

**Smell gas?**

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8th August 2025

Dear Charley

**Re: Data Best Practice as a Code Obligation**

Thank you for the opportunity to respond to the above noted consultation. Northern Gas Networks (NGN) is supportive of the principles around Data Best Practice as a Code Obligation and have set out our responses to the specific consultation questions in Appendix 1. As mentioned in our Teams call, we do need to highlight some specific challenges with the consultation itself, as we don't believe it currently covers the Uniform Network Code and Gas Transporters, although it is clear that it was intended that these were in scope.

The consultation main page and numerous references throughout do not mention that it is a Statutory Consultation, however paragraph 2.20 states 'Following this statutory consultation, we will work with the licence holder or holders to progress the code modification reflecting these changes...'. This introduces confusion as to whether this is a statutory consultation. Clarity around this point would be welcome.

Paragraphs 3.65 to 3.71 state that they refer to the Independent Gas Transporter Uniform Network Code (IGT UNC) and Uniform Network Code (UNC), however all the text from the heading onwards refers only to the IGT UNC. This includes the parties who are members, the parties affected by the changes, and the stated licence condition (Standard Condition 9) that is proposed to be amended. We suggest that a further consultation is required, specifically for the UNC, mirroring the current wording, but with the following proposed amendments as shown in appendix 2, part A for the consultation summary; and appendix 2, part B for the proposed licence drafting changes.

As there has not been any formal consultation, either standard or statutory, regarding DBP in relation to the proposed amendments to the Gas Transporter licence for Gas Distribution Networks and National Gas Transmission (where SC9 is deactivated and replaced by SSC A11), we respectfully request that this information be published at the earliest practicable opportunity to ensure proper governance processes are observed.

Assuming the current IGTUNC draft will serve as a model for the UNC, we outline key considerations below, with more detail in Appendix 1.

- Add obligations to licences and codes only after Code Managers are appointed.
- Within the UNC, the obligation should rest with the Code Administrator, not the code Panel.
- "Bet endeavours2 should not be applied in relation to guidance documents.
- Time limits for code modifications should dictate when changes are raised, not when development is completed.

Please contact me on the details provided below should you require any further information in respect of this response.

Yours sincerely,



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**we are  
the network**

Northern Gas Networks Limited is registered in England and Wales, no. 5167070.  
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## Appendix 1 – NGN consultation questions and responses.

Please see our responses to the specific questions or requests for comments outlined in the consultation below.

### Intend behind the Proposed Changes

#### **Q1. Do you agree with our intent to expand DBP Guidance into the codes?**

Given the intention to transition all codes to licenced code management as part of the Energy Code Reform, it is appropriate that this responsibility also be incorporated within the codes themselves. We recognise the importance of ensuring that all industry stakeholders are not only informed about, but also adhere to, the DBP. Nevertheless, we recommend deferring the implementation of this change until after the appointment of Code Managers, so that those overseeing the process will also possess the relevant licence objective.

At present, code administrators are not licenced; therefore, their obligations may fall under the licences held by other parties. For instance, both the Uniform Network Code and Encodar (trading as Joint Office of Gas Transporters) operate under the Gas Transporter licences. This structure could introduce the potential for dual governance. However, we acknowledge your point that, even where data overlap occurs, application will be determined by specific use cases, with each party expected to apply the information distinctly.

We do not support the inclusion of a "best endeavours" requirement, as it mandates compliance regardless of cost and would ultimately affect customers, given that code administrators operate on a not-for-profit basis. The Code Administrator should adhere to the DBP Guidance; "endeavours" in this context relates solely to actions taken to avoid breaches. As there is currently only guidance, rather than a binding DBP obligation, the term "best endeavours" is not applicable in this situation.

The current drafting of the IGT UNC, and consequently, it can be presumed this will also be the intent for the UNC, assigns the obligation to the Panel. However, within the context of the UNC, this responsibility should be allocated to the Code Administrator, as permitted under the Joint Governance Agreement Arrangements established by the transporters. This is due to the lack of a direct mechanism for imposing obligations on individual Panel members, which is also deemed inappropriate. The intended objective remains achievable through a code modification that ensures the Panel's views on the DBP are solicited as part of the standard panel questions.

