.
- 12.3.4 In submitting representations pursuant to any provision of these Rules, the person making such submission consents to the publication and circulation of such representations by the Code Administrator for the purposes of these Rules.

## **12.4 Variation of Modification Proposal**

12.4.1 In the case of a Modification Proposal adopted pursuant to paragraph 6.4, the:

- (a) Transporter(s), Independent Gas Transporter(s) or User(s) adopting the proposal (where that proposal made is in respect of the Uniform Network Code); or
- (b) Relevant Transporter, Independent Gas Transporter or Relevant Shipper adopting the proposal (where that proposal made is in respect of an Individual Network Code),

shall (as the case may be) as it considers appropriate modify that adopted Modification Proposal having regard to better facilitating the achievement of the Relevant Objectives and having had regard to any other matter (including, but without limitation, representations (if any) received (in accordance with these Rules) from each Transporter, Users, Independent Gas Transporters, Non-Code Parties, Third Party Participants, the ISOP or the CDSP and otherwise and the report of the relevant Workgroup and discussions at meetings of the Modification Panel) as appropriate.

## **12.5 Time periods**

- 12.5.1 Notwithstanding any time periods specified in these Rules, in respect of any Modification Proposal or Request the Modification Panel may subject to paragraph 12.5.2, from time to time, determine to shorten or lengthen the time period within which any (or all) of the Modification Procedures, Request Procedures or any other procedures is (or are) to be undertaken. If the Modification Panel shall so determine, the Code Administrator shall, so far as consistent with these Rules and the Transporter's Licence, do all acts and things which these Rules specify as acts and things to be done by the Code Administrator within such shorter or longer period of time so as to give effect to such determination.
- 12.5.2 Notwithstanding any time periods specified in these Rules, in respect of any Modification Proposal which the Authority reasonably considers is necessary to comply with or implement the Regulation and/or any relevant legally

binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators, or in respect of any Significant Code Review Modification Proposal, the Authority may, by direction in writing to a Transporter, specify and/or amend the timetable to apply to each stage of such Modification Proposal and/or the implementation date of such Modification Proposal.

- 12.5.3 Where the Authority makes a direction referred to in paragraph 12.5.2 and such direction specifies:
- (a) a timetable in respect of all of the steps specified in these Rules as applying to such Modification Proposal, the Modification Proposal shall progress in accordance with the timetable specified in such direction (and not the timetable set out in these Rules);
  - (b) a timetable in respect of some (but not all) of the steps specified in these Rules as applying to such Modification Proposal (and does not direct that the steps in respect of which no timetable is directed are not to apply to such Modification Proposal), then such Modification Proposal shall proceed on the basis of the timetable specified in the direction (in respect of the steps specified in the direction) and the timetable set out in these Rules (in respect of all other steps specified in these Rules as applying to such Modification Proposal);
  - (c) an implementation date in respect of such Modification Proposal but specifies no timetable to apply to such Modification Proposal in relation to these Rules, then the Transporter to whom the direction is made by the Authority shall notify the Secretary of the timetable that the Transporter reasonably believes ought to apply to such Modification Proposal in order to achieve the directed implementation date, and such notified timetable shall apply for the purposes of these Rules in relation to such Modification Proposal.
- 12.5.4 Until such time as the Authority makes a direction referred to in paragraph 12.5.2, the Modification Proposal shall proceed in accordance with the Modification Procedures.

