

Representation For 0056

"Extending established Uniform Network Code governance arrangements to include the Code Credit Rules referenced in section V3.1.2"

Date of Communication: 27/01/2006
External Contact: (Total Gas & Power Ltd)
Slant: For
Strictly Confidential:
Submitted By Web Submitted

Abstract

Total Gas & Power Limited supports the above modification proposal.

Comments on the Draft Modification Report are as follows:-

- We believe the Draft Modification Report clearly sets out the advantages that implementing this proposal will bring. As such the proposal clearly facilitates the Relevant Objectives specified within the Gas Transporters Licence by improving transparency and accountability. Further it is consistent with Ofgem's principles of good governance set out in their June 2003 consultation document "Gas Retail Governance - Further Consultation".
- We agree that there are no operational or systems impacts as a result of the implementation of the modification. Similarly there should be no cost implications other than to provide the relevant facility to publish and version control the manual on a publicly accessible industry website. This is a concept that the Joint Office have already informally taken forward
- We support the statement that implementation could help reduce administrative costs and contractual risk for users by providing a clear and transparent mechanism to help ensure that the Code Credit Rules are relevant to the needs of both Transporters and Users.
- We do not believe that the disadvantage highlighted in the report, such that responsibility for the administration of change being given to the Uniform Network Code (UNC) Committee rather than Ofgem, warrants concern with respect to the Code Credit Rules. The arrangements proposed by the Modification, such that the UNC Committee has open to it the option to refer any proposed change to a relevant sub-committee, should provide a route to ensure full transparency and discussion by the industry should any proposed change be unclear or contentious.
- We would support the suggestion made by the Governance Workstream that, when drawing up the legal text, consideration be given to the creation of a new section within the UNC which would list all the documents that are administered via similar arrangements to those put forward within the proposal. This would add clarity to the UNC and would promote efficiency in the administration of the Code.

