

UNC Consultation Response – Respondent Name : [Transco]

UNC Document

Section	Section Reference	Response
Introduction		
TPD Section A – System Classification		
TDP Section B – System Use and Capacity	3.81.	We still believe it is necessary for the code to provide for the possibility of payment to Users for surrendering capacity.
	3.9.3.b	We still believe that “shall” needs to be replaced with “may” as a User may choose not to pursue their request for further capacity if it requires Transco to seek capacity to be surrendered.
	6.2.1 and 6.3.8	Whilst we accept it may be Transco’s intention to publish OCS data, unless the code specifies that will publish this data there is no guarantee it will be available. Bearing in mind this data will be relevant to shippers in determining how they bid in the capacity and flow flex auctions it must be available. Transco, in their response to EDFs concerns under J.2.5 also stated that if a shipper felt it had been discriminated against it would have liberty to make representations to Ofgem/Transco. However this is only possible if a shipper is made aware of OCS information in the first place, i.e. it has been published.
TDP Section B – System Use and Capacity		
TPD Section C – Nominations		
TPD Section D – Operational Balancing..		
TPD Section E – Daily Quantities...		
TPD Section F – Balancing Charges etc		
TPD Section G – Supply Points		
TPD Section H – Demand Estimation..		
TPD Section I – Entry Requirements		
TPD Section J – Exit Requirements	1.3.1	Having referred to upstream transporter in J 1.2.1c we fail to see why downstream transporter should not be similarly referred to bearing in mind its use in 7.1 and elsewhere in the document.
	3.4.3	Further to Transco’s previous response we accept the principle under pinning the drafting that the liability cap for non compliant gas should exclude any payment that might be made in relation to gas not available for offtake. However, we believe this could be made clearer by including 3.4.3 as bullet point c of 3.4.2 and deleting the text in brackets.
TPD Section J – Exit Requirements		
TPD Section K – Operating Margins		
TPD Section L – Maintenance etc...		

TPD Section M – Supply Point Metering		
TPD Section N – Shrinkage		
TPD Section O – System Planning		
TPD Section Q – Emergencies		
TPD Section R – Storage		
TPD Section S – Invoicing & Payment		
TPD Section U – UK Link		
TPD Section V – General	1.1.1 (b)	Delete words “Network Code”. Reference to “Network Code Ancillary Agreement” is not valid in light of amendments made to V 1.1 and V 1.1.1. Reference should now be to “Ancillary Agreement”
	5.5.3 (l)	This is an addition to the Code and is a Modification to the existing rules. Our first consultation provided a challenge to this section, we were advised that “This has been inserted at the request of a particular buyer in view of its business model”. The UNC must not consist of any material change to the existing code – this is a direct infringement of this directive and we object to its conclusion.
	6.5.2	This section is not helpful in its current form as it attempts to define the activities of the Transporter’s Agency. The list is not exhaustive as there are a number of Agency Activities listed in the Agency Services Agreement that do not appear in 6.5.2. On challenging this list at first consultation we were advised that the scope is intended to give a high level overview of the scope of the Transporter’s Agent. This is inconsistent with the text of the Code which does not state that the activities listed are given as an overview, nor is it consistent with the additional inclusion of a variety of activities since the first consultation both of which suggest a comprehensive list of activities. The reference in the code regarding Transporter Agency Activities should not attempt to define specific activities as it does at present but should reference those activities defined in the Agency Services Agreement. We feel that this approach, as with the reference within the Offtake Arrangements Document section M 2.2.1 (b) to the ASA, would provide comfort to Shipper Users that all activities defined in the ASA are included as activities within the UNC.
	6.5.7	Added whole new section that will enable the Transporter to appoint an Agent for activities not defined in V 6.5.2. We already have concerns over the detail provided by 6.5.2 and are unhappy with the recent addition of V 6.5.7 into this draft of the UNC
	6.5.8	Added clause that allows the Transporter to terminate an agent. This recent addition to the text causes concern in that it does not prescribe the period of notification that a Shipper User will have on notice of termination. There is a potential impact on Shipper systems and processes that such an activity may induce, we believe that there is insufficient protection to Shipper Users of such an occurrence under the current drafting.
TPD Section X – EB Credit Management		
TPD Section Z – LNG		
OAD Section A – Scope & Classification		
OAD Section B – Connection Facilities		
OAD Section C – Safety & Emergency		

OAD Section D – Measurements		
OAD Section E – Telemetry etc		
OAD Section F – Determination of CV		
OAD Section G – Maintenance		
OAD Section H – Long Term Planning		
OAD Section I – Operational Flows		
OAD Section J – LDZ/LDZ Offtakes		
OAD Section K – LDZ System Entry Points		
OAD Section L – Cost Recovery..		
OAD Section M – Information Flows		
OAD Section N – General		
Modification Rules (Former Section Y)	Definitions	Query ‘Relevant Subject Matter Expert’ definition has changed to say that ‘transporters’ rather than the ‘mod panel’ appoint the Subject Matter Expert. We understand that when the Subject Matter Expert is appointed he becomes the Relevant Subject Matter Expert. Possibly this is an interpretation issue as 7.3.1.(a) states that the Mod Panel propose 1 SME whilst 9.2.1 states that the transporters will notify the SME of its appointment. This could be interpreted that the transporters make the final decision of who gets appointed as SME’s or it could mean that the transporters are used as a conduit to notify all proposed SME’s. We accept that transporters appoint SME’s when the modification proposal is given ‘Urgent Status’. Clarification requested on this matter.
	Definitions	Can’t find definition for ‘DNO User’
	4.1.4	Can’t find definition for ‘Supplier Representative’
	7.2.3 (a) iii	Discusses appointment of SME by Mod Panel contradicts with definition
	9.5.5	We do not agree with new clause stating that no majority recommendation is recommendation for no change. We believe that if this situation arises the Authority should be given notice of no recommendation and provided details of the voting of the Mod Panel Voting Members
	10.1.2 (b)	Urgent Mods – possibly this is why SME has got a bit confused as with Urgent Mods transporters appoint SME because of short timescales?
	10.2.2 (c)	Indent needs correcting
Transition Document		
General Terms Section A – Dispute Resolution (formally Section T)		

General Terms Section B – General (parts of original Section V)	6.5.2	Deletion of NWC clause 14.7.1 and addition of UNC clause 6.5.2 appears to have introduced an adjustment to the Rights of Third Parties. This redraft was not requested during consultation and we are concerned of the subtleties to existing Third Party Rights that this clause may introduce.
General Terms Section C – Interpretation (formally Section W)	2.9.9	Addition of this clause defines that where an LDZ is “served” it is “served” by an Offtake where gas flows from the NTS to the LDZ at that Offtake. Not sure why clarity was added here and concerned that this is not entirely accurate in terms of defining all scenarios whereby an LDZ is/can be “served”.
	3.3.1 (b)	Introduction of new term ‘Inter System Offtake’ – definition required

Associate Documents

Section	Section Reference	Response
Agency Services Agreement (ASA)		
Joint Governance Agreement (JGA)	6.3	No mention of Deputy Chairman? However it mentions deputy secretary – In Schedule 4 deputy chair is introduced –think it should have a definition and explain how it is elected
	2.8.1	Network Code Modification Proposals’ should be ‘Uniform’ Network Code Modification Proposals
Incremental Exit Capacity Release (IExCR) Statement		