## **12.6 Consequences of the Rules and Confidentiality**

- 12.6.1 These Rules shall not give rise to or impose any duty, obligations or rights (whether in contract, tort, trust or otherwise) pursuant to, in relation to, in respect of or in connection with the Uniform Network Code or an Individual Network Code on any person that is treated as being, for the time being, a User and shall not give rise to any action or claim or liability (whether in contract, tort (including, but without limitation, negligence), for breach of trust or otherwise) against any such person pursuant to, in relation to, in respect of or in connection with the Uniform Network Code or an Individual Network Code.
- 12.6.2 These Rules shall not give rise to or impose any duty, obligation (other than pursuant to a Transporter's Licence) or right (whether in contract, tort, trust or otherwise) and consequently shall not give rise to any action or claim or liability pursuant to, in relation to, in respect of or in connection with these Rules.
- 12.6.3 Without prejudice to the generality of paragraph 12.6.2, no Member, individual in any Workgroup shall be liable (in whatever capacity) and no

employer of any such person shall be vicariously liable for any act or thing done or omitted to be done pursuant to, in relation to, in respect of or in connection with these Rules.

- 12.6.4 Without prejudice to the generality of paragraph 12.6.2, no act or thing done or omitted to be done by a Transporter, an Independent Gas Transporter, the ISOP, the Code Administrator or any User (or any employee, director or agent of a Transporter, an Independent Gas Transporter, the ISOP, the Code Administrator or any User) pursuant to, in relation to, in respect of or in connection with these Rules shall give rise to any action or claim or liability by any User or Non-Code Party against a Transporter, the ISOP, the Code Administrator (or any such employee, director or agent of a Transporter, the ISOP, the Code Administrator) or by any other User, Non-Code Party, Independent Gas Transporter, Transporter, the ISOP or the Code Administrator against such User (or any such employee, director or agent of such User).
- 12.6.5 Nothing in or arising as a consequence of these Rules is intended in any way to limit or negate the ability for the time being of any User, Transporter, Independent Gas Transporters, the ISOP or the Code Administrator to seek to discuss any issue or matter with the Authority or to give rise to any consequence in respect of any contractual relationship (other than pursuant to a Modification) which may, from time to time, exist between any User and Transporter.
- 12.6.6 Save where expressly stated otherwise, nothing in these Rules shall oblige or impose any duty on any User, Transporter, Independent Gas Transporter, the ISOP or the Code Administrator to provide or make available any information.
- 12.6.7 Any person who provides any information for the purposes of or pursuant to these Rules may require that such information may only be made available subject to such confidentiality undertakings as such person may require.

## **12.7 Disapplication of these Rules**

- 12.7.1 In respect of any Modification Proposal or Request if the Code Administrator considers it would be appropriate to disapply any of these Rules the Secretary shall notify each Member, each Transporter and each User, each Independent Gas Transporter, each Third Party Participant, each Non-Code Party (if any), the ISOP and the CDSP and in that notice specify which paragraphs of these Rules the Code Administrator considers it would be appropriate to disapply and explaining why and invite each Transporter, Users, Independent Gas Transporters, Third Party Participants, Non-Code Parties (if any), the ISOP and the CDSP to make representations within ten (10) Business Days following the date of such invitation in respect of the proposed disapplication. The Code Administrator shall within the three (3) Business Days following the expiry of such ten (10) Business Days send to each Member and the Authority copies of all representations (if any) so received.
- 12.7.2 The Modification Panel shall, subject to paragraph 5.3.1, at the next following meeting of the Modification Panel consider the representations (if any) received (in accordance with this paragraph 12.7.1) from Transporters, Users, Independent Gas Transporters, Third Party Participants, Non-Code Parties (if any), the ISOP and the CDSP, and the Modification Panel may determine that it is appropriate to disapply any of the paragraphs of these Rules specified in

the relevant notice. If the Modification Panel shall so determine the paragraphs of these Rules specified in the relevant notice shall, if the Authority agrees, be disapplied.

