



Code Administration Code of Practice

User feedback form

The Code Administration Code of Practice (CoP)¹ was implemented on 31st December 2010. The aim was to facilitate convergence and transparency in code modification processes. The CoP is formally adopted by the UNC, BSC and CUSC, and has been voluntarily observed by other codes.

In accordance with Principle 4, the CoP is subject to periodical review by users. In this first review, we welcome your feedback on how well the CoP Principles are being achieved in practice and any suggested amendments that you would like to raise for consideration.

Please provide your feedback by completing this form and returning your comments to Ofgem **by Friday 20th January**:

industrycodes@ofgem.gov.uk

If you would like any comments to be considered as confidential, please indicate this clearly.

Thank you

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Which industry code(s) are you actively involved with*?

UNC

How would you characterise your involvement with the above code(s)?

UNC Signatory

* Please indicate in each of your responses which code your comments relate to.

¹ A copy of the Code Administration Code of Practice can be found at <http://www.ofgem.gov.uk/Licensing/IndCodes/CGR/Documents1/FinalCoP.pdf>

Please share examples of any areas where you have found the application of the CoP Principles particularly successful. Please include any suggestions of 'best practice'.

Principle 1 – Code Administrator shall be critical friends.

National Grid Transmission (NG NTS) considers that the Joint Office of Gas Transporters has performed this role well. We believe they deserve credit for guiding industry parties through the process of implementing many of the new arrangements introduced as a result of the recent Code Governance review which introduced the Code of Practice. Improvements have been made in the following areas:

- 1) Establishing new, consistent, templates for proposals, reports and representations;
- 2) Encouraging participation in the code modification process;
- 3) Ensuring that all arguments for and against a Modification are adequately discussed and reflected in documentation such as workgroup reports and modification reports;
- 4) Wider application of teleconference facilities and digital media; and
- 5) Access to UNC related documentation.

Principle 9 – Legal text will be produced and consulted upon prior to a Modification being recommended for approval.

The UNC Modification Panel Chairman and Panel Members have sought to strike an appropriate balance in this area. The discipline of ensuring that either "suggested" or formal legal text is included in the Modification Report at the time of consultation as resulted in a number of modifications spending a greater amount of time in the "development phase". Whilst this may be viewed as extending the timeframe of the modification process it has generally resulted in more concise and clear documentation of Modifications prior to the consultation phase and as a result facilitated industry understanding and contribution to the modification process.

We also note that the UNC Governance Workgroup are currently helping to develop two UNC Modifications (0384 and 0394) in this area aimed at providing further clarity and structure around the provision of legal text.

Please share examples of any areas where you have found the application of the CoP Principles particularly *unsuccessful*. Please include any suggestions for improvement.

Experience of operating under the CoP and revised modification rules introduced as a result of the Code Governance Review has shown that the average time taken for a Modification to go from inception to implementation has been extended. Whilst this may be viewed with some concern this extension of the process has generally resulted in better quality modifications and or a more inclusive development and or communication of the change being proposed.

How useful do you consider the standardised processes, timetables and documents to be, as set out in the CoP?

The introduction by the Joint Office of Gas Transporters of the new document templates has served to add structure and discipline to the Modification process.

Do you consider that the standardised processes, timetables and documents have been successfully implemented in the code(s)?

In general these processes have been successfully implemented. However, though not directly attributable to the Code of Practice processes, the application of the Self Governance procedures has experienced some initial teething problems. A lack of clarity, and consistent application, of the arrangements have occasionally lead to confusion for both Modification proposers and the UNC Panel Members in regard to how the COP and UNC rules should be applied to these proposals. For example, the criteria for assessing what should and should not be considered as a self governance proposal would benefit from further clarity to aid consistency in its application. In light of this NG NTS has raised a UNC Modification (0384) in part to add further clarity to the self governance process.

Very few UNC Modifications have progressed through the Self Governance route so far, and therefore it is difficult to judge at this stage whether or not this alternative process is, in aggregate, beneficial.

In respect of Principle 1, which describes the role of Code Administrators as 'critical friends', if you are a code user, how would you evaluate the implementation of this principle in 2011?

As a UNC signatory NG NTS have found the Joint Office staff to be helpful and knowledgeable. The contribution of the Joint Office staff at various industry workgroups has also been beneficial in ensuring focussed and constructive debate.

Have you identified any additional areas that you feel it would be helpful for the CoP to cover? If so, please describe how you feel this would improve the code administration processes.

As detailed NG NTS consider that the Self Governance process would benefit from greater clarity both on its applicability to a proposed change and the application of the process. These changes would improve the code administration process by reducing the current inconsistency of application and promote further understanding of the process and timescales.

We do recognise that the Authority has the ability reject a Self-Governance statement at any time up to the Determination Date of the proposal. Further clarity on the criteria used when considering the use of these powers would help those developing proposals to identify when changes to a proposal may trigger a re-assessment by the Authority of the application of Self Governance arrangements.

Are there any areas of the CoP that you have found to be inconsistent with other code processes? Please identify any specific examples.

No

Have you identified any parts of the CoP that you feel should be removed or amended? If so, please explain your reasons for this.

no

Do you feel it would be useful at this stage to impose KPI targets on the Code Administrators (whereas currently KPI data is recorded, but no targets are set)?

Not at this stage.

How would you rate your experience of the overall usefulness of the CoP?

CODE	Very poor	Poor	Neutral	Good	Excellent
<i>BSC</i>					
<i>CUSC</i>					
<i>UNC</i>				x	

Do you have any other comments?