

By E-mail

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Your ref

Our Ref

Date

26th June 2015

Contact / Extension

**Stephanie Rogan
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Dear Maxine

Further review of industry code governance

We would like to thank you for the opportunity to comment on the current Code Governance as set out in your open letter of 15 May 2015. Our response does not respond to the specific questions raised, however, we hope that our suggestions below are helpful.

Code Overview

We believe it may be beneficial to take a high level view of this process.

As there are many Codes in existence, some of which link to others, it would be helpful for colleagues and stakeholders alike if such Codes and associated working groups could be mapped. It would be helpful if an area could be created on the Ofgem website publishing; working group dates; members; linkage to other Codes and a high level overview of the work each Code working group undertakes.

Distribution Code

In relation to self-governance, we remain of the view that due to the low number of amendments to technical codes, which do not ultimately need approval by Ofgem, that a self-governance regime isn't merited.

The majority of changes in the technical codes are influenced by changes in the operating environment. In each case, The Panel would apply to Ofgem to confirm that the code change may be treated under self-governance adding an additional layer to the process which is of little or no benefit to stakeholders.

The open letter has proposed that independent chairmen could be beneficial to working groups. It is worth noting that Independent chairmen were not mandated for the Grid or Distribution Code Review Panels. Whilst we fully support transparency and open governance arrangements we also believe that having a technically expert chairman can be as equally beneficial in delivering practical solutions. As the proposed self-governance process, presents the possibility of adding a further layer in the Code Governance process, we do not believe that this will lead to an efficiency in the process.

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We therefore believe that it would be in all parties' interests to retain the status quo in relation to self-governance of the Distribution Code.

Yours sincerely,

A handwritten signature in black ink, reading 'S. Rogan' in a cursive style.

Stephanie Rogan
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