## **12.8 View**

- 12.8.1 The Code Administrator may decide to seek a View from the Authority on any matter arising (under these Rules or otherwise) from a Modification Proposal that is not a Self-Governance Modification Proposal at any stage prior to the date on which the Code Administrator finalises the Modification Report.
- 12.8.2 If the Code Administrator decides to seek a View pursuant to paragraph 12.8.1, the Secretary shall:
- (a) forward an application to the Authority setting out the Code Administrator's views and reasons for seeking a View from the Authority;
  - (b) if the Modification Panel shall so determine, suspend (in whole or in part) the consideration of the Modification Proposal by any Workgroup; and
  - (c) notify each Transporter, each User, each Independent Gas Transporter and each Non-Code Party (if any) of such decision to seek a View.
- 12.8.3 If, in respect of a View sought pursuant to this paragraph 12.8, the Authority expresses the View that the Modification Proposal should not proceed, the Modification Proposal shall lapse and the Code Administrator shall within the five (5) Business Days following receipt by the Code Administrator of the View prepare and circulate notification of such lapse.
- 12.8.4 If, in respect of a View sought pursuant to this paragraph 12.8, the Authority shall not express any View as to how the Modification Proposal should proceed or expresses the View that the Modification Proposal should proceed to Workgroup Assessment, the Modification Proposal shall proceed to Workgroup Assessment.
- 12.8.5 If the Authority expresses any other view, the Modification Proposal shall proceed in accordance with such view.

## **12.9 Terms of reference**

- 12.9.1 The Terms of Reference for each Modification Proposal referred to a Workgroup shall:
- (a) detail the Modification Proposal;
    - (i) detail the work to be undertaken by the Workgroup, to enable the Workgroup to prepare its report; and
    - (ii) specify any matters, in addition to those referred to in the Code of Practice, which the Workgroup, should address in its report;
  - (b) detail other matters (if any) to be considered or reviewed by the Workgroup;
  - (c) state whether the Workgroup, should consult with any other person for

the purposes of its report, and if so, detail the extent to which and identify which person (or persons) it should consult with, but this shall not require the Code Administrator to engage or remunerate any person so consulted;

- (d) set a timetable in accordance with which the work of the Workgroup is to be done and its report prepared; and
- (e) specify that the Workgroup, is to comment upon any legal text of the Modification, provided to the Workgroup pursuant to paragraph 9.6.

12.9.2 Unless the Modification Panel shall otherwise determine, the timetable referred to in paragraph 12.9.1(d) shall consist of a period of up to six (6) months. Where the Modification Panel determines that such timetable should be extended so that it exceeds a period of six (6) months in aggregate, it shall notify the Authority and the timetable shall be so extended unless the Authority objects. Where the Authority objects to such extension, the Modification Panel shall make a determination under paragraph 7.2.3 in respect of the relevant Modification Proposal at the next meeting of the Modification Panel.

12.9.3 The Modification Panel may, from time to time, determine:

- (a) to change the Terms of Reference of any Workgroup; or
- (b) if the Terms of Reference of the relevant Workgroup so anticipate, that the Workgroup should undertake new or further work or consider new matters (whether or not related to any earlier work undertaken by that Workgroup).

## **12.10 NTS Charging Methodology Forum**

The Transporters shall ensure the NTS Charging Methodology Forum meets on a regular basis, for which purpose the Transporters shall convene a meeting of such forum by notice to its representatives at least once every three (3) months unless there is no matter for the NTS Charging Methodology Forum to discuss.

## **12.11 DN Charging Methodology Forum**

The Transporters shall ensure the DN Charging Methodology Forum meets on a regular basis, for which purpose the Transporters shall convene a meeting of such forum by notice to its representatives at least once every three (3) months unless there is no matter for the DN Charging Methodology Forum to discuss.

## **12.12 Interaction with DSC and CDSP**

12.12.1 The Code Administrator, the Modification Panel and each Workgroup shall have the functions respectively assigned to them in connection with the DSC in the Change Management Procedures.

12.12.2 In connection with the Modification Procedures the CDSP and the DSC Change Committee shall have the functions respectively assigned to them these Modification Rules. Without limitation the CDSP shall participate in each Workgroup (unless authorised not to do so by the Modification Panel), and shall attend any meeting of the Modification Panel if requested to do so.

12.12.3 The CDSP shall at all times nominate one or more persons authorised on

behalf of the CDSP to liaise with, and represent the CDSP in communicating with, the Code Administrator, Modification Panel and any Workgroup for the purposes of the Modification Procedures.