#### **Q2. Do you agree with the proposed deadline six months after the licence condition is applied for consequential code modifications? If not, please state your reasons specific to the relevant code and modification process.**

While it is advantageous to establish a clear timeframe for code modifications, it is important to recognise that each code varies in terms of parties involved, interactions, and unique challenges. Imposing a six-month deadline for raising, governing, and engaging stakeholders on these modifications may prove restrictive in certain instances. Previous experiences with tightly constrained timelines have shown that unintended consequences can emerge later. We recommend setting a deadline by which code modifications must be raised but suggest that the subsequent governance timeline be determined on a case-by-case basis, managed by the relevant code administrators or managers.

Regarding the UNC, there are multiple components that will require adjustments through code modifications to ensure proper implementation (refer also to our response to Q3). Consequently, we believe that completing the full governance process will necessitate more than six months.

#### **Q3. Do you agree with the minded-to position that an obligation to produce DSAPs is suitable and proportionate for code bodies? If not, what alternative would you propose to achieve the same or greater benefits?**

This approach presents certain challenges; however, with appropriate code changes, it can be implemented effectively. Not all code bodies are responsible for managing the data, and in some cases, there may be a separate Central Data Service Provider (CDSP).

For information, within the UNC, this could be managed via code modification which we believe should include the following elements:

- Making the DSAP a Code Related Document would ensure that final sign off (via UNC Committee) was by the parties who own the data items

- Obliging the code administrator to include DBP as a question to both proper and panel
- Obliging the code administrator to publish the DSAP
- Establishing an obligation within the Data Services Contract (DSC), through the UNC, for the CDSP to develop and deliver the DSAP.

## Licence Condition Changes by Code

**Q4: Do you have any concerns, or can you see any risks or issues, with the proposed change to the Electricity System Operator Licence amending the BSC?**

As a Gas Transporter we have no interaction with the ESO , nor this code, we do not feel qualified to answer this question

**Q5: Do you have any concerns, or can you see any risks or issues, with the proposed change to the Electricity System Operator Licence amending the CUSC, STC, and Grid Code?**

As a Gas Transporter we have no interaction with the ESO , nor this code, we do not feel qualified to answer this question.

**Q6: Do you have any concerns, or can you see any risks or issues, with the proposed change to the Electricity Distribution Licence amending the Distribution Code?**

As a Gas Transporter we have no interaction with the ESO , nor this code, we do not feel qualified to answer this question

**Q7: Do you have any concerns, or can you see any risks or issues, with the proposed change to the Electricity Distribution Licence amending the DCUSA?**

As a Gas Transporter we have no interaction with the ESO , nor this code, we do not feel qualified to answer this question

**Q8: Do you have any concerns, or can you see any risks or issues, with the proposed change to the Electricity and Gas Supply Licences amending the REC?**

We note that whilst the Supplier licences are best placed to amend the REC, consideration needs to be given to other parties that are also party to this code, some of whom are themselves licenced.

**Q9: Do you have any concerns, or can you see any risks or issues, with the proposed change to the Smart Meter Communication Licence amending the SEC?**

Whilst we are party to the SEC, we have minimal obligations and are not party to the DCC. Therefore we do not feel qualified to answer this question.

**Q10: Do you have any concerns, or can you see any risks or issues, with the proposed change to the Gas Transporter Licence amending the UNC and IGTUNC?**

We have identified several considerations regarding the proposed changes to the GT Licence and UNC, which are outlined below:

### Excluded from consultation

The current drafting of the consultation does not include the UNC or the Gas Transporters licence condition, although the intent appears to be to incorporate the UNC and the UNC administrator, Encodar T/as the Joint Office of Gas Administrators. Paragraphs 3.65 to 3.71 indicate reference to both the Independent Gas Transporter Uniform Network Code (IGT UNC) and the Uniform Network Code (UNC), but all subsequent text discusses only the IGT UNC. This includes references to the relevant parties, those affected by the changes, and the proposed amendment to Standard Condition 9. An additional consultation focused on the UNC is necessary, reflecting the existing structure but incorporating the amendments outlined in appendix 2, part A for the consultation summary, and appendix 2, part B for the proposed licence drafting changes.

