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By email

Dear Marion,

Code Governance Review (Phase. 3): Consultation on Licence Modifications

Thank you for the opportunity to respond to your final proposals for Phase. 3 of the Code Governance Review (CGR), specifically in relation to the proposed licence modifications.

Our response has been structured around each of the questions raised in Ofgem's letter of 31 March 2016¹ with the purpose of assisting ease of reference when comparing responses from other industry participants.

Please note that our response relates only to the modifications proposed to the following licence condition, as appended to your above referenced letter. As we are not party to the other licences under consultation, we do not consider it would be appropriate for us to comment.

Gas Transporter Licence Standard Special Licence Condition A11 – UNC (Appendix 10)

1. Do you consider that the licence drafting would achieve the policy proposals set out in the CGR3 Final Proposals?

Yes, we consider that the licence drafting does deliver the proposals.

2. Do you consider that the licence drafting in Electricity Transmission Licence SLC C14 would also facilitate the implementation of GC0086?

We have no comment as we are not party to this licence.

¹https://www.ofgem.gov.uk/system/files/docs/2016/03/code_governance_review_phase_3_final_proposals_consultation_on_lice nce_modifications.pdf

3. Do you agree that, where licence drafting differs between licence conditions, the substantive effect is materially the same?

We have undertaken a cursory comparison between Gas Transporter Licence SLC9 (iGT UNC) and Gas Transporter Licence SLC A11 (UNC) and consider that the drafting facilitates a consistent result.

As above, we have restricted our formal review to A11 (UNC) only, as this is the only licence to which we are party.

Should you require any further information with regards to our response then please do not hesitate to contact me at paul.mitchell@sgn.co.uk.

Yours sincerely,

Paul Mitchell Regulation Manager