12.12.4 Pursuant to the Modification Procedures the CDSP is entitled to make representations in respect of Modification Proposals but it is understood that the CDSP will usually make representations only in respect of a Modification to amend the DSC.

12.12.5 Where a Modification Proposal to amend the DSC is proposed to be treated as a Self-Governance Modification Proposal, if the CDSP considers that the Modification Proposal raises issues (including any change in the level of risk or liability of the CDSP) which merit consideration by the Authority, the CDSP may make representations to that effect for the purposes of the Authority's decision under paragraph 6.6.3.

### **13 APPEAL PROCEDURES**

- 13.1 No later than fifteen (15) Business Days after the Self-Governance Modification Proposal Determination Date, a User, Transporter, the ISOP, Independent Gas Transporter, Materially Affected Party (if any) or Third Party Participant may make an Appeal by giving written notice of the Appeal to the Secretary, such notice to identify the Self-Governance Modification Proposal which is the subject of the Appeal, any representations which the Appealing Party wishes to make in support of the Appeal and evidence supporting the Appealing Party's view that it will be unfairly prejudiced by the modification proposed in the relevant Self-Governance Modification Proposal.
- 13.2 Subject to the Appeal being made within the period referred to in paragraph 13.1, the Secretary shall, on receipt of a notice under paragraph 13.1 notify each Transporter, User, Independent Gas Transporter, Member, Third Party Participant, Non-Code Party (if any), the ISOP and the CDSP and the Authority that an Appeal has been made and the Secretary shall put discussion of the Appeal on the Agenda of the next meeting of the Modification Panel which shall (subject to paragraphs 5.4.1 and 5.4.2) be convened pursuant to paragraph 5.3.1.
- 13.3 The Modification Panel shall decide, at the meeting referred to in paragraph 13.2, whether to confirm or reverse its determination under paragraph 9.3.10(a) having regard to any representations made by the Appealing Party in support of the Appeal.
- 13.4 The Modification Panel shall, upon deciding whether to confirm or reverse its determination under paragraph 9.3.10(a), notify the Secretary and the Appealing Party of its decision as soon as reasonably practicable following receipt of the Appeal, and where the Modification Panel:
- (a) confirms its determination under paragraph 9.3.10(a), the Code Administrator shall notify each Transporter, User, Independent Gas Transporter, Member, Third Party Participant, Non-Code Party (if any), the ISOP and the CDSP and the Authority of the Modification Panel's confirmation of its determination and send each such person an implementation or (as the case may be) non-implementation notice under paragraph 9.3.10(a) confirming the implementation or (as the case may be) non-implementation of the proposal;

- (b) reverses its determination under paragraph 9.3.10(a), the Code Administrator shall notify each Transporter, Independent Gas Transporter, User, Member, Third Party Participant, Non-Code Party (if any), the ISOP and the CDSP and the Authority of the Modification Panel's determination and send each such person an implementation or (as the case may be) non-implementation notice, which shall have effect in place of the implementation or (as the case may be) non-implementation notice issued pursuant to the Modification Panel's initial determination under paragraph 9.3.10(a).
- 13.5 The Appealing Party may no later than fifteen (15) Business Days after the Self-Governance Modification Proposal Determination Date make an appeal to the Authority; such appeal to identify the Self-Governance Modification Proposal which is the subject of the appeal and include any representations which the Appealing Party wishes to make in support of the appeal.
- 13.6 If the Authority determines the Authority Appeal satisfies the Appeal Criteria, the Authority may consider the Authority Appeal having regard (without limitation) to:
- (a) the Self-Governance Modification Proposal;
  - (b) the final Modification Report in respect of the Self-Governance Modification Proposal;
  - (c) any representations made by the Appealing Party in support of the Authority Appeal; and
  - (d) the determination made by the Modification Panel under paragraph 13.4(a).
- 13.7 Following such determination in accordance with paragraph 13.6, the Authority may:
- (a) confirm the Modification Panel's determination under paragraph 13.4(a); or
  - (b) quash the Modification Panel's determination under paragraph 13.4(a) and rule that the Modification Panel's determination should have no further effect for the purposes of these Modification Rules.
- 13.8 The Authority shall notify the Secretary and the Appealing Party of its decision under paragraph 13.7 in respect of the Authority Appeal as soon as reasonably practicable following receipt of the Authority Appeal, and the decision of the Authority shall be final and binding.
- 13.9 Where paragraph 13.7(b) applies the Authority may:
- (a) remit the Self-Governance Modification Proposal which is the subject of the Modification Panel's quashed determination under paragraph 13.4(a) back to the Modification Panel for reconsideration and re-determination; or
  - (b) determine that the proposed modification to the Uniform Network Code and/or Individual Network Code should be made; or
  - (c) determine that the proposed modification to the Uniform Network Code and/or Individual Network Code should not be made; and
- in the case of paragraphs 13.9(b) and (c), for the purposes of Standard Licence Condition A11(15F)(b), the Modification Panel's determination

