

4 March 2022

**UNIFORM NETWORK CODE (UNC)**  
**UPDATED LEGAL DRAFTING FOR THE FASTER SWITCHING SCR**  
**EXPLANATORY NOTE MARCH 2022**

**1 Proposed Legal Text**

- 1.1 The proposed legal text changes to the UNC are contained in nine separate documents which show changes against the UNC as at 31 January 2022 (and for further details see paragraph 5). Since proposed legal text was first prepared in March 2020 Modification 0708 has been implemented and therefore the re-ordering of TPD Section G and the re-positioning of text in TPD Section B8 and Annex B-3 has now taken place.
- 1.2 Substantive changes are made to TPD Section G. The registration rules are now structured to include:
- (a) generic rules which apply to both CSS Supply Points and Non-CSS Supply Points, see paragraph G4;
  - (b) specific rules which apply only to CSS Supply Points (which reflect the new REC/CSS switching process), see paragraph G5; and
  - (c) specific rules which apply only to Non-CSS Supply Points (which largely reflect the current switching process found in current TPD Section G2), see paragraph G6.
- 1.3 A final review of the documents identified impacts associated with confirmation that certain LDZ Supply Points were to be classed as Non-CSS Supply Points. This required reinstatement of elements of text in Section G6 which had been initially removed; and there were also impacts across the remaining SCR documents to ensure that the correct registration transactions and characteristics were identified depending on the class of the SMP/SP.
- 1.3 In addition the final review ensured Modification 0728B impacts were correctly referenced in the SCR text (particularly in the new drafting introduced as part of the SCR in new Annex G-1).
- 1.4 The nine documents showing the proposed legal text changes are listed in the table below; the table identifies the document type (clean or mark-up) and includes (where relevant) a brief description of the nature of the changes made to the relevant sections of UNC.

<b>Document</b>	<b>UNC Section</b>	<b>Document Type</b>	<b>Explanation/Notes</b>
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	<b>TPD Section B (System Use and Capacity)</b>		
1.	Revised Section B4: LDZ Supply Point Capacity	Mark-up against current TPD Section B4 (post-Modification 0708)	<p><u>Description of Changes</u></p> <p><i>Paragraph 4.2 and 4.3 amended to reflect different processes under TPD Section G5 and G6 through which the User is treated as holding (or ceasing to hold) DM or NDM Supply Point Capacity at CSS/Non-CSS Supply Points.</i></p>
2.	New Section B8: Interruption	Mark-up against current Section B8 (post-Modification 0708)	<p>The interruption rules (in current TPD Section G6) have been moved to a new Section B8.</p> <p><u>Description of Changes</u></p> <p><i>This is a 'lift and shift' of current TPD Section G6. The changes reflect the new registration processes in revised Section G.</i></p>
3.	New Annex B-3: DM Supply Point Capacity and Offtake Rate	Mark-up against current Annex B-3 (post-Modification 0708)	<p>The DM Supply Point Capacity and Supply Point Offtake Rate rules (in current TPD Section G5) have been moved to new Annex B-3.</p> <p><u>Description of Changes</u></p> <p><i>Amendments generally reflect different processes under TPD Section G5 in relation to setting DM Supply Point Capacity at registration of a CSS Supply Point.</i></p> <p><i>Included is a new rule to allow a Transporter to provide standing instructions to the CDSP to be applied in event the Transporter is required to assess feasibility of making available gas for offtake at a Supply Point (such that the CDSP does not need to refer to the Transporter where the User's application falls within pre-agreed parameters notified to the CDSP by the Transporter).</i></p>

			<i>Paragraph 13 is a 'lift and shift' of current Section G7.3.</i>
	<b>TPD Section G (Supply Point Registration)</b>		
4.	Revised Section G	Mark-up against current TPD Section G (post-Modification 0708)	<p><u>Description of Changes</u></p> <p><i>Paragraph 1</i></p> <p><i>G1.2 Introduces a number of new key definitions including CSS Supply Point/Supply Meter Point and Non CSS Supply Point/Supply Meter Point, REC and CSS Provider; and other rules to reflect the REC and new UNC processes for the registration of CSS Supply Points are which are now dependent on CSS/REC processes.</i></p> <p><i>Paragraph 2</i></p> <p><i>All amendments to Supply Point and Supply Meter Point characteristics are consequential changes.</i></p> <p><i>Paragraph 3</i></p> <p><i>Introduces new rules in G3.2 setting out the basis on which User will have access to Registration Details as provided for in new Annex G-1 and rules in relation to the first registration of new CSS Supply Points.</i></p> <p><i>Paragraph 4</i></p> <p><i>Includes rules which are generic to registration of CSS/Non-CSS Supply Points – and include new defined terms in G4.1 to assist drafting. G4.4 sets out new rules in respect of a Transporter Referral, i.e. where a characteristic of the registration of a CSS Supply Point (as a</i></p>

