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Dear Julian

Draft Modification Report 0048: Preparation of Legal Text for Users Modification Proposals

Thank you for providing SGN with the opportunity to comment on the above modification proposal.

SGN fully supports this particular proposal. As stated in the Draft Modification Report, although it is often suggested that it is the Business Rules or principles that are being consulted upon, in some cases this can create problems where the Business rules or principles are open to interpretation. Where this is picked up at an early stage, this can result in further explanatory notes being produced or Workstream meetings being held to provide additional clarification or information. If not picked up at an early stage, it can result in incomplete and inaccurate views being given as part of the consultation process. In some cases this is only picked up at a very late stage when legal text is prepared. SGN believes that by providing an opportunity to provide legal text for User modification proposals from an early stage, greater clarity should be provided, ensuring a consistent understanding across the industry. This should help ensure rigorous and thorough analysis and consideration of the issues. We believe that such an arrangement should improve the efficiency and effectiveness of the modification process and ultimate decision.

Whilst the proposal suggests the default should be that legal text is provided by Transporters for all User modification proposal, there is an option which would allow the Panel to determine by simple

majority that this is not necessary or appropriate. This decision would be taken at the same time as the Panel vote on whether to refer a proposal to consultation. We believe this is an appropriate decision point and should provide adequate protection against unnecessary or inefficient use of resource. If the modification proposal were deemed to be straightforward, sufficiently well defined or alternatively require further development or clarification, we would expect the Panel to determine that legal text should not be prepared.

Extent to which implementation would better facilitate the relevant objectives

SGN believes that the provision of legal text for User modification proposal, except where the Panel determines that it is uneconomic or inefficient to do so, would improve the effectiveness and efficiency of the consultation process and potentially quality of responses and determination. It should help minimise the risk of delay, the need for further explanatory notes or Workstream meetings and at the most extreme, reduce the need for subsequent or additional consultation. As such we believe the proposal would better facilitate relevant objective outlined in Standard Special Condition A11.1 (f) by promoting efficiency in the administration of the UNC.

Implications for Transporters and each Transporter of implementing the Modification Proposal

The proposal is likely to result in additional cost for Transporters in providing legal resource. However SGN does not anticipate that this will be significant. However this should be kept under review. SGN believes that Users should continue to be encouraged to provide their own suggestions on legal text or an indication of how the proposal could be implemented, including relevant sections of the UNC that they believe will need to be amended. We would also expect the Panel to act responsibly in considering and determining whether it is appropriate or efficient to require legal text. In this way it should be possible to avoid or minimise unnecessary or inefficient use of Transporter resources.

Proposed implementation timetable

As there are no system implications or significant resource implications, SGN believes that implementation should be possible immediately following approval.

I hope you find these comments helpful. Should you require any further information or wish to discuss any aspect of our response, please contact me at the above address.

Yours sincerely

Beverley Grubb
Commercial Manager