under paragraph 13.4(a) shall be treated as the final Modification Report submitted to the Authority under paragraphs 9.3.3 and 9.3.4 and as a recommendation as to whether or not a Modification Proposal should be implemented.

13.10 Where the Authority:

- (a) confirms the Modification Panel's determination under paragraph 13.4(a), the Secretary shall notify each Transporter, User, Independent Gas Transporter, Member, Third Party Participant, Non-Code Party (if any), the ISOP and the CDSP of the Authority's confirmation of the Modification Panel's determination under paragraph 13.4(a) confirming the implementation or (as the case may be) non-implementation of the proposal;
- (b) quashes the Modification Panel's determination under paragraph 13.4(a), the Secretary shall notify each Transporter, User, Independent Gas Transporter, Member, Third Party Participant, Non-Code Party (if any), the ISOP and the CDSP of the Authority's decision and send each such person an implementation notice or (as the case may be) non-implementation notice, which shall have effect in place of the Modification Panel's determination under paragraph 13.4(a).

13.11 Where the Secretary, under paragraph 13.9(a) gives notice of the Authority's confirmation of the Modification Panel's determination under paragraph 13.4(a) confirming the implementation of a proposal or under paragraph 13.9(b) sends an implementation notice, paragraph 9.7.1 shall apply.

## **14 ANNUAL MODIFICATION PANEL REPORT**

- 14.1 Every year, the Panel Chairperson shall prepare and present to the Modification Panel and UNC Committee an Annual Modification Panel Report.
- 14.2 Before completing the Annual Modification Panel Report, the Panel Chairperson should seek the opinions of the Modification Panel and the UNC Committee on how to ensure the efficient and effective operation of the Modification Panel and UNC Committee.
- 14.3 The Annual Modification Panel Report should include recommendations as to how to improve the efficient and effective operation of the Modification Panel and UNC Committee.
- 14.4 The Code Administrator shall provide administrative support to the Panel Chairperson for the purposes of preparing the Annual Modification Panel Report, including providing access to all relevant processes and performance management information.
- 14.5 A draft Annual Modification Panel Report will be submitted to the Modification Panel and UNC Committee for consideration.
- 14.6 The Annual Modification Panel Report will be provided to the Modification Panel and UNC Committee and the Code Administrator will publish it on its website as soon as reasonably practicable following its completion every year.

## **15 CROSS-CODE CHANGE**

- 15.1 For the purposes of this paragraph 15:
- (a) and in relation to each other Energy Code:
    - (i) **“decision date”** means the date on which the relevant EC body rejects a EC change proposal or approves or rejects an appeal in respect of an SG change proposal;
    - (ii) **“EC change proposal”** is a change, amendment or modification proposal to the other Energy Code;
    - (iii) **“relevant EC body”** is the body which determines whether to approve or reject an EC change proposal or an appeal of an SG change proposal; and
    - (iv) **“SG change proposal”** means an EC change proposal equivalent to a Self-Governance Modification Proposal;
  - (b) **“relevant code”** is the Energy Code in which primary governance over a relevant communication and/or data item resides; and
  - (c) **“relevant communication and/or data item”** is:
    - (i) a communication between parties to, and for the purposes of, different Energy Codes;
    - (ii) a data item originating under an Energy Code which is identified in the ‘Energy Market Data Specification’ document (comprised in the Retail Energy Code).
- 15.2 The Modification Panel shall (in such manner as the Modification Panel may from time to time determine) appoint one or more persons to act as a Code representative on the Cross-Code Steering Group, and the Modification Panel shall ensure each such person has the required knowledge and experience to participate in and contribute to the work of the Cross-Code Steering Group.
- 15.3 Where the Cross-Code Steering Group determines in relation to a Cross-Code Change the Code is the principal Energy Code:
- (a) the Modification Proposal will proceed in accordance with these Modification Rules;
  - (b) the Code Administrator will co-operate with the code administrator (or equivalent) of each subsidiary Energy Code for the purposes of co-ordinating and aligning the process and timetable for each subsidiary change proposal with the process and timetable for the Modification Proposal;
  - (c) in the event:
    - (i) the Modification Proposal is approved by the Modification Panel; and
    - (ii) a subsidiary change proposal is not approved by the relevant EC body,paragraph 15.4 shall apply.
- 15.4 Where this paragraph 15.4 applies:
- (a) the Modification Panel may no later than 30 (thirty) days following the decision date (or where there is more than one subsidiary change proposal, the latest decision date) refer the Modification Proposal and

each subsidiary change proposal to the Authority, seeking a determination of the Authority on whether the Modification Proposal and each subsidiary change proposal should be implemented or not:

- (b) where the Modification Proposal is a Self-Governance Modification Proposal, and notwithstanding the Modification Panel's earlier determination, the modification of the Code shall be conditional on the determination of the Authority referred to in paragraph (a) to implement the Self-Governance Modification Proposal (and each other subsidiary change proposal).

15.5 Where the Cross-Code Steering Group determines in relation to a Cross-Code Change the Code is a subsidiary Energy Code:

- (a) the Modification Proposal will proceed in accordance with these Modification Rules;
- (b) the Code Administrator will co-operate with the code administrator (or equivalent) of the principal Energy Code for the purposes of co-ordinating and aligning the process and timetable for the Modification Proposal with the process and timetable for the principal change proposal;
- (c) in the event:
  - (i) the Modification Proposal is approved by the Modification Panel; and
  - (ii) the principal change proposal is not approved by the relevant EC body,

where the Modification Proposal is a Self-Governance Modification Proposal it shall, notwithstanding paragraphs 9.3 and 9.7, not be implemented and no modification shall be made to the Code.

- (d) in the event:
  - (i) the principal change proposal is approved by the relevant EC body;
  - (ii) the Modification Proposal is not approved by the Modification Panel and the relevant EC body refers the principal change proposal and each subsidiary change proposal (including the Modification Proposal) to the Authority in accordance with the relevant Code; and
  - (iii) following a referral by the relevant EC body to the Authority under paragraph (ii) the Authority determines the Modification Proposal (together with the principal change proposal and each subsidiary change proposal) should be implemented,

the Modification Proposal shall be implemented and a modification made to the Code.

15.6 In addition to the persons referred to in paragraph 6.6.1 the REC Code Manager and the Code Administrator may make a Modification Proposal (provided it is a subsidiary change proposal) in respect of the Uniform Network Code in connection with a Cross-Code Change.

15.7 The Code Administrator will co-operate with the REC Code Manager to

ensure each relevant communication and/or data item in respect of which the Code is the relevant code are identified in the 'Energy Market Data Specification' document (comprised in the Retail Energy Code).