

12<sup>th</sup> January 2026

**Cadent Gas Limited**  
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Kate Lloyd  
Ofgem  
10 South Colonnade,  
Canary Wharf,  
London,  
E14 4PU



Dear Kate,

**Statutory Consultation: Establishing a harmonised prioritisation process in the Industry Codes – Cadent Gas Limited’ response**

This non-confidential response is made on behalf of Cadent Gas Limited (“Cadent”), a party to several Industry Codes and an ultimate Licence holder of obligations relating to the establishment, maintenance and administration of the Uniform Network Code (UNC). With this industry position, the vast majority of our comments relate to policy implementation within the UNC.

We generally support the introduction of arrangements that provide for a code modification prioritisation process that is objective, consistently repeatable, and directs resources to changes that provide the greatest benefit to industry and consumers. Our below responses to the consultation’s questions contain specific points designed to aid implementation and ensure the robustness of the modification prioritisation process.

Our intention is to work with the UNC code administrator and the other Gas Transporters (GTs), and consider mobilisation activities that allow for a smooth transition, should these proposals be implemented. We remain committed to supporting Ofgem and DESNZ to deliver optimally reformed energy codes in the best interests of consumers, industry, and the achievement of Net Zero. We would welcome the opportunity to discuss our response to this consultation in more detail with Ofgem.

Yours faithfully,

**Edward Allard**  
Industry Codes Manager

**Cadent Gas Limited**

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5000419 (01/13)

**Page 1 of 4**



## Consultation Questions and Answers

### **1. Do you agree with the policy and associated code modifications proposed in Section 1. Prioritisation process?**

As a principle, we support the introduction of a harmonised prioritisation process that better promotes the progress of modifications considered to have industry importance and/or align with prioritise within the Strategic Direction Statement (SDS).

We agree with the proposal for modification proposers to be responsible for self-assessing their changes' priority against the classifications and criteria provided. Additionally, and in the interim prior to the appointment of code managers, we think it's most appropriate for code panels to determine modifications' priority, informed by proposers' views and the associated guidance.

We provide the following additional comments to aid Ofgem's policy development:

- The proposed policy is designed to be implemented through modifications to the relevant codes and supported by guidance in the form of the Annex A document. Whilst we have not identified any issues with the legal text drafting, it is unclear on where the associated guidance will be positioned within the existing regulatory framework. From our perspective, this detail matters, as without a clear 'home' for the associated guidance, appeals by parties against code panels' determinations and the process for making future changes to definitions becomes less clear. For example, designing the guidance as a document associated to a specific Licence condition(s) or as a code "related document" would naturally drive a clearly defined process that could be followed in the event a party perceived there to be a misapplication of the rules.
- The policy proposes to apply the priority classification process to modifications deemed to not be Urgent. From a UNC perspective, modifications categorised as Fast Track Self-Governance would subsequently fall within the scope of proposals subject to the new prioritisation arrangements. In our view, it may be counter-intuitive to apply the new rules to Fast Track Self-Governance modifications, as by their very nature, they do not require workgroup development and generally command less industry resource to progress.

### **2. Do you agree with the policy and associated code modifications proposed in Section 2. Prioritisation criteria and governance?**

We generally agree with the associated code modifications proposed in relation to the prioritisation criteria and governance. At a more granular level, we think the following points should also be considered:

- Proposers and code panels will be responsible for evaluating a modification's alignment with SDS when determining its priority. Industry codes can be technical and often operate at a more detailed level when compared to the drafting of the Preliminary SDS. As such, it will be important to ensure that the intent of the priorities within the SDS are sufficiently clear, so as to avoid

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5000419 (01/13)

**Page 2 of 4**



ambiguity and non-consensus by panels when determining a modification's priority.

- Although an unlikely scenario, we think it would be prudent to proactively define the rules for managing cases where code panels are unable to agree on the prioritisation classification of a particular modification. Arrangements exist today that govern similar split vote scenarios, and we think the policy's robustness would benefit from clarity on how these tests of governance would be managed – e.g. panel chair has the deciding vote, modification proposer's assessment stands etc.
- Finally, we think consideration should be given to code parties' ability to raise alternative modifications, and how the prioritisation rules operate in these circumstances. For example, questions could be raised on the need to reassess an original modification's classification if an alternative modification was deemed to carry a different level of priority. Clarity should be sought on whether an original Standard priority modification would have its classification upgraded, if the code panel deemed the alternative to be High priority (plus the inverse scenario) – the current UNC governance applies consistent development timelines to original and alternative modifications.

**3. Do you agree with the policy and associated code modifications proposed in Section 3. Prioritisation reporting and governance?**

Similar to the comments we provided on the recent Data Best Practice as a Code Obligation policy, consistency with the existing UNC governance arrangements would be better achieved by placing the obligation on the code administrator to request the panel to carry out certain functions. In the case of this policy, it would be more in keeping with the existing UNC mechanics for the code administrator to hold the obligation to schedule reviews as part of the UNC Panel agenda, and adjust the relevant modifications' timelines accordingly. This may also allow easier 'novation' to the code manager once appointed, whereas panels may be replaced by Stakeholder Advisory Forums (SAFs).

**4. Do you agree with the policy and associated code modifications proposed in Section 4. Policy implementation?**

We think the default review frequency of modification proposals' prioritisation categorisation (with the ability to perform an ad hoc review upon certain triggers) would be more appropriate as annual, particularly if aligned with the publication of the given year's SDS. The ability to conduct a review on an ad hoc basis provides some flexibility, and our concern is that a more frequent mandatory review could drive greater costs/resource than value delivered.

**5. Do you agree with the proposed implementation date of 28 days from the publication of the related prioritisation policy decision notice?**

Encodar, as the providing of the UNC code administrator function, will be primarily responsible for the coordination of new activities and updating of modification registers etc. Whilst we consider an implementation date of 28 days from the publication of the corresponding decision notice to be

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ambitious, particularly given the breadth of in-flight UNC modifications and the depth of records maintained by the code administrator, Encodar are ultimately best placed to advise on the feasibility of the proposed timelines. As started in our covering letter, we are working with Encodar and the other GTs (in our capacity as the relevant Licence holders) to consider implementation plans, should the policy be enacted.

**6. Do you agree with the proposed guidance in ‘Annex A: Proposed Authority guidance on code modification prioritisation’?**

As outlined in our response to question 1 above, our feedback on the proposed authority guidance mainly relates to how it is ‘housed’ within the regulatory framework, and the clarity on appeals and future changes provided as a result. Our concern is that without making the changes necessary to ensure the guidance is clearly incorporated into the regulatory framework, the grounds upon which parties are able appeal panel prioritisation decisions under will be ambiguous. Additionally, and assuming changes to the prioritisation criteria may be required in the future (possibly after the expiry of Ofgem’s Energy Act powers), it is not clear through which process any amendments would be delivered – e.g. Licence, code modification etc.?

**7. Do you agree with the proposed code text drafting published in annexes B – L?**

We agree with the proposed code text drafting for the modifications relevant to the UNC.