



Rachel Clark, Switching Programme
Ofgem
10 S Colonnade
Canary Wharf
London
E14 4PU

29 July 2019

Dear Rachel,

Re: Proposed changes to licences and industry codes (1)

Thank you for the opportunity to provide respond to this consultation. Northern Gas Networks (NGN) has been actively involved in Ofgem's Switching Programme as well as working collaboratively with Xoserve and industry in considering the impacts of consequential changes this may result in.

We have set out our responses the specific question in the consultation in the attached appendix. NGN has limited responses to the specific questions that impact on our business as a Gas Transporter or where consequential impacts to our contracts or processes have been identified at this point.

Overall, we are supportive of the revised arrangements and are keen to ensure that economic and efficient solutions for the eventual deliver of a fully functioning Retail Energy Code (REC).

I hope these comments will be of assistance and please contact me should you require any further information in respect of this response.

Yours sincerely,

By email

Joanna Ferguson
Head of Market Services & Regulatory Compliance



Appendix1

Consultation Questions

Chapter One

Question 1.3: Do you consider that the methodology as set out above is appropriate?

Overall, NGN agrees with the methodology, noting that an open procurement process as set out should ensure that industry has the appropriate level of control and the service provider has clear scope and deliverables while having the opportunity to offer innovative solutions to key aspects of the role.

Question 1.4: Do you have any comments on the scope of services?

We note that the scope is considerably broader than existing code administrators and acknowledge that this move to code management should provide the level of service required. It is critical that the service levels and management reporting required to manage such a broad scope are agreed at the earliest opportunity with the preferred bidder.

Question 1.5: Do you agree with our outline proposals on the set-up of the REC?

The setting up of REC Manager role should allow for natural growth of the role as the nature and status of the REC itself grows. Oversight of REC Manager by the PAB in conjunction with the RECCo Board should ensure that services are delivered efficiently and effectively.

Chapter Four

Question 4.3 & 4.4:

N/A to NGN