			<p><i>DM Supply Point) needs to be referred to the Transporter for as response (e.g. optional commodity rate) This is not the same as a referral regarding feasibility to offtake gas under Annex B-3 (formerly TPD Section G5).</i></p> <p><i>Paragraph 5</i></p> <p><i>Contains the new rules relating to registration and de-registration of CSS Supply Points and which reflect related CSS processes under the REC.</i></p> <p><i>Paragraph 6</i></p> <p><i>Contains the rules (largely based on current TPD Section G2) relating to registration and de-registration of Non-CSS Supply Points.</i></p> <p><i>Paragraph 7</i></p> <p><i>Includes generic rules relating to Isolation in relation to both CSS/Non-CSS Supply Points.</i></p> <p><i>Paragraph 8</i></p> <p><i>All amendments to Re-establishment are largely consequential changes to reflect the different registration processes for CSS/Non-CSS Supply Points.</i></p> <p><i>Paragraph 9</i></p> <p><i>Contains changes to rules in relation to Shared Supply Meter Points (noting that SSMPs will be Non-CSS Supply Points, though should the site cease to be a SSMP it will become a CSS Supply Point (and vice versa, i.e. where a CSS Supply Point becomes a SSMP, noting transfers between CSS and Non-CSS are covered at the</i></p>
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			<p><i>end of paragraph 4).</i></p> <p><i>Annex G-1</i></p> <p><i>See Document 5.</i></p> <p><i>Annex G-2</i></p> <p><i>A 'lift and shift' of current TPD Section G4 re Compensation Rules relevant to TPD Section G.</i></p> <p><i>Annex G-3</i></p> <p><i>A 'lift and shift' of current TPD Section G7.4 re Siteworks related definitions.</i></p> <p><i>Note the rules around Mandatory Allocation Agencies have been deleted – together with current Annex G-2.</i></p>
5.	New Annex G-1	Clean	<p><u><i>Description of Changes</i></u></p> <p><i>Annex G-1</i></p> <p><i>A new Annex to replace current Annex G-1. Addresses various issues concerning Registration Details (as defined in TPD Section G3.1) including (i) what details make up Registration Details and whether they are relevant to CSS /Non-CSS Supply Points and also whether relevant to CSEP Supply Meter Points, (ii) identifying at what stage in the registration process for both CSS/Non-CSS Supply Points Users will have access to particular Registration Details, (iii) identifying what details need to be included in the new notifications to be given to and by the CDSP for the purposes of the registration of CSS Supply Points and (iv) how Registration Details may be</i></p>

			<i>modified and by whom during the registration life of a Supply Point.</i>
	<b>TPD Section M (Supply Point Metering)</b>		
6.	Revised Section M	Mark-up against current TPD Section M	<p><u>Description of Changes</u></p> <p><i>New paragraph 2.6 is a 'lift and shift' of current paragraph 3.3.</i></p> <p><i>Some consequential changes to paragraph 4.2 reflecting new processes and terminology included in TPD Section G.</i></p> <p><i>New rules relating to requirement for Proposing User to submit Opening Meter Reading for Supply Point Registration Date for all Classes of Supply Point and setting out of circumstances where in absence of submission of Opening Meter Reading (or occurrence of other relevant events) the CDSP will generate an estimate to be used as the Opening Meter Reading and the basis on which such estimate will be generated.</i></p>
	<b>UNC Other Sections</b>		
7.	Other changes to TPD Sections A, E, J, Annex M-2, Q, S and V.	Mark up against relevant extract from current versions of other relevant Sections of TPD	<p><u>Description of Changes</u></p> <p><i>Amendments are generally consequential changes. In TPD Section V changes are also to reflect the addition of the new Data Permissions Matrix paragraph in GT Section D.</i></p>
8.	GT Sections C and D.	Mark up against relevant extract from current versions of relevant Sections of GT	<p><u>Description of Changes</u></p> <p><i>Addition in GT Section D of new term 'GRDA Functions' to reflect functions assigned to the CDSP under the REC to categorise GRDA</i></p>

			<p><i>Functions as Direct Services and to confirm Code Parties will not do anything to hinder Transporter's GT licence obligations in respect of procuring the CDSP to perform GRDA Functions.</i></p> <p><i>In addition a new paragraph to address data release by CDSP in accordance with the Data Permissions Matrix.</i></p>
9.	IGTAD Sections A and E.	Mark up against relevant extract from current versions of relevant Sections IGTAD	<p><u>Description of Changes</u></p> <p><u>Amendments are consequential.</u></p>

## 2 Outstanding Matters

2.1 It should be noted the drafting does not include:

- (a) any changes which may be required to any of the documents comprising the Data Services Contract;
- (b) any changes to GT Section D to reflect the role of the CDSP in the context of the services required under the following REC Technical Specification Documents:
  - (i) Gas Retail Data Service (GRDS) Service Definition; and
  - (ii) Gas Central Data Service Provider Further Services Service Definition.

