

By email to: switchingprogramme@ofgem.gov.uk

Rachel Clark
Switching Programme
Ofgem
10 South Colonnade
London
E14 4PU

28th August 2019

Dear Rachel,

Re: Switching Programme and Retail Code Consolidation: Proposed changes to licences and industry codes

The Independent Gas Transporter Uniform Network Code (IGT UNC) welcomes the opportunity to respond to Ofgem's consultation on the 'Switching Programme and Retail Code Consolidation: Proposed changes to licences and industry codes'. This response represents the collective views of the IGT UNC Modification Panel which were discussed and agreed at the August 2019 Modification Panel meeting.

The IGT UNC streamlines and harmonises the network code arrangements for all IGTs. IGTs maintain their own network codes for those requirements that are specific to them. The IGT UNC Panel is made up three Pipeline Operator (IGT) Representatives and three Pipeline User (Shipper) Representatives. In addition, the Panel also consists of the Chair and the Authority as non-voting members.

The IGT UNC Panel's response concentrates only on those areas that directly impact the IGT UNC and can be found in Annex A of this letter. We have not commented where we feel it is more relevant for individual parties to the IGT UNC to respond. The IGT UNC Panel wishes to highlight some observations as part of its response; these are set out below. Please note that this response is not intended to replace individual responses.

Switching Programme SCR and the Retail Code Consolidation SCR

The IGT UNC Panel notes the approach for Ofgem to manage modification proposals and assess the impacts on the proposed REC. The extent to which this is implemented needs careful consideration to ensure that clarity of the process is provided. We consider that there is too little detail within the consultation to make an informed decision on the practicality of the proposed process and to fully assess if changes are required to the current SCR processes within the modification rules. This can lead to confusion over how the IGT UNC code and the IGT UNC Panel should proceed in these situations. As the SCR process has commenced, we encourage Ofgem to articulate the process more clearly for the benefit of the IGT UNC and all other industry codes.

Proposals which fall within the scope of the baselined REC or impacted code consequential change drafting, but do not impact upon the end-to-end design of switching systems

The Panel is considering maintaining a shadow copy of the IGT UNC legal text (Version 10.9) for consequential changes required to support the implementation of the Retail Energy Code. The

shadow copy will be updated whenever a new release of the IGT UNC is issued and we plan to coordinate with Ofgem to share a revised version of the baseline drafting that captures this (and any other) approved change.

If you would like to discuss our response, please contact the IGT UNC Code Administrator in the first instance at IGTUNC@gemserv.com or on 020 7090 1044.

Yours sincerely,

Anne Jackson

IGT UNC Panel Chair

Annex A – IGT UNC Panel responses to Switching Programme and Retail Code Consolidation: Proposed changes to licences and industry codes questions.

Below are the IGT UNC Panel responses to the questions that directly impact the IGT UNC within the consultation.

Question	IGT UNC Panel response
<p>2.2 Do you agree with the approach we have described for managing the delivery of the Switching Programme SCR and the Retail Code Consolidation SCR?</p>	<p>2.19. Modification proposals (for REC and other industry codes within the scope of the SCR) that emerge during the maintenance period of either SCR will be assessed as to whether they would have an impact upon the proposed REC and other industry code drafting. In summary: Switching Programme SCR</p> <ul style="list-style-type: none"> • Any proposals which do not fall within the scope of this SCR will be allowed to proceed through the code modification process as normal; <p>We note the process described to assess modification proposals on their impact upon the proposed REC. The extent to which this is implemented, needs careful consideration to ensure that clarity of the process is provided. We note that there is too little detail within the consultation to make an informed decision on the practicality of the proposed process and to fully assess if changes are required to the current SCR processes within the IGT UNC modification rules.</p> <ul style="list-style-type: none"> • Any proposals which fall within the scope of the baselined REC or impacted code consequential change drafting, but do not impact upon the end-to-end design of switching systems, may be directed to be implemented as normal. In this instance we would share a revised version of the baseline drafting that captured this (and any other) approved change; <p>The Panel note this proposal and are concerned that this may lead to confusion and currently believe it is the responsibility of the Code’s governance to maintain a shadow version of all changes to that text subsequently required following further code changes.</p> <p>The Panel is considering maintaining a shadow copy of the IGT UNC legal text (Version 10.9) for the consequential changes required to support the implementation of the Retail Energy Code to be updated whenever a new release of the IGT UNC is issued. However, we plan to coordinate with Ofgem to share a revised version of the baseline drafting that captured this</p>

Question	IGT UNC Panel response
	<p>(and any other) approved change. We encourage Ofgem to articulate the process more clearly for the benefit of the IGT UNC and all other industry codes.</p> <ul style="list-style-type: none"> Modifications which do impact upon the end-to-end design will be suspended, subject to, and pending the outcome of, an impact assessment and/or Change Request to be determined by the Authority under Switching Programme governance. This may subsequently result in changes being approved in relation to each of the end-to-end design, the consolidated drafting and/or the relevant industry code. <p>The Panel note this proposal, however considers that too little detail is provided on the ownership and responsibility, whether on the Panel or Ofgem, of drafting and agreeing any changes to the individual Codes under this scenario. We believe this approach consists of an IGT UNC party raising a Change Proposal, Ofgem assessing the impact of this on the end-to-end design and then deciding either to allow the Change Proposal to proceed or halting it.</p> <p>The Panel recognises that any IGT UNC modifications raised will need to be considered against the IGT UNC changes for the Retail Energy Code developed under RG005 (IGTUNC) and UNC630R(UNC) and the SCR. This may result in a number of potential new Modifications being sent to the Authority for their view on whether the proposed Modification should be taken forward or whether it should be deferred because its subject area is related to the remit of the Retail Energy Code. The Panel would expect that such referrals be given suitable priority to ensure the Modification Process could still function effectively.</p> <p>The Panel have concerns about the lead time in which decisions would be made in regards to modification proposals submitted to the Authority. One solution suggested to mitigate that was for the Code Administrator to approach the Authority during the preliminary assessment of a modification proposal to discuss and obtain an early insight of the likely impact of the change and therefore the likely lead time for any decision. This would provide the Proposer with a greater understanding in regards to a proposed timetable for a modification proposal. It will also avoid unnecessary wasted time and effort on a change that could not be processed at that time.</p>

Question	IGT UNC Panel response
	<p>It may be helpful if Ofgem published a lead time ‘service level’ that it plans to adhere to where possible, through this phase of the Switching Programme.</p> <p>Retail Code Consolidation SCR</p> <ul style="list-style-type: none"> • We will outline the criteria for assessing modification proposals against the scope of the SCR, along with the planned SCR launch in Autumn 2019. <p>We note that the Retail Energy Code consolidation criteria will be outlined in Autumn 2019. In the interim time period before Autumn 2019 we propose to carry out our own approach associated to an extension to our existing Cross Code Modification Implications analysis and our Known Issues Register.</p> <p>In relation to RG005 – ‘IGT UNC Review of Consequential Changes resulting from Faster Switching arrangements’ we propose the below:</p> <ul style="list-style-type: none"> • That RG005 remains open and sits as a standing Workstream meeting agenda item until otherwise further stated; • That a REC tab is added to the Known Issues Register to ensure all changes are captured and not lost in transition; and • That the process for which the Text is maintained between the different REC implementation stages is determined in line with any recommendations from the Authority. <p>As the consolidation plans for the SPAA and metering codes become clearer, the Panel believes that additional consequential changes may become evident and these will be addressed in this review group.</p>