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Modification Proposal 0281 'Introduction of an Implementation Timeframe for Modification Proposals'

Dear Bob,

Thank you for your invitation seeking representations with respect to the above Modification Proposal. As proposer National Grid NTS supports the implementation of Modification Proposal 0281.

The Modification Proposal will amend the UNC Modification Rules to provide for a structure of 'fixed' and 'flexible' implementation dates to be applied to Modification Proposals where the proposer wishes to include a view of possible implementation timescales. We believe that the provision of all possible implementation timeframes and accompanying justification has the following benefits:

- Helps the industry to understand the impact of a Modification Proposal by drawing attention to the time related benefits and constraints of a proposal. This will allow industry participants to highlight in their representations any further benefits or impacts of the proposed implementation timescales. We also expect that by making the Authority aware that the timing of a decision may have a bearing on the level of benefits provided to the industry, this will assist them in prioritising their decisions. With this in mind we anticipate that this proposal will help ensure that Modification Proposals are delivered in a timely manner ensuring that the potential benefits to Users are realised at the earliest and most efficient opportunity.
- Compliments the User Pays process by providing an agreed structure for proposers of User Pays proposals to clearly explain the costs and benefits of a range of implementation options and indicate their preferred implementation date. We expect this proposal may also reduce the financial risk to Users of a delay in implementing a Modification Proposal.
- Supports the recommendations within the recent Code Governance Review by addressing the issue of "Timing Out", which will ensure a proposal, can be implemented whenever an Authority decision to approve a modification proposal is made.
- Will align the "suggested implementation date" and "decide by date" structure used in the main industry codes and help embed Principle 11 of the Code Administration Code of Practice "there will be flexibility for implementation, to allow proportionate delivery time and the realisation of benefits". Principle 11 highlights a number of

fundamental characteristics that the implementation dates used in all industry codes should include; implementation dates should be as timely as possible to capture the maximum benefits, implementation approaches should form part of the Consultation Phase of a Modification, and finally that any options for implementation will be provided wherever possible. We believe that to meet this requirement it is likely that in the future most proposals will involve a workgroup assessment which should offer the opportunity to provide further analysis and scrutiny of suggested timescales inline with the above characteristics. Having a format to accurately capture and define implementation dates within a proposal should aid any such assessment performed by a workgroup.

Extent to which implementation of the proposed modification would better facilitate the relevant objectives:

Modification Proposal 0281 proposes amendments to the Modification Rules and as such the Modification Proposal shall be judged against how the modification better facilitates paragraph 9 of Standard Special Condition A11. With regards to sub-paragraphs (a), (b), (c), (d) and (e) the Modification Proposal will provide a mechanism for providing clear and well thought out implementation timeframes and accompanying justification, which will aid both the industries understanding of the proposed changes and the subsequent Authority decision. Further, the proposal will enable the efficient implementation of important Modification Proposals as it will facilitate consideration of the implementation timeframes (that will continue to remain relevant irrespective of the time a proposal spends following the Modification Procedures) for a proposal at the drafting and development stages.

With regards to sub paragraph (f) of Standard Special Condition A11 9 the Modification Proposal will, by providing the ability for Modification Proposals to include further clarity on possible implementation timeframes and the associated justification, allow interested UNC Parties to provide more informed representations to a Modification Proposal as they are able to better consider the impact of proposed implementation timeframes.

Please let me know if you require any further information to enable preparation of the Final Modification Report.

Yours sincerely

Nick Reeves