2.2 The proposed legal text for TPD Section G also assumes that supplier licence exempt sites are Non-CSS Supply Points.

## 3 Transition

3.1 Modification 0784 (Transition to the Central Switching Service and the Retail Energy Code) has been raised and proposed legal text prepared in the form of a new Part IIH of the Transition Document (CSS Implementation).

3.2 The transitional rules cover:

- (a) identification of the CSS implementation date (being the date from which the Supply Point Registration Date may first be determined under the new REC/CSS switching rules);
- (b) treatment of in-flight registration and withdrawal processes;
- (c) carry-over of a registration process commenced under the old switching rules where registration can be completed under the new REC/CSS switching rules; and
- (d) establishing the initial association data sets.

## **4 Other Matters**

4.1 Having conducted a final review of Code for SCR purposes a number of other matters were identified which have been reflected in the latest SCR documents, as follows:

- (a) Annex B-3 2.1(b) – as part of the original SCR the term ‘Winter Period Requirement’ was defined, reliant upon existing text that described the assessment of peak utilisation in the Winter Period that was introduced as a result of Modification 0445. This Modification referenced that this period should be assessed from 1 October in each Gas Year, which is contrary to the Winter Period that starts on 1 November. Consequently, the defined term used is ‘Current Year Minimum Supply Point Capacity’ and references the assessment period starting on 1 October in each Gas Year;
- (b) G3.2 – Supply Point Enquiry – G6.2 has been consolidated into a generic Supply Point Enquiry in G3.2. As part of this consolidation clarification has been added to the period of consumption that will be available to the Proposing User on request, and the circumstances where this period may be curtailed, i.e. change of tenancy or previous Registration in the case of Non-CSS and CSS Supply Points, respectively;
- (c) re-instated text previously deleted following clarification of the market exit processes under the REC. This text has been re-instated and moved to G4.8;
- (d) further clarified the process for Non-CSS to CSS Switching, specifically to include ‘Unlicensed’ Supply Points (i.e. where a Supplier licence is not needed to be held) – consequently this text has been moved to G4.9 – from G9 which relates specifically to Shared Supply Meter Points. The changes reference further detail being provided in a supplementary document which includes the Shared Supply Meter Point procedures;

- (e) M4.1.5(j)(iii) – amended this to make it clear that the preceding User may update Metering Information, provided a Meter Reading has not been loaded by the Registered User;
- (f) M 4.2.10 – existing UNC text had been deleted in error with respect to Meter Information Update Notifications being effective on the Supply Point Registration Date where a Reading is required. Such Meter Readings may not be replaced as a Shipper Agreed Reading currently and this will not change as a result of the SCR so this text has been re-instated;
- (g) M5.2.4 – as part of discussions related to the SCR in Distribution Workgroup, the treatment of ‘Must Reads’, as described in M5.10, and Proposing User Reads it was agreed to reject any Meter Readings from these sources when they occurred on the Supply Point Registration Date. This amendment had been omitted from the previous version of the SCR;
- (h) to further clarify the estimation approach for Opening Meter Readings in M5.13.4 and 5.13.7:
  - (i) M5.13.4 is amended to make it clear that if a Later Meter Reading was available from the Supply Point Registration Date, that such Later Meter Reading would be considered, along with the NDM Supply Point Demand, to derive the Meter Reading; and
  - (ii) M5.13.7 required clarification to ensure that this could be read consistently with M5.13.3 so that it was clear on the treatment of the Meter Reading (i.e. when the Meter Reading is required by, and the estimation logic) depending on the Supply Meter Point Class.

## 5 UNC – Versions of Code used in preparing Legal Text (January 2022)

5.1 The changes to the UNC in the documents referred to in paragraph 2 are shown against the following versions of the UNC available from the Joint Office (as amended to reflect the legal text for Modification 0692S).

UNC Section	Version
<b>TPD</b>	
TPD A	Version 5.48 24 July 2020
TPD B	Version 5.70 19 October 2021
TPD E	Version 5.71 12 November 2021
TPD G	Version 5.69 01 October 2021

TPD J	Version 5.66 30 July 2021
TPD M	Version 5.71 12 November 2021
TPD Q	Version 5.48 24 July 2020
TPD S	Version 5.66 30 July 2021
TPD V	Version 5.70 19 October 2021
<b>GT</b>	
GT C	Version 5.70 19 October 2021
GT D	Version 5.70 19 October 2021
<b>IGTAD</b>	
IGTAD A	Version 5.48 24 July 2020
IGTAD E	Version 5.66 30 July 2021

5.2 For information, the relevant sections of code (TPD Section M being the only affected section) have been updated to reflect Modification 0692S. Accordingly, the text does not show text for Modifications which have been approved but for which there is either no implementation date, or the implementation date falls after 31 January 2022.

***Dentons UK and Middle East LLP***

***4 March 2022***