

Representation - Draft Modification Report UNC 0760

Introducing the concept of a derogation framework into Uniform Network Code (UNC)

Responses invited by: **5pm on 20 September 2021**

To: enquiries@gasgovernance.co.uk

Please note submission of your representation confirms your consent for publication/circulation.

Representative:	Darren Lond
Organisation:	National Grid NTS
Date of Representation:	20 th September 2021
Support or oppose implementation?	Support
Relevant Objective:	f) Positive

Reason for support/opposition: Please summarise (in one paragraph) the key reason(s)

National Grid NTS supports the implementation of this Modification Proposal, innovation is likely to play a major role in UK plc progressing towards its Net Zero ambitions and therefore the industry processes and UNC will need to evolve to support the UK's journey. However, not all innovation will be successful, therefore the introduction of derogations in a balanced and controlled way, in order to facilitate trials and/or demonstrations will allow this, without the time needed for enduring change to be progressed for something which may not be ultimately be successful.

National Grid NTS is of the opinion that derogations may become a key enabler in new technologies and processes demonstrating success and justifying an enduring requirement to change and the use of derogation will support the provision of the evidence required to support a future modification.

The Modification Proposal includes detailed process steps to ensure that any application for derogation is well developed and has been subject to industry consultation and UNC Modification Panel consideration prior to any approval. Additionally, the inclusion of the requirement for a unanimous decision from the UNC Modification Panel for any approval should ensure that only those applications which are fully developed progress. We feel this is an important safeguard but recognise the importance of an appeal process which is also a component of the Proposal.

We note that this Proposal is primarily focussed on facilitating the introduction of Net Zero related innovation into UNC but welcome the inclusion of an element of future proofing through the introduction of the concept of Use Cases and the opportunity to add further Use Cases via a UNC Modification process should they be required in the future.

Finally, National Grid NTS believes that transparency in this process is key to ensuring all parties are aware of any derogations, both within the approval process and once active. We therefore support the inclusion within the proposal of the Joint Office, holding and publishing a central register of all derogations and appropriately flagging them against the relevant provision(s) within the prevailing version of UNC, ensuring that key element of transparency to all interested stakeholders is delivered.

As a result, National Grid NTS believes that the Modification Proposal furthers Relevant Objective (f) – Promotion of efficiency in the implementation and administration of the Code.

Implementation:

Implementation can be following an approval from Ofgem, however any implementation should take account of the lead time required by the Joint Office to support its administration of the process.

Impacts and Costs:

None identified

Legal Text:

National Grid NTS is satisfied that the legal text meets the intent of the solution

Are there any errors or omissions in this Modification Report that you think should be taken into account?

None

Please provide below any additional analysis or information to support your representation

None