### Best Endeavours

We do not support including "best endeavours," as it requires compliance regardless of cost, ultimately impacting customers since code administrators are not-for-profit. The Code Administrator must comply with the Data Best Practice Guidance; "endeavours" only addresses attempts to avoid breaches.

Since there is no explicit DBP obligation, only guidance, the term "best endeavours" does not apply here.

#### Obligation on UNC Panel

The current drafting for the IGT UNC, and we therefore presume the UNC, notes that the obligation is to be placed on the Panel. There is no mechanism within the licence or code for obligations to be placed directly on to Panel members, nor do we feel that this is appropriate. Therefore, within the UNC, this would need to be an obligation onto the Code Administrator, which under the Joint Governance Agreement Arrangements, the transporters can do.

#### Code Modifications

There would be a number of elements required to be raised as a modification to the UNC to comply with DBP guidance and publication of a DSAP. To allow for good governance and ensure that any consequential changes and impacts are duly considered may result in the completion taking longer than six months. The required UNC changes include (but are not limited to) the following

- Include DBP as a panel question when modifications are being considered
- Include DBP question as a requirement when proposers are raising new modifications
- Obligate Code Manager to publish DSAP
- Create obligation in the Data Services Contract (DSC) for the Central Data Service Provider (CDSP) to produce a DSAP
- Make the DSAP a Code Related Document, so that it falls under UNC Committee governance.

#### **Q11: Do you think this proposed principle merits discussion at the CACoP forum for inclusion in CACoP v7.0?**

Alignment between code managers and administrators, where feasible, promotes industry cohesion and simplifies navigation for stakeholders engaged with multiple codes. This approach is consistent with the principles underpinning Energy Code Reform.

Most CACoP members utilise a standard template for code modifications; therefore, updating this master template to incorporate a question regarding DBP would be a suitable and effective means of facilitating this change.

#### **Q12: Do you have any concerns, or can you see any risks or issues, with the proposed change to the Smart Meter Communication Licence?**

Whilst we are party to the SEC, we have minimal obligations and are not party to the DCC. Therefore we do not feel qualified to answer this question.

## Appendix 2

Suggested revisions within this appendix are change marked as follows:

Deletions - strike through and red text **example**

Additions - bold and blue text **example**

### Part A - suggested consultation question for UNC

3.65 ~~Independent~~ Gas Transporters (IGTs) develop, operate and maintain ~~local gas~~ **the national** transportation networks. IGT networks **comprise of the** ~~are directly connected to the Gas Distribution Network (GDN) via a Connected System Entry Point or indirectly to the GDN via another IGT~~ **National Gas Transmission System, and the five Gas Distribution Networks that are directly connected to it, serving**. ~~Although both domestic, and industrial and commercial premises, including very large sites. are connected to the Gas Transporters Networks IGT networks, new housing and commercial developments form the largest share of the IGT market.~~ The ~~Independent~~ Gas Transporters' Uniform Network Code (**IGT** UNC) is a framework that governs the operation and administration of gas transportation networks. ~~operated by Independent Gas Transporters (IGTs).~~ **Whilst Independent Gas Transporters, have a separate uniform network code (IGT UNC), they are also party to the UNC.**

3.66 Parties who are members of this code

**Gas Transporters (GTs)**

Independent Gas Transporters (IGTs)

Gas shippers

3.67 Parties who are affected by this change

The Administrative body – Network Code and Uniform Network Code manager

The company – ~~Gemserve Ltd~~ **Encodard Ltd T/as Joint Office of Gas Transporters**

3.68 We propose to add text to ~~Condition 9, paragraph 7hA~~ **Standard Special Condition A11, paragraph 6(c)** of the Gas Transporter licence, which obliges the licensee to establish a code administrator for the Uniform Network Code and the necessary inclusions for said Administrator's powers and duties. We propose these include following DBP Guidance, and the publication of DSAPs to a schedule as found in the DSAP Guidance published alongside this document.

3.69 The full wording of applicable section can be found in Appendix 2 **[X]** with the proposed changes to the text in bold.

3.70 The objectives of the Uniform Network Code as mentioned in ~~Standard Condition 9(1)~~ **Standard Special Condition A11 (1)** of the Gas Transporter Licence are found in paragraph 1(a-h) of the Condition 9 of the Gas Transporter Licence and Ofgem's position is that each objective – from efficiency, competition, supply security, coordination and ensure regulatory and licence compliance - can be facilitated by adherence to the DBP Guidance.

3.71 Our expectation is that, following these proposed changes, the licensees would raise a code modification in line with current Network Code and Uniform Network Code change procedures to include the obligations as described into the Network Code and Uniform Network Code.

## Part B - suggested Gas Transporter licence drafting to facilitate in UNC

Below is the proposed drafting for the Gas Transporters, replacing the drafting relating to Standard Condition 9, which is currently switched off for Gas Transporters (excluding Independent Gas Transporters).

### Uniform Network Code (Including Independent Gas Transporter Uniform Network Code)

#### Gas Transporter Licence

#### Standard Special Condition A11: Network Code and Uniform Network Code

- 6) The licensee shall, together with the other relevant gas transporters, by the date at which this condition becomes effective (unless the Authority consents otherwise in writing), have prepared a document (the “uniform network code”) setting out:
- (a) the terms of transportation arrangements (and, where appropriate, arrangements with the ISOP) established by the licensee and other relevant gas transporters, to the extent that such terms are common, or are not in conflict, between relevant gas transporters; and
  - (b) the network code modification procedures established pursuant to paragraph 7 including procedures required by paragraphs 15A to 15C, which are, subject to paragraph 8, incorporated by reference into each network code prepared by or on behalf of each relevant gas transporter; and
  - (c) the arrangements establishing a secretarial or administrative person or body, as specified in the uniform network code and the joint governance arrangements established in accordance with Standard Special Condition A12 (Joint Office Governance Arrangements) (the “code administrator”) and setting out the code administrator’s powers, duties and functions, which shall:
    - (i) include a requirement that, in conjunction with other code administrators, the code administrator will maintain, publish, review and (where appropriate) amend from time to time the Code of Practice approved by the Authority and any amendments to the Code of Practice are to be approved by the Authority;
    - (ii) include facilitating the procedures established in accordance with paragraph 7; and
    - (iii) have regard to and, in particular to the extent that they are relevant be consistent with the principles contained in, the Code of Practice; and
  - (d) the arrangements establishing a panel body, as specified in the uniform network code, (the “panel”) whose functions shall include the matters required by this condition and whose composition shall include:
    - (i) an independent chairperson approved by the Authority
    - (ii) a representative of the ISOP; and
    - (ii) a consumer representative (appointed by Citizens Advice or Consumer Scotland, or any successor body) and any other consumer representative as may be appointed by the Authority, each of whom shall have a vote as specified in the uniform network code; and
  - (e) the UNC charging methodologies,
  - (f) include a requirement that the Uniform Network Code ~~administrator~~ **Panel** must **ensure that parties**, when **considering modification proposals that** ~~conducting work~~ **that involves working with or making decisions about the use of Energy System Data** ~~use its best endeavours to~~ **act in accordance with Data Best Practice Guidance;**
  - (g) include a requirement that the Uniform Network Code ~~Panel~~ **administrator** must, publish a Digitalisation Strategy and Digitalisation Action Plan at intervals specified in the DSAP Guidance. The Uniform Network Code ~~Panel~~ **administrator** must;
    - (i) publish ~~it’s the Uniform Network Code~~ Digitalisation Strategy and Action Plan and updates to the Digitalisation Strategy and Action Plan on its website where they are readily accessible to the public;
    - (ii) maintain an archive of all published versions of ~~it’s the Uniform Network Code~~ Digitalisation Strategy and Action Plan on its website where they are readily accessible to the public;
    - (iii) notify the Authority of any updates to ~~it’s the Uniform Network Code~~ Digitalisation Strategy and Action; and

and the licensee shall furnish the Authority with